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新疆天業節水灌溉股份有限公司

XINJIANG TIANYE WATER SAVING IRRIGATION SYSTEM COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 840)

**VOLUNTARY ANNOUNCEMENT
EXECUTION OF FRAMEWORK AGREEMENT**

On 21 June 2016, Xinjiang Tianye Water Saving Irrigation System Company Limited* (the “**Company**”) and Jiangsu Akcome Industrial Group Co., Ltd.* (江蘇愛康實業集團有限公司) (“**Jiangsu Akcome**”) entered into a framework agreement for strategic cooperation in photovoltaic agriculture (the “**Framework Agreement**”), pursuant to which the Company and Jiangsu Akcome will negotiate strategic cooperation in photovoltaic land use, soil improvements, efficient water-saving irrigation, engineering design, complementary agricultural and photovoltaic operations and agricultural operations.

The Framework Agreement is conducive to enhancing the Company’s ability to develop its businesses relating to photovoltaic land use, soil improvements, efficient water-saving irrigation, engineering design, complementary agricultural and photovoltaic operations and agricultural operations, increasing the Company’s competitiveness and market share in soil improvements, efficient water-saving irrigation and engineering design, and further improving the Company’s profitability to secure its sustainable development in the water-saving industry in the long term.

The Framework Agreement is a framework agreement for strategic cooperation between the Company and Jiangsu Akcome and is subject to uncertainties. The Company and Jiangsu Akcome will separately negotiate and enter into specific cooperation agreements when cooperation in specific businesses is commenced. The timing of the execution of such specific cooperation agreements and the amounts involved are uncertain and investors are advised to beware of investment risks.

By order of the Board
Xinjiang Tianye Water Saving Irrigation System Company Limited*
Chen Lin
Chairman

Xinjiang, the PRC, 23 June 2016

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Chen Lin (Chairman), Mr. Zhang Qiang, Mr. Li He and Mr. Yang Wan Sen, and three independent non-executive Directors, namely Mr. Yin Feihu, Mr. Qin Ming and Mr. Mak King Sau.

** For identification purposes only*