

THIS ANNOUNCEMENT, AND THE INFORMATION CONTAINED IN IT, IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA, ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN THE UNITED KINGDOM, IRELAND AND THE NETHERLANDS) OR ANY OTHER JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL OR RESTRICTED BY LAW (COLLECTIVELY, "**RESTRICTED JURISDICTIONS**") OR TO US PERSONS (WITHIN THE MEANING OF REGULATIONS UNDER THE US SECURITIES ACT OF 1933, AS AMENDED)).

THIS ANNOUNCEMENT DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER TO SELL OR ISSUE, OR ANY SOLICITATION OF ANY OFFER TO PURCHASE OR SUBSCRIBE FOR, ANY SECURITIES IN THE COMPANY IN ANY RESTRICTED JURISDICTION, NOR SHALL IT (OR ANY PART OF IT OR THE FACT OF ITS DISTRIBUTION) FORM THE BASIS OF, BE RELIED ON INTO IN CONNECTION WITH OR ACT AS AN INDUCEMENT TO ENTER INTO ANY CONTRACT, COMMITMENT OR INVESTMENT DECISION IS RESPECT OF ANY SUCH SECURITIES. WITHOUT PREJUDICE TO THE FOREGOING GENERALITY, THIS ANNOUNCEMENT DOES NOT CONSTITUTE A RECOMMENDATION REGARDING ANY SECURITIES.

INVESTORS SHOULD NOT PURCHASE OR SUBSCRIBE FOR ANY SECURITIES REFERRED TO IN THIS ANNOUNCEMENT EXCEPT ON THE BASIS OF INFORMATION CONTAINED IN A PROSPECTUS TO BE PUBLISHED BY THE COMPANY TODAY IN CONNECTION WITH THE COMPANY'S SHARE ISSUANCE PROGRAMME.

21 November 2016

NextEnergy Solar Fund Limited ("NESF" or the "Company")

Result of Initial Issue Pursuant to Share Issuance Programme

Highlights

- Initial Issue oversubscribed - Directors have exercised their right to increase number of New Ordinary Shares offered to 110,300,000.
- Gross proceeds of £115.3m.

The Directors are pleased to announce the results of the Initial Placing and Initial Offer for Subscription.

Investor demand for the Initial Issue exceeded the targeted size of 100,000,000 New Ordinary Shares. The Board, after consulting the Investment Manager and with the agreement of the Joint Bookrunners, has decided not to scale back any applications for New Ordinary Shares pursuant to the Initial Issue. Accordingly (and subject to Admission), all applications will be met in full, with 110,300,000 New Shares being issued, raising £115.3m (before expenses) for the Company. In taking the decision, the Directors took into account the strength of the Company's short-term investment pipeline and the Company's ability to continue to meet its stated dividend targets.

Applications will be made to the FCA for the New Ordinary Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for New Ordinary Shares to be admitted to trading on its main market for listed securities. Admission is expected to become effective, and dealings in the New Ordinary Shares are expected to commence, at 8.00 a.m. on 25 November 2016.

Following Admission, the New Ordinary Shares will rank *pari passu* in all respects with the existing Ordinary Shares, save that they will not rank for the second quarterly interim dividend for year ending 31 March 2017 of 1.5775p per share payable on 30 December 2016 to Shareholders on register at 18 November 2016.

On Admission, the Company's issued share capital will comprise 453,497,405 Ordinary Shares, none of which will be held in treasury. Each Ordinary Share carries the right to one vote and, therefore, the total number of voting rights in the Company on Admission will be 453,497,405. This figure may be used by Shareholders and other investors as the denominator for the calculations by which they will

determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Commenting on the fundraising, Kevin Lyon, Chairman, said:

"We are pleased by the ongoing demand for the Company's shares, which has enabled us to raise more than £180 million over the last four months, increasing the Company's share capital by approximately 63%. We believe this demand reflects investors' confidence in NESF's investment proposition and investment manager."

Words and expressions defined in the prospectus relating to the Share Issue Programme and Initial Issue and published by the Company on 15 November 2016 have the same meanings when used in this announcement unless the context requires otherwise.

For further information:

NextEnergy Capital Limited 020 3239 9054

Michael Bonte-Friedheim

Aldo Beolchini

Cantor Fitzgerald Europe 020 7894 7667

Sue Inglis

Fidante Capital 020 7832 0900

Robert Peel

Justin Zawoda-Martin

Macquarie Capital (Europe) Limited 020 3037 2000

Nick Stamp

Shore Capital 020 7408 4090

Bidhi Bhoma

Anita Ghanekar

MHP Communications 020 3128 8100

Andrew Leach / Jamie Ricketts / Rebecca Emery

Notes to Editors:***NextEnergy Solar Fund***

NESF is a specialist investment company that invests in operating solar power plants in the UK. Its objective is to secure attractive shareholder returns through RPI-linked dividends and long-term capital growth. The Company achieves this by acquiring solar power plants on agricultural, industrial and commercial sites.

NESF has raised equity proceeds of approximately £350m since its initial public offering on the main market of the London Stock Exchange in April 2014. It also has credit facilities of £210.0m in place (Macquarie and Santander: £88.5m, of which £43.0m is drawn; MIDIS: £44.9m; Bayerische Landesbank: £44.9m; and NIBC: £21.7m).

NESF is differentiated by its access to NextEnergy Capital Group (NEC Group), its investment manager and adviser, which has a strong track record in sourcing, acquiring and managing operating solar assets. WiseEnergy is NEC Group's specialist operating asset management division, providing solar asset management, monitoring and other services to over 1,250 utility-scale solar power plants with

an installed capacity in excess of 1.7GW. NextPower II is NEC Group's private equity fund with initial commitments of €150m, investing in operating solar power plants and focused on consolidating the substantial, highly fragmented Italian solar market.

Further information on NESF, NEC Group and WiseEnergy is available at www.nextenergysolarfund.com, www.nextenergycapital.com and www.wise-energy.eu.

Important Notice

Each of Cantor Fitzgerald Europe ("**Cantor Fitzgerald**"), Fidante Partners (Europe) Limited ("**Fidante**"), Macquarie Capital (Europe) Limited ("**Macquarie Capital**") and Shore Capital and Corporate Limited ("**Shore Capital**") is authorised and regulated in the United Kingdom by the FCA and acting only for the Company in connection with the matters described in this announcement. Persons receiving this announcement should note that none of Cantor Fitzgerald Europe, Fidante Capital, Macquarie Capital or Shore Capital will be responsible to anyone other than the Company for providing the protections afforded to customers of Cantor Fitzgerald Europe, Fidante Capital, Macquarie Capital or Shore Capital, or for advising any other person on the matters described in this announcement.