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7 September 2015

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

Proposed Issue of Equity

The Board is pleased to announce a proposed issue of New Ordinary Shares. This issue will be the fourth tranche of the Placing Programme established by the Company in November 2014 and will comprise both an institutional placing under the Placing Programme and a further close of the offer for subscription made under the Placing Programme (together, the "**Issue**").

The Issue Price will be based on the unaudited NAV per Ordinary Share as at 31 August 2015, which will be announced on 14 September 2015, plus a premium of 1.75%, which will cover the costs of the Issue. The New Ordinary Shares to be issued under the Issue will carry an entitlement to the proposed first interim dividend of 3.125p in respect of the period from 1 April to 30 September 2015, which is expected to be paid in December 2015.

Investment Update

- The Company's unaudited Net Asset Value as at 30 June 2015 (as adjusted for the impact of the Summer Budget and the payment of the second interim dividend for the year ended 31 March 2015 of 2.625p per Share in July 2015) was £236.2 million (98.275p per Share).
- Post 30 June 2015, NESF has completed the acquisitions of the Bowerhouse, Cockhill Farm, Llwyndu and Park View plants, which have a total capacity of c.44MWp with an investment value of c.£51 million.
- The Company has fully drawn its debt facility with NIBC of £22.7 million to finance its Cock Hill and Llwyndu plants. In addition, as at 31 August 2015, the Company had drawn the full £31.5 million available under its revolving credit facility with Macquarie. The Company is currently

negotiating an expansion of its debt facilities up to c.£197 million which would allow it to secure additional solar opportunities.

- The Company's existing portfolio comprises 18 operating plants with a total capacity of c.235MWp and an investment value of c.£274m:
 - irradiation levels across the portfolio are above expectations (portfolio irradiation data +2.3% on expected values from connection and up to 30 June 2015); and
 - the portfolio is performing above expectations (portfolio generation data +5.9% on expected values from connection and up to 30 June 2015) and with no significant unexpected operating events (outages, downtimes, costs, etc.).
- The Company has a strong pipeline of further assets available for acquisition:
 - total capacity of c.155MWp with an investment value of c.£179 million secured (through letters of intent giving the Company exclusivity for a defined period) as at 31 August 2015, with target net unlevered returns of between 7% and 9%; and
 - negotiations ongoing in respect of additional total capacity of c.256MWp with an investment value of c.£335 million.

The pipeline comprises predominantly ground-based assets, the majority of which are already grid-connected (in the case of the secured pipeline) or operational (in the case of the additional pipeline). The majority of the assets in the secured pipeline is accredited under the 1.4 Renewable Obligation Certificate ("**ROC**") regime, with the balance being accredited under 1.3 ROC or Feed-in Tariff ("**FiT**") regimes. The assets in the additional pipeline are or will be accredited under the 1.6, 1.5 or 1.3 ROC or FiT regimes.

Placing Programme

Under the Placing Programme, which was approved by Shareholders on 4 November 2014 and, following the first three tranches of the Placing Programme, the Company has the authority to issue a further 95,250,000 Shares. New Ordinary Shares can only be issued at a premium to the prevailing NAV at the time of issue. The Placing Programme will end on 9 November 2015 or, if earlier, once all of the Shares authorised to be issued pursuant to it have been issued. Further details of the Placing Programme are set out in the Prospectus which is available on the Company's website at www.nextenergysolarfund.com.

Terms of the Issue

The Issue is being made pursuant to the terms and conditions of the Placings and the Offer set out in Parts 10 and 11, respectively, of the Prospectus and the Placing Agreement, details of which are set out in paragraph 6.1 of Part 8 of the Prospectus.

Participation in the Placing will be available only to persons falling within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005. Such persons are invited to apply for New Ordinary Shares by contacting Cantor Fitzgerald, Macquarie or Shore Capital. All other investors who wish to apply for New Ordinary Shares pursuant to the Issue must do so through the Offer. An application form for applying for New Ordinary Shares through the Offer can be found at the end of the Prospectus (and can be downloaded from the Company's website at www.nextenergysolarfund.com).

Applications will be made to the FCA for admission of the New Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for

listed securities ("**Admission**"). It is expected that Admission will become effective and that unconditional dealings in the New Ordinary Shares will commence at 8.00 a.m. (London time) on 30 September 2015.

Dealing Codes

Ticker	NESF
ISIN for the New Ordinary Shares	GG00BJ0JVY01
SEDOL for the New Ordinary Shares	BJ0JVY0

Expected Timetable

Issue Price announced and Issue Opens	Monday, 14 September 2015
Latest time for receipt of Application Forms to participate in the Issue via the Offer	12 noon on Wednesday, 23 September 2015
Latest time for receipt of Placing commitments	4.00 p.m. on Wednesday, 23 September 2015
Result of the Issue announced	Thursday, 24 September 2015
Admission becomes effective and dealings in New Ordinary Shares on London Stock Exchange's main market for listed securities commence	8.00 a.m. on Wednesday, 30 September 2015
CREST accounts credited in respect of New Ordinary Shares issued pursuant to the Issue in uncertificated form	Wednesday, 30 September 2015
Share certificates despatched in respect of New Ordinary Shares issued pursuant to the Issue in certificated form	Week commencing Monday, 5 October 2015

For Further Information:

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Additional Important Notices

This announcement has been issued by and is the sole responsibility of the Company.

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Certain statements in this announcement are forward-looking statements which are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. The information contained in this announcement is subject to change without notice and none of the Company, the Joint Bookrunners or the Sponsor assumes any responsibility or obligation to update publicly or review any of the forward-looking statements contained in this announcement.

The target dividends referred to in this announcement are targets only and not profit forecasts. There can be no assurance that these targets will be met and they should not be taken as an indication of the Company's expected or actual future results. Potential investors should not place any reliance on these targets and any investment decision should be made exclusively on the basis of the information in the Prospectus.

Past performance cannot be relied upon as a guide to future performance. The Company has a limited investment history and, for a variety of reasons, the comparability of the information on the Company's performance to date to its future performance is by its nature very limited. The Company's results may be positively or negatively affected by market conditions beyond its control. The price and value of the Shares and income from them may go down as well as up and investors may not get back the full amount invested on disposal of their Shares.

Cantor Fitzgerald, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with issue of New Shares pursuant to the Placing Programme and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cantor Fitzgerald or for advising any such person in connection with the Placing Programme or related matters. This does not limit or exclude any responsibilities which Cantor Fitzgerald Europe may have under FSMA or the regulatory regime established thereunder.

Macquarie Capital (Europe) Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with issue of New Shares pursuant to the Placing Programme and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Macquarie Capital (Europe) Limited or for advising any such person in connection with the Placing Programme or related matters. This does not limit or exclude any responsibilities which Macquarie Capital (Europe) Limited may have under FSMA or the regulatory regime established thereunder.

Shore Capital and Corporate Limited (the "**Sponsor**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with issue of New Shares pursuant to the Placing Programme and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Shore Capital and Corporate Limited or for advising any such person in connection with the Placing Programme or related matters. This does not limit or exclude any responsibilities which Shore Capital and Corporate Limited may have under FSMA or the regulatory regime established thereunder.

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In connection with the Issue, each of the Joint Bookrunners and any of their respective affiliates, acting as investors for their own accounts, may purchase New Ordinary Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Issue or otherwise. The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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 £246.6m since its initial public offering on the main market of the London Stock Exchange in April 2014. Its credit facilities include a two-year revolving facility of £31.5m from Macquarie and a £22.7 million facility from NIBC.

NESF is differentiated by its access to NextEnergy Capital Group (NEC Group), its Investment Manager, 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 1,200 utility-scale solar power plants with an installed capacity in excess of 1.5 GW.

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