

SHAREHOLDER CIRCULAR

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom. If you receive this letter in any country or jurisdiction outside the United Kingdom you may not treat it as an invitation to elect to receive Treasury Shares (as defined below) unless such an invitation could lawfully be made to you without NextEnergy Solar Fund Limited (the “**Company**”) being required to comply with any registration or other legal requirements.

If you have disposed of all your shares in the Company, please pass this document as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom you made the disposal for onward transmission to the purchaser or transferee.

NextEnergy Solar Fund Limited

(a company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 57739)

Notice of Extraordinary General Meeting

And

Proposed resolution to disapply pre-emption rights in order to enable the Company to sell Shares out of treasury on a non-pre-emptive basis.

You should read the whole of this document.

Notice of the Extraordinary General Meeting of the Company to be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL on 30 November 2015 at 2.00 p.m. (the “**General Meeting**”) is set out at the end of this document.

The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Scheme Rules 2015 issued by the Guernsey Financial Services Commission (the “**Commission**”). The Commission takes no responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

To be valid, Forms of Proxy for use at the General Meeting must be completed and returned in accordance with the instructions printed thereon to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, United Kingdom, or delivered by hand during office hours only to the same address as soon as possible and in any event so as to arrive by no later than 2.00 p.m. on 26 November 2015.

Alternatively, in respect of shares held in CREST, appointments of proxies in relation to the General Meeting may be through the CREST system by following the instructions in note 10 on page 5 of this document by means of a CREST proxy instruction transmitted not later than 2.00 p.m. on 26 November 2015.

LETTER FROM THE CHAIRMAN OF NEXTENERGY SOLAR FUND LIMITED

(a company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 57739)

Directors:

Kevin Lyon (Chairman)
Patrick Firth
Vic Holmes

Registered Office:

1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey GY1 2HL

6 November 2015

Dear Shareholder

EXTRAORDINARY GENERAL MEETING OF THE COMPANY

The Board announced on 6 November 2015 the issue of 30,850,000 new ordinary shares of no par value in the capital of the Company (the “**Ordinary Shares**”) under the Company's placing programme (approved by Shareholders on 4 November 2014) to the Company's broker, Cantor Fitzgerald Europe, at a price of 104.0p per Share (the “**Latest Issue**”). Following admission of those Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities, those Ordinary Shares will be immediately repurchased by the Company, at the same price, to be held in treasury (the “**Repurchase**”). The Latest Issue and Repurchase are being undertaken to provide the Company with flexibility to raise additional capital in an efficient and cost-effective manner in due course. The NAV per Ordinary Share currently in issue and the net cash position of the Company will not be affected by the Latest Issue and Repurchase.

Under the Company's articles of incorporation, the sale of Shares held in treasury are subject to pre-emption rights in favour of existing Shareholders unless Shareholders have authorised, in the form of a special resolution, the disapplication of those rights. Accordingly, you will find at the end of this document a notice convening a General Meeting of the Company, to be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL on 30 November 2015 at 2.00 p.m., at which a special resolution will be proposed to authorise the Company to sell, on a non-pre-emptive basis, for cash the 30,850,000 Shares held in treasury following the Repurchase (being 10 per cent of the Company's issued share capital immediately following completion of the Latest Issue) (the “**Resolution**”). The authority granted by the Resolution will continue in force until the conclusion of the next annual general meeting of the Company in 2016, when it will expire (unless it has been previously renewed, varied or revoked by the Company).

Following the passing of the Resolution, the 30,850,000 Shares held in treasury will be available to be sold out of treasury on a non-pre-emptive basis to meet future market demand. The net proceeds of any sales of Shares out of treasury will provide the Company with additional capital to enable it to take advantage of new investment opportunities. Shares will only be sold out of treasury at a premium to the prevailing NAV per Ordinary Share.

Recommendation

The Board considers that the Resolution is in the best interests of the Company and its Shareholders as a whole. Accordingly the Board unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

The Board intends to vote in favour of the Resolution in respect of their aggregate holdings of 90,000 Shares (representing approximately 0.032 per cent of the issued share capital of the Company as at 5 November 2015).

Yours faithfully

Kevin Lyon
(*Chairman*)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NEXTENERGY SOLAR FUND LIMITED

(a company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 57739)

Notice is hereby given that the Extraordinary General Meeting of NextEnergy Solar Fund Limited (the "Company") will be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL on 30 November 2015 at 2.00 p.m., to consider and, if thought fit, approve the following resolution as a special resolution:

THAT the Directors be and are hereby empowered to sell from treasury up to 30,850,000 ordinary shares of no par value in the capital of the Company ("Treasury Shares") as if Article 7.2 of the articles of incorporation of the Company does not apply to such sale. This authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2016 (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may before some such expiry make any offer or agreement which would or might require the Treasury Shares to be sold after such expiry and the Directors may sell Treasury Shares in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

BY ORDER OF THE DIRECTORS

Ipes (Guernsey) Limited

Date: 6 November 2015

Registered Office: 1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey
Channel Islands
GY1 2HL

Notes:

Notes:

1. Members who want to attend and vote should either attend in person or appoint a proxy or corporate representative. A member is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote at the meeting and any adjournment(s) thereof. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by him/her. A proxy need not be a member of the Company.
2. A proxy can be appointed by completing a personalised proxy form in paper or electronic form or through the CREST electronic proxy appointment service.
3. A paper form of proxy is enclosed. Please read carefully the instructions on how to complete the form. To be effective, a duly completed paper proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority, must be received by Capita Asset Services at PXS, 34 Beckenham Road, Beckenham BR3 4TU not later than 2.00 p.m. on 26 November 2015.
4. The appointment of a proxy does not preclude a member from subsequently attending and voting at the meeting in person if he/she so wishes.
5. Any person to whom this notice is sent who is a person nominated to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 to 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
7. A copy of this notice and further information about the General Meeting can be found at the website of the Company www.nextenergysolarfund.com.
8. Only those shareholders registered in the register of members of the Company as at 2.00 p.m. on 26 November 2015 or, in the event that the meeting is adjourned, in such register 48 hours before the time of the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their names at the relevant time. Changes to entries after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
9. As at 5 November 2015 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 277,957,105 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 5 November 2015 are 277,957,105. There are no treasury shares.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider who will be able to take the appropriate action on their behalf. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as specified in the CREST Manual (available via <http://www.euroclear.com/CREST>). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID RA10) not later than the time stated in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change in instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. Reference should be made to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertified Securities (Guernsey) Regulations 2009.

11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. Any member attending the meeting has the right to ask questions. The Company has to answer any questions raised by members at the meeting which relate to the business being dealt with at the meeting unless:
 - to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information
 - the answer has already been given on a website in the form of an answer to a question, or
 - it is undesirable in the interests of the company or the good order of the meeting to answer the question.
13. The following documents are available for inspection at the place of the General Meeting from 9.00 a.m. on the date of the General Meeting until its closure and also at the offices of NextEnergy Capital at 23 Hanover Square, London, W1S 1JB:

- (a) copies of the articles of incorporation of the Company; and
- (b) copies of this document.