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6 November 2015

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

Proposed Issue of New Ordinary Shares and Repurchase into Treasury, NAV Update and Extension of Credit Facilities

Highlights

- Proposed issue and repurchase into treasury of 30,850,000 New Ordinary Shares to provide NESF with flexibility to raise additional capital in an efficient and cost-effective manner in due course (the issue and repurchase will not affect the NAV per Share currently in issue or NESF's net cash position).
- Shares will be sold out of treasury at premium to NAV to meet market demand and provide NESF with additional capital to enable it to take advantage of new investment opportunities.
- Proposed issue price is based on the preliminary unaudited NAV per Share at 30 September 2015 of 104.0p (31 August 2015: 101.5p per share).
- NESF's unaudited interim results for six months ended 30 September 2015 to be announced on or around 30 November 2015.
- Increase of Revolving Credit Facility (the "**RCF**") from £31.5 million to £100.0 million with term of new RCF portion of £68.5 million to May 2017.

Proposed Issue of Equity and Repurchase into Treasury

The Board intends to issue today 30,850,000 New Ordinary Shares under the Placing Programme to Cantor Fitzgerald at a price of 104.0p per Share (the "**Latest Issue**"). Following Admission, the New 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 Share currently in issue and the net cash position of the Company will not be affected by the Latest Issue and Repurchase.

Following the Repurchase and the passing of the resolution at the general meeting of the Company referred to below, the 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 then prevailing NAV per Ordinary Share.

Applications have been 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 9 November 2015.

NAV Update

The Board is pleased to announce the preliminary unaudited NAV per Share as at 30 September 2015 of 104.0p and an increase in the Company's NAV to £289.0 million from £243.9 million as at 30 August 2015. The overall increase in the Company's NAV is largely attributable to the net proceeds of the issue of 37.6 million new Shares in September 2015.

The increase in the NAV per Share is principally a result of higher operating results achieved across the portfolio compared to the acquisition case assumptions, such results now flowing through to the effective working capital position of each individual asset, as well as updated operating and financial analyses undertaken on the portfolio assets post-acquisition and integration under the investment and asset management of the NEC Group. In addition, NESF has undertaken a further downward revision of power price forecasts as a result of updated analyses provided by its external market consultant and other relevant energy market information.

Details on the evolution of the NAV will be provided in the interim accounts to be announced on or around 30 November 2015.

Increase in RCF

NESF has increased its RCF with Macquarie Bank Limited from £31.5 million to £100.0 million. The new tranche of £68.5 million expires in May 2017.

The increased RCF will allow NESF to acquire further solar power plants from its pipeline of opportunities amounting to c.250MW in respect of which it has entered into letters of intent containing exclusivity provisions or is in advanced negotiation.

The Company expects to refinance the entire RCF with further equity issuance, new debt facilities or a combination of both.

General Meeting

The sale on a non-pre-emptive basis of the 30,850,000 Shares held in treasury following the Repurchase requires Shareholder approval. The requisite special resolution will be proposed at a general meeting of the Company that has been convened for 2.00 pm on 30 November 2015 and will be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL (the "**General Meeting**"). A circular to Shareholders containing the notice convening the General Meeting will be posted to Shareholders later today. Following publication, copies of that circular will, be available on the Company's website at www.nextenergysolarfund.com and shortly thereafter at www.morningstar.co.uk/uk/nsm.

Compliance with Model Code

Pursuant to Listing Rule 15.5.1 R (compliance with the Model Code) the Company hereby announces that the close period of the Company commenced on 30 September 2015 and is anticipated to end following the release of its unaudited interim results for the six months ended 30 September 2015 on or around 30 November 2015.

In accordance with Listing Rule 15.5.1 (4), the Company confirms that, at the time of this announcement, the Directors and the Company are not in possession of any additional price sensitive information that has not been notified to an RIS. Accordingly the Company will continue to adopt the Model Code during the close period with the exception of the following activities, which may be undertaken:

- dealings by persons discharging managerial responsibilities in the Company;
- purchases by the Company of its own securities;
- issues by the Company of securities; and
- sales of treasury shares for cash or transfers.

If, in the period leading up to the announcement of the final results, the Directors or the Company come into possession of any inside information, this will be notified to an RIS before any transactions are undertaken.

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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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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 £285.4m since its initial public offering on the main market of the London Stock Exchange in April 2014. Its credit facilities comprise the £100m RCF 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.