

7 June 2019

NEW ENERGY SOLAR (ASX: NEW)

UPDATE ON PORTFOLIO PROGRESS – OPERATING CAPACITY INCREASES 24% WITH BERYL SOLAR PLANT

New Energy Solar¹ today advises that the Beryl Solar Plant, seven kilometres west of Gulgong in New South Wales, has commenced commercial operations. The 110.9 MW_{DC} plant is selling electricity under its 15-year power purchase agreement (**PPA**) with Sydney Metro.

The addition of Beryl's output increases the operational capacity of the New Energy Solar portfolio by 24%². Beryl is the 15th operating asset in the New Energy Solar portfolio, a significant increase from four operating plants at the time of New Energy Solar's ASX-listing in December 2017.

With Beryl operating at full capacity and the construction of the 199.6 MW_{DC} Mount Signal 2 plant on track, New Energy Solar's portfolio will be almost fully operational by the end of the 2019 calendar year. The anticipated capacity of the operating portfolio at year end will be 772MW_{DC} compared to 454MW_{DC} at the end of December 2018.

John Martin, New Energy Solar CEO, said "Beryl has reached commercial operations on time and on budget, even accounting for the increase in capacity. The offtake is contributing directly to the newly opened Sydney Metro Northwest rail link and we are very pleased to be a part of this major piece of transport infrastructure.

"Beryl also marks a significant step forward in bringing our portfolio to operational status. At the time of the IPO, only four solar plants were operational and now, in what has been less than two years, we have 15 operational, utility-scale solar plants. All plants are contracted to creditworthy offtakers, enabling NEW to provide investors with attractive risk-adjusted returns."

¹ New Energy Solar Limited (**Company**) and Walsh & Company Investments Limited as responsible entity of New Energy Solar Fund (**Trust**), together New Energy Solar.

² Calculated on a 100% ownership basis.

New Energy Solar

Australia

Level 15, 100 Pacific Highway North Sydney NSW 2060

T 1300 454 801 **F** 1300 883 159

E info@newenergysolar.com.au **W** nes.com.au

United States

140 Broadway, 28th Floor, New York NY 10005

T 646 860 9900

For further information, contact:

Fleur Jouault

New Energy Solar

+61 405 669 632

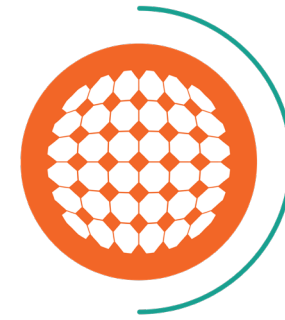
About New Energy Solar

New Energy Solar was established in November 2015 to invest in a diversified portfolio of solar assets across the globe and help investors benefit from the global shift to renewable energy. New Energy Solar acquires large-scale solar power plants with long term contracted power purchase agreements. In addition to attractive financial returns, this strategy generates significant positive environmental impacts for investors.

Since establishment, NEW has raised over A\$500 million of equity, acquired a portfolio of world-class solar power plants, and has a deep pipeline of opportunities primarily across the US and Australia. New Energy Solar's securities trade on the Australian Securities Exchange under the ticker, NEW.

New Energy Solar is a listed stapled entity consisting of New Energy Solar Fund (ARSN 609 154 298) and New Energy Solar Limited (ACN 159 902 708). For more information, visit: <http://www.newenergysolar.com.au/>





New Energy
Solar

Beryl Solar Plant, NSW Commences Commercial Operations

Portfolio Update – 7 June 2019

Disclaimer



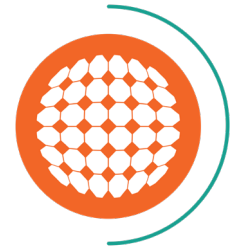
This presentation is prepared by New Energy Solar Manager Pty Limited (ACN 609 166 645) (Investment Manager), a corporate authorised representative (CAR No. 1237667) of Walsh & Company Asset Management Pty Limited (ACN 159 902 708, AFSL 450 257), and investment manager for New Energy Solar Fund (ARSN 609 154 298) (Trust), and New Energy Solar Limited (ACN 609 396 983) (Company). The Trust and the Company (together with their controlled entities) are referred to as the 'Business', 'NEW' or 'New Energy Solar'.

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Beryl moves NSW public transport

Offtake contributes to powering Sydney Metro Northwest rail link

Beryl's portfolio contribution

- 110.9 MW_{DC} plant now operating at 100% capacity
- PPA with Sydney Metro – 15-year term
- Beryl increases NEW's operating portfolio capacity by 24% to 573 MW_{DC}¹
- Portfolio now has 15 operational plants



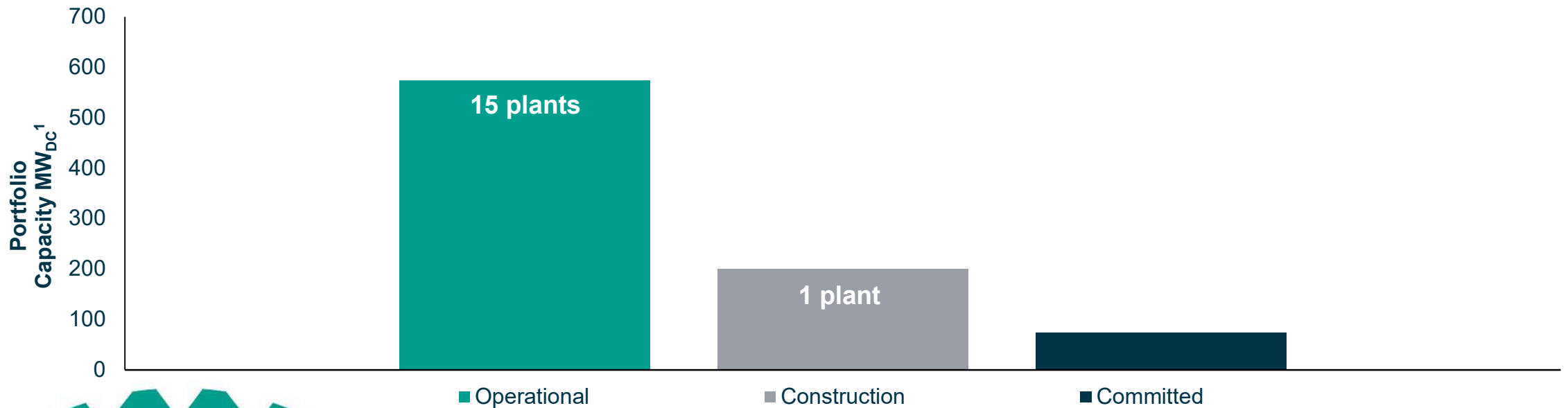
Beryl – February 2019

Notes: 1. Accounts for plants on a 100% ownership basis.

NEW infrastructure portfolio



- NEW is committed to 22 utility-scale solar infrastructure assets, largely in the US
- 15 are operational, 1 is in construction and 6 are in the development phase which NEW will not fund until all relevant development milestones are achieved
- Mt Signal 2, California to reach commercial operations in CY2019 – to increase operational capacity by 35%

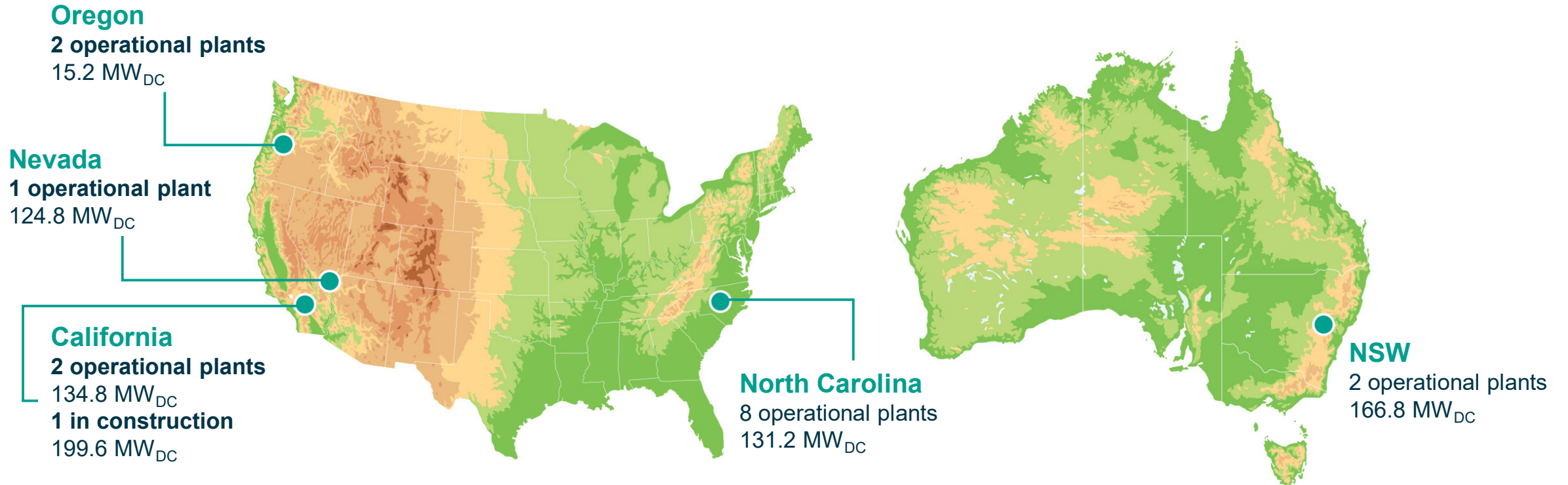


Notes: 1. Accounts for plants on a 100% ownership basis.

Portfolio project locations



Portfolio is primarily in the US, a more mature renewables market



Additional committed plants

Rigel portfolio - US
73.8 MW_{DC}

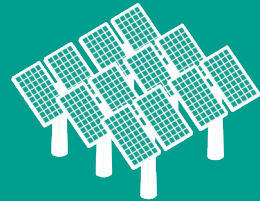
Notes: All capacities account for plants on a 100% ownership basis.





The NEW environmental proposition

Current operating portfolio has a significant annual environmental impact



Expected to generate > 1 million MWh of emissions-free electricity¹



Equivalent to removing 193,000 cars from the road³ ...



Displacing an estimated 719,000 tonnes of CO₂²



... or powering 140,000 homes⁴

The NEW investment proposition



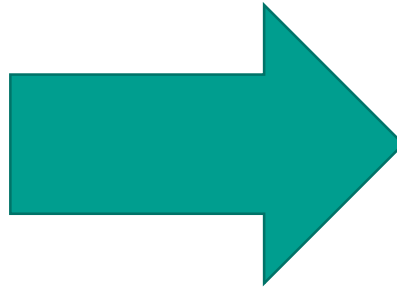
Solar Infrastructure



Manildra – July 2018

- 20-25 year manufacturer warranties on panels
- Practical life of 30+ years
- Low maintenance, durable

Power Purchase Agreements



- Contracted revenue
- Average term of 17.1 years for US PPAs and 13.7 years for Australian PPAs¹
- Pricing fixed or escalating

Creditworthy Counterparties

EnergyAustralia

Sydney Metro

PacifiCorp

NVEnergy

Duke Energy

TID Water & Power

Stanford University

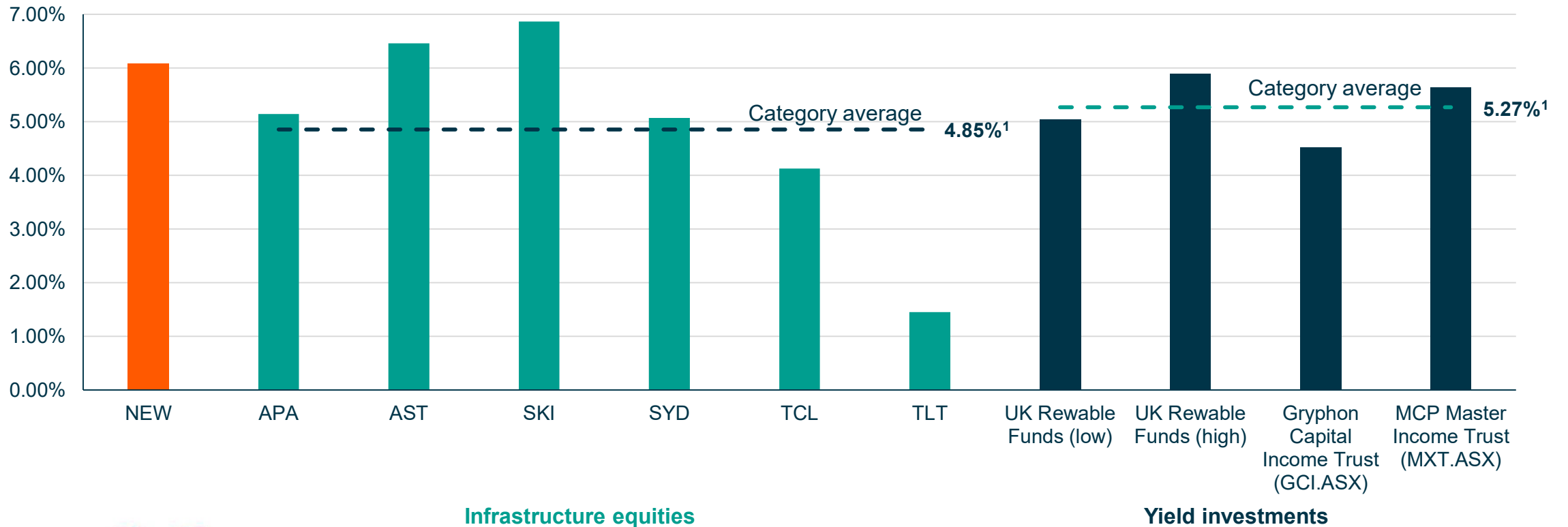
- Large regulated utilities
- Government
- Stanford University

Notes: 1. Capacity-weighted average PPA term remaining as at 31 December 2018.

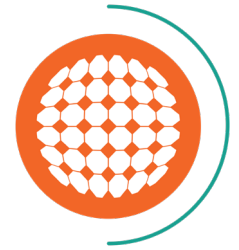
NEW as a yield investment



NEW compares well on basis of historical (last 12 months) distribution/dividend yield



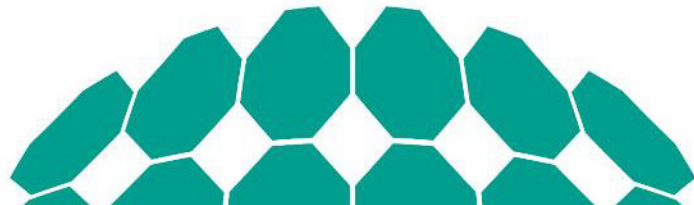
Notes: Graph prepared by Investment Manager using data sourced from Bloomberg as at 31 May 2019. Historical performance is not a reliable indicator of future performance. 1. Simple average of yields shown.



Investment underpinned by real assets

NAV determined by robust valuation process

- NEW NAV is \$1.63¹ and stapled security price is at a ~ 20% discount to NAV
- Comparable UK renewable entities trade at premiums of 7% to 16% to NAV²
- NEW NAV is underpinned by portfolio valuations conducted every six months
- Valuation process for operational assets is consistent with industry:
 - Internal discounted cashflow model
 - Independent US-based valuers
 - Benchmarking against transaction values for comparable assets
 - Auditor review of valuations



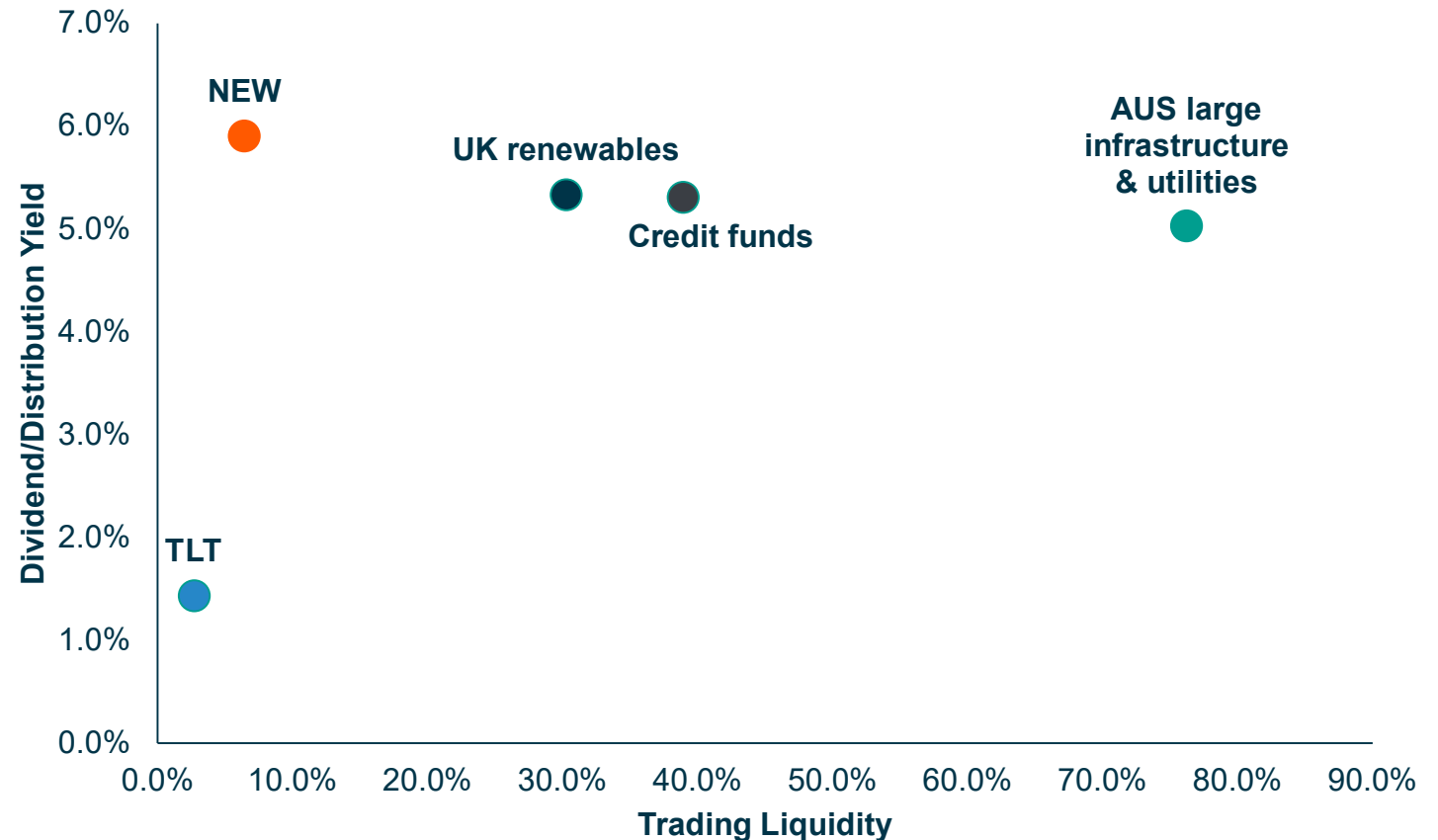
Security price and investment liquidity



NEW's trading liquidity is relatively low and price can be impacted by even small trades

Basis of Analysis

- Analysis prepared by New Energy Solar Investment Manager.
- Bloomberg sourced yields and market capitalisations as at 31 May 2019 and trading volumes over 12 months prior to 31 May 2019.
- Group yields and liquidity are averages weighted by market capitalization.
- UK Renewables - BSIF, FSFL, JLEN, NESF, TRIG, UKW.
- Credit funds - GCI and MXT.
- Australian large infrastructure and utilities - APA, AST, SKI, SYD, TCL.



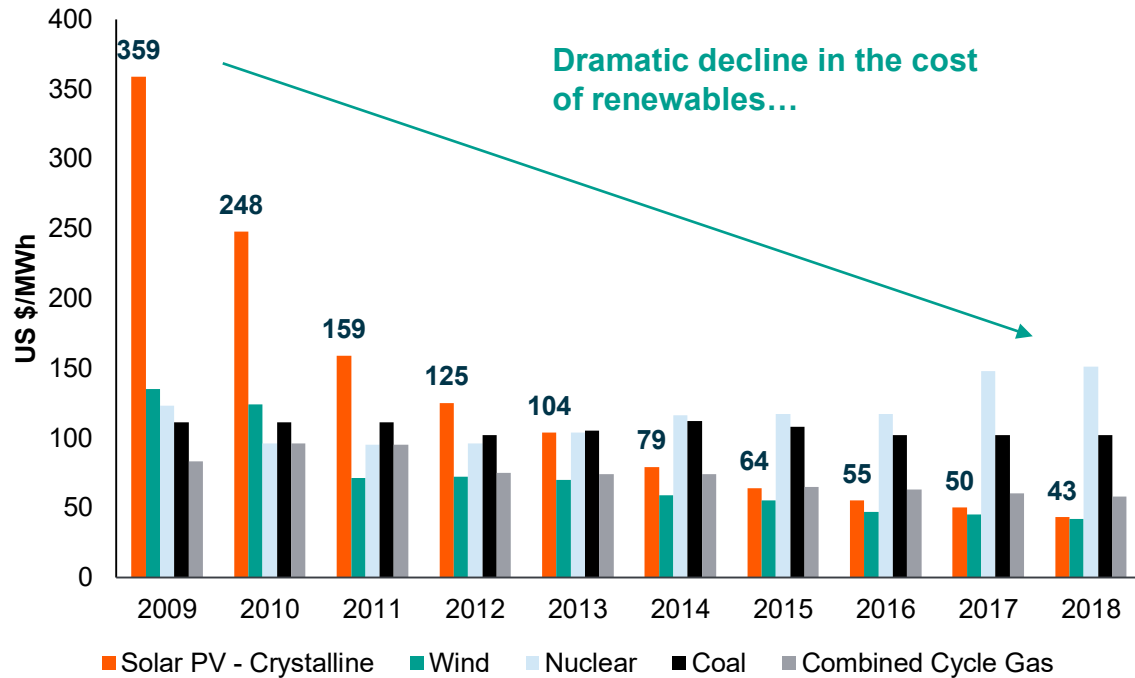
Notes: Analysis prepared by Investment Manager using data sourced from Bloomberg as at 31 May 2019. Historical performance is not a reliable indicator of future performance.

Global transition to renewables well underway

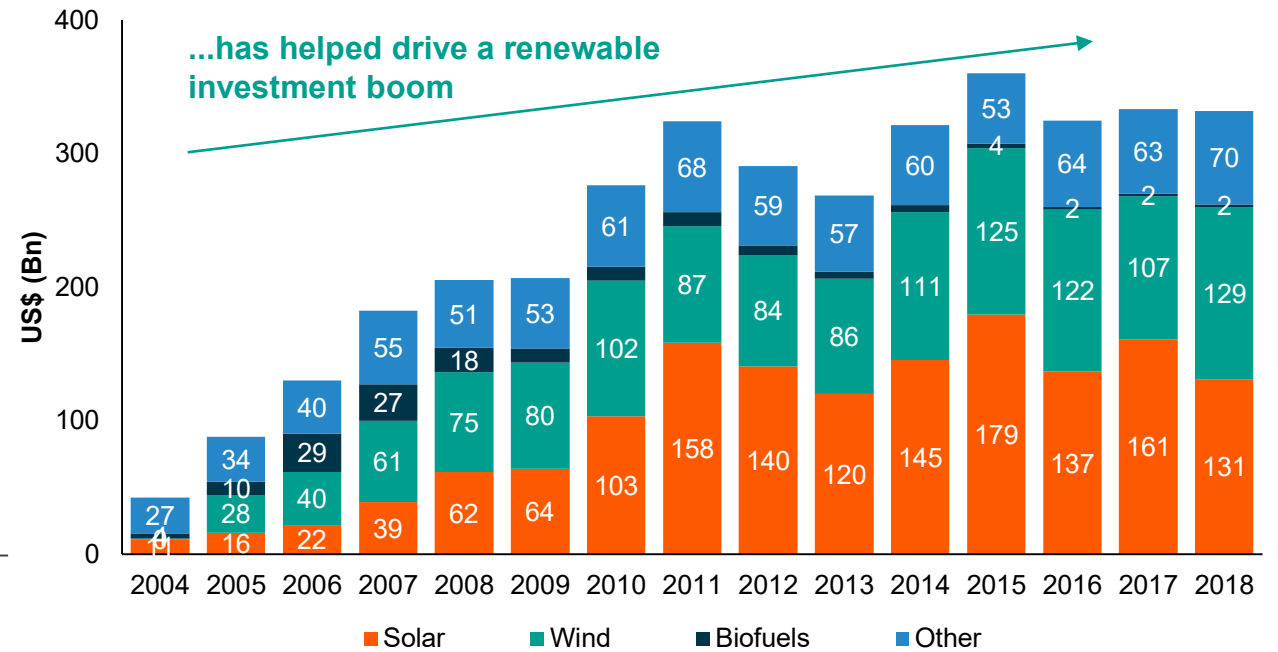


Largest economies have progressive policy fostering opportunity and minimising disruption

US average levelised cost of energy (un-subsidised)¹



Global new investment in renewable energy by technology²



Notes: 1. PV Magazine USA November 9, 2018. 2. Bloomberg New Energy Finance, Clean Energy Investment Trends.

The historical improvements in the cost of generating electricity from solar photovoltaic technology shown in the left hand graph are not a reliable indication of the trajectory of future costs.

US Solar Fund plc



Global investors support US solar investment strategy implemented by NEW

- US Solar Fund plc (USF) successfully listed on the London Stock Exchange on 16 April 2019
- Established to meet demand from UK institutions seeking exposure to US solar market
- Marketed to institutional investors and raised US\$200 million
- USF will invest in utility-scale solar power projects primarily in the US
- Positive implications for NEW including endorsement of investment strategy, co-investment agreement and lower management fees



