New Energy Solar

IFA Roadshow Update

July 2019

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The NEW investment proposition

Solar Infrastructure

- 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 PPAs[1]
- Pricing fixed or escalating

Creditworthy Counterparties

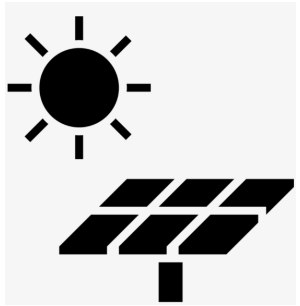
- Large regulated utilities
- Government
- Stanford University

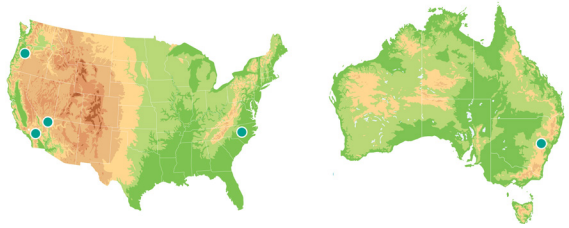
EnergyAustralia | Sydney Metro
PacifiCorp | NVEnergy
Duke Energy | TID Water & Power
Stanford University | Kellogg's

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

Driving returns for investors in FY2018

PREDICTABLE REVENUES − LOW OPERATING COSTS = STABLE CASHFLOW AND ATTRACTIVE YIELDS





11.8%

Total return, IPO to Dec 2018[2]

Gross generation revenues

768GWH sold for US$42m[1]

Operating expenses

US$9.4m to maintain 462 MW_{DC} of capacity[1]

EBITDA margin > 75%[1]

US$22.3m attributable to NEW

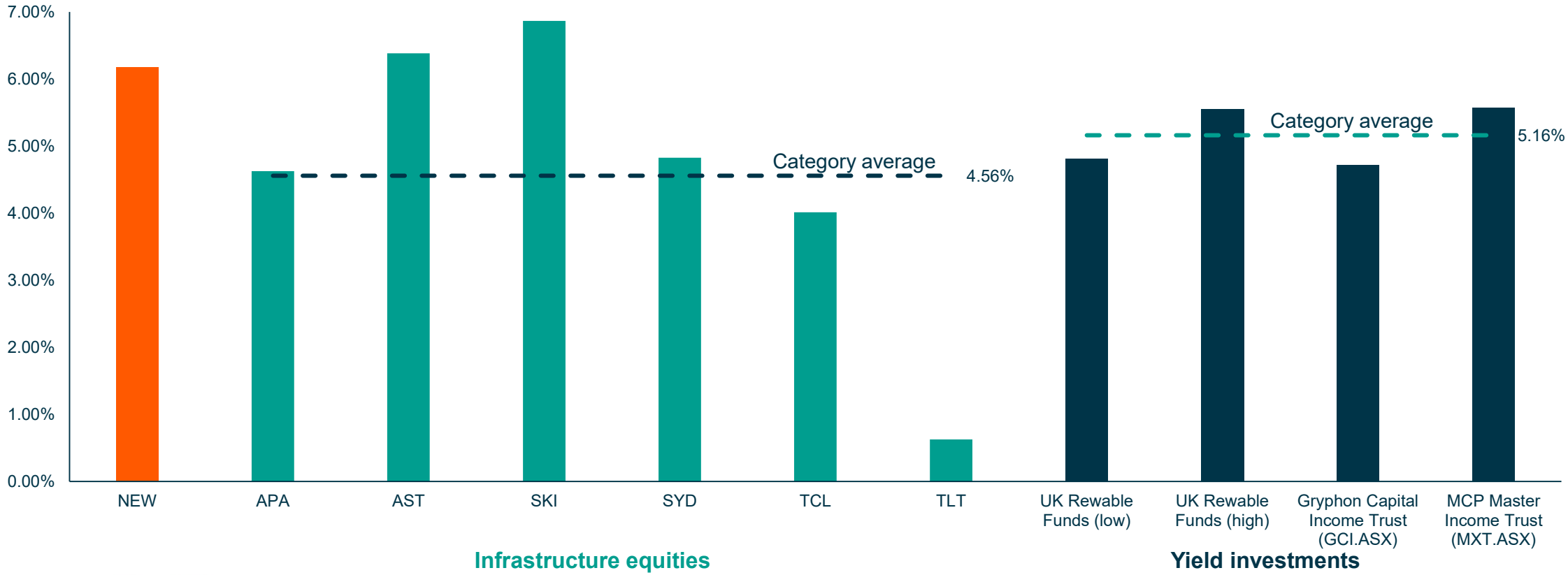
NAV growth and yield

4 plants to 13 at Dec 2018
7.75 cents distribution

Note: 1. Generation, revenue, operating expenses and EBITDA margin calculated on a 100% ownership basis – 2018 Annual Report.
2. Calculated as the sum of distributions and Net Asset Value divided by IPO Net Asset Value of $1.50 per stapled security.

NEW as a yield investment

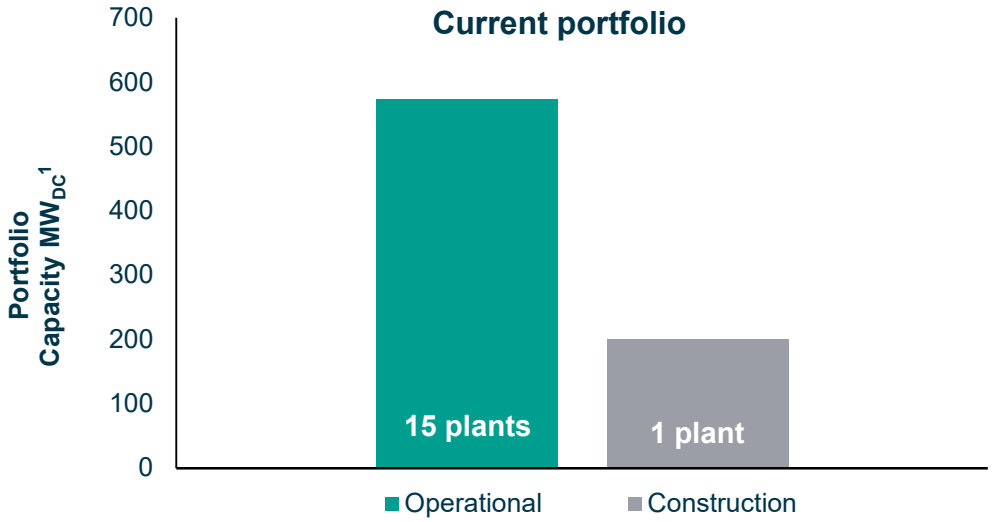
NEW compares well on basis of historical (last 12 months) distribution/dividend yield

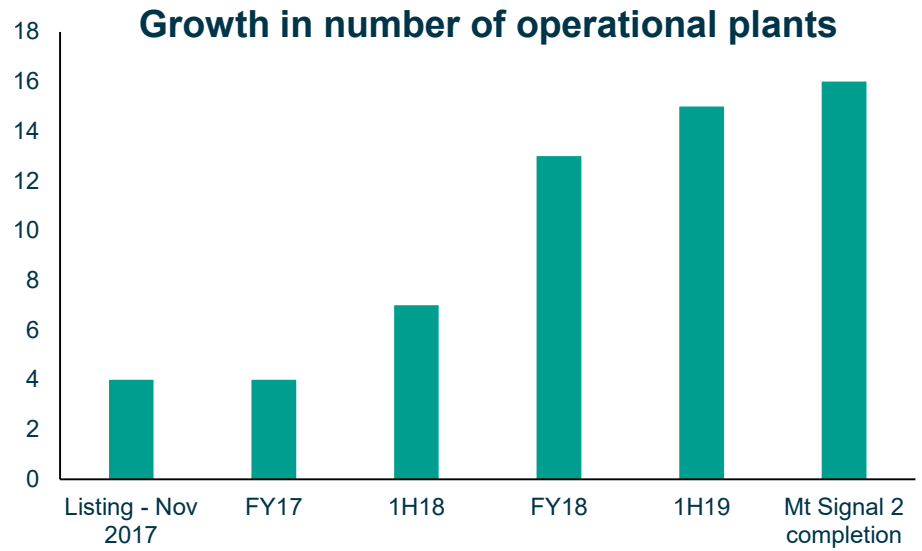


Note: Graph prepared by Investment Manager using data sourced from Bloomberg as at 22 July 2019. Historical performance is not a reliable indicator of future performance. **1.** Simple average of yields shown.

NEW infrastructure portfolio

- NEW is invested in 16 utility-scale solar infrastructure assets, largely in the US
- 15 are operational and 1 is in construction
- Mt Signal 2, California to reach commercial operations in CY2019 – to increase operational capacity by 35%
- Delays to balance of Rigel portfolio have resulted in decision not to proceed with development, no capital committed





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

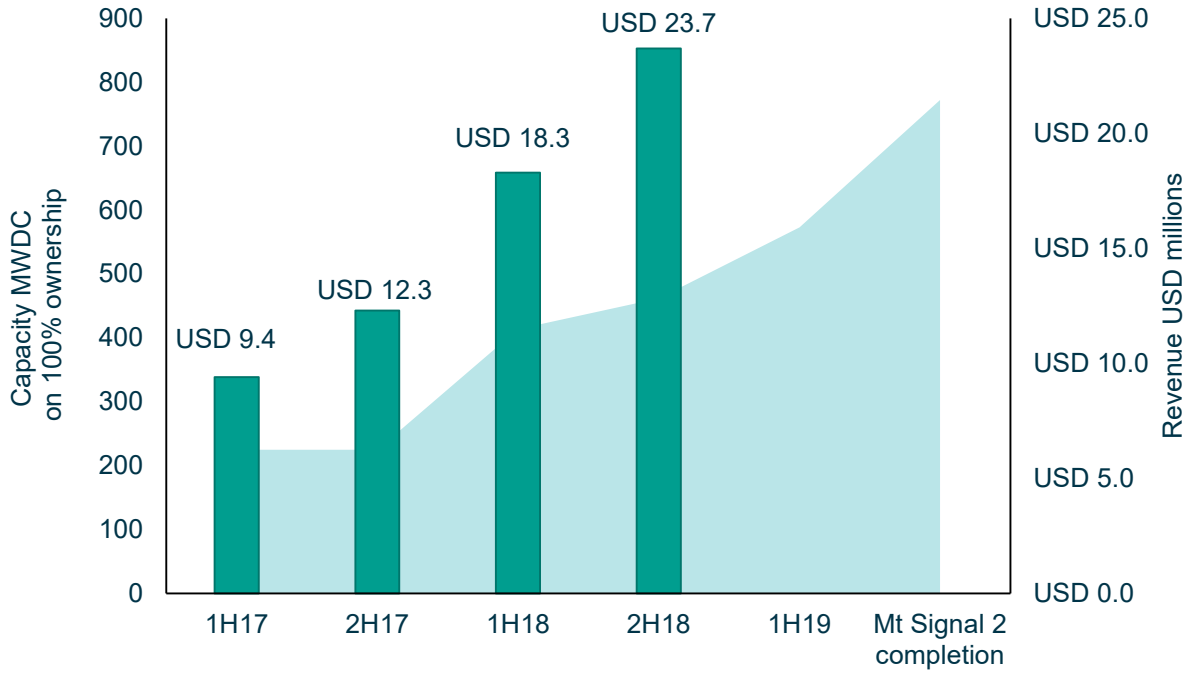
Consistent portfolio growth

From ASX-listing, management has achieved anticipated portfolio development

Progress of the NEW Portfolio

- At time of ASX listing, four plants were operational
- Portfolio projects have transitioned from commitment to development to largely operational
- Operational growth has resulted in revenue growth

Gross portfolio capacity (LHS) and revenue (RHS)[1]



Note: 1. Both revenue and capacity are calculated on a 100% ownership basis.

Kellogg's PPA

Kellogg's PPA for uncommitted Beryl offtake

- On the 23rd of July NEW announced it had entered into a power purchase agreement with Kellogg (Aust.) Pty. Ltd. (Kellogg's)
- PPA term is to December 2026 with option to extend to December 2029
- PPA complements existing Beryl PPA with Sydney Metro
- Beryl offtake now largely fully contracted for 2019
- PPA contributes to NEW's strategy to build a portfolio of stable, long-term, contracted cashflows from creditworthy counterparties
- Beryl's five-year, unlevered, annual average yield expected to be 8.2%[1]

Note: 1. Gross yield is measured before transaction costs, fees, debt service and tax and calculated based on P50 generation estimates.

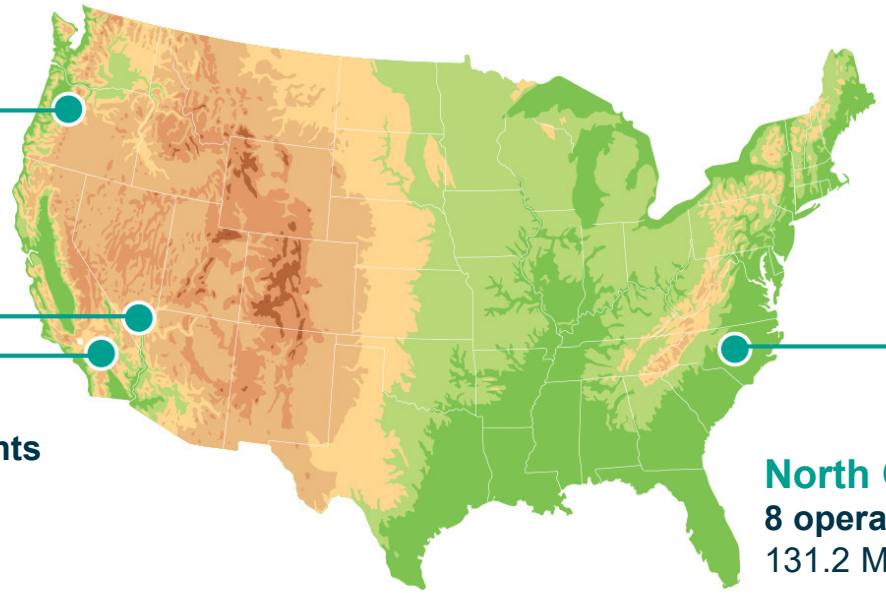
Portfolio project locations

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

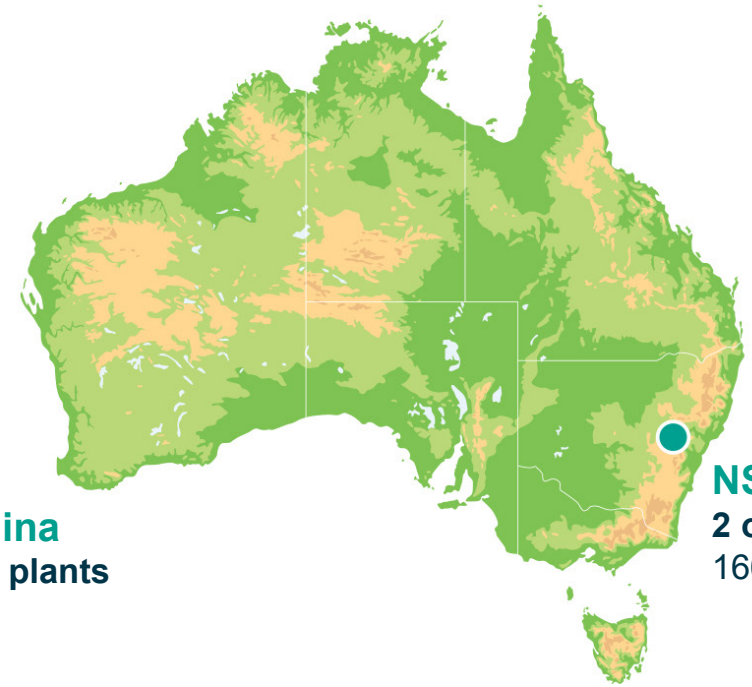
Oregon
2 operational plants
15.2 MW_{DC}

Nevada
1 operational plant
124.8 MW_{DC}

California
2 operational plants
134.8 MW_{DC}
1 in construction
199.6 MW_{DC}



North Carolina
8 operational plants
131.2 MW_{DC}

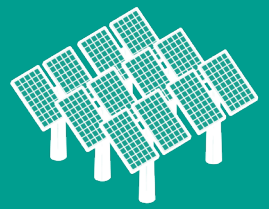


NSW
2 operational plants
166.8 MW_{DC}

Note: 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 electricity[1]

Equivalent to removing 193,000 cars from the road[3] …

Displacing an estimated 719,000 tonnes of CO_2[2]

… or powering 140,000 homes[4]

Notes: 1. Estimates utilize the first year of each plant's electricity production adjusted by NEW's equity interest. **2.** US CO2 emissions displacement is calculated using data from the US Environmental Protection Agency's "Avoid Emissions and generation Tool" (AVERT). Australian CO2 emissions displacement is calculated using data from the Australian Government Department of the Environment and Energy. **3.** Calculated using data from the US Environmental Protection Agency and the Australian Bureau of Statistics. **4.** Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System) and the Australian Energy Regulator.

Is the NAV real?

NAV determined by robust valuation process

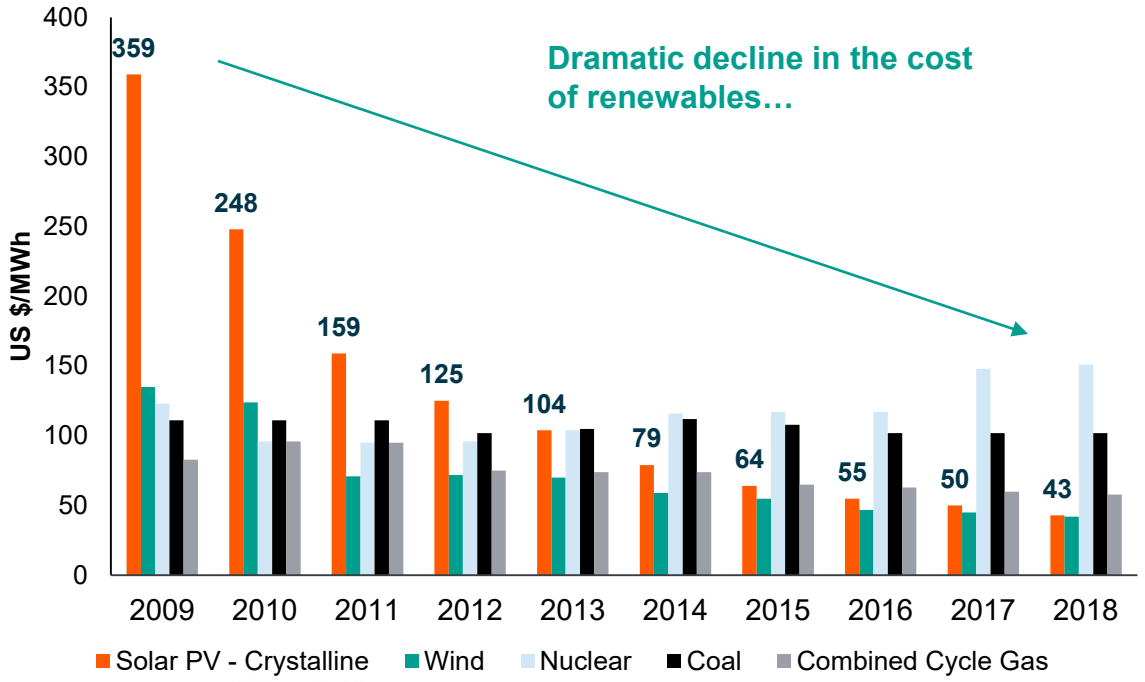
- NEW NAV is $1.56[1] and stapled security price is at a ~ 18% discount to NAV
- Comparable UK renewable entities trade at premiums of 9% to 21% to NAV[2]
- NEW NAV is underpinned by portfolio valuations conducted every six months
- Valuation process for operational assets is consistent with industry:
  - Internal discounted cashflow model
  - Independent US-based valuers
  - Benchmarking against transaction values for comparable assets
  - Auditor review of valuations

Notes: 1. Unaudited NAV as at 19 July 2019. **2.** Premiums calculated as at 22 July 2019 based on data sourced from Bloomberg under the following tickers: BSIF, FSFL, JLEN, NESF, UKW, TRIG.

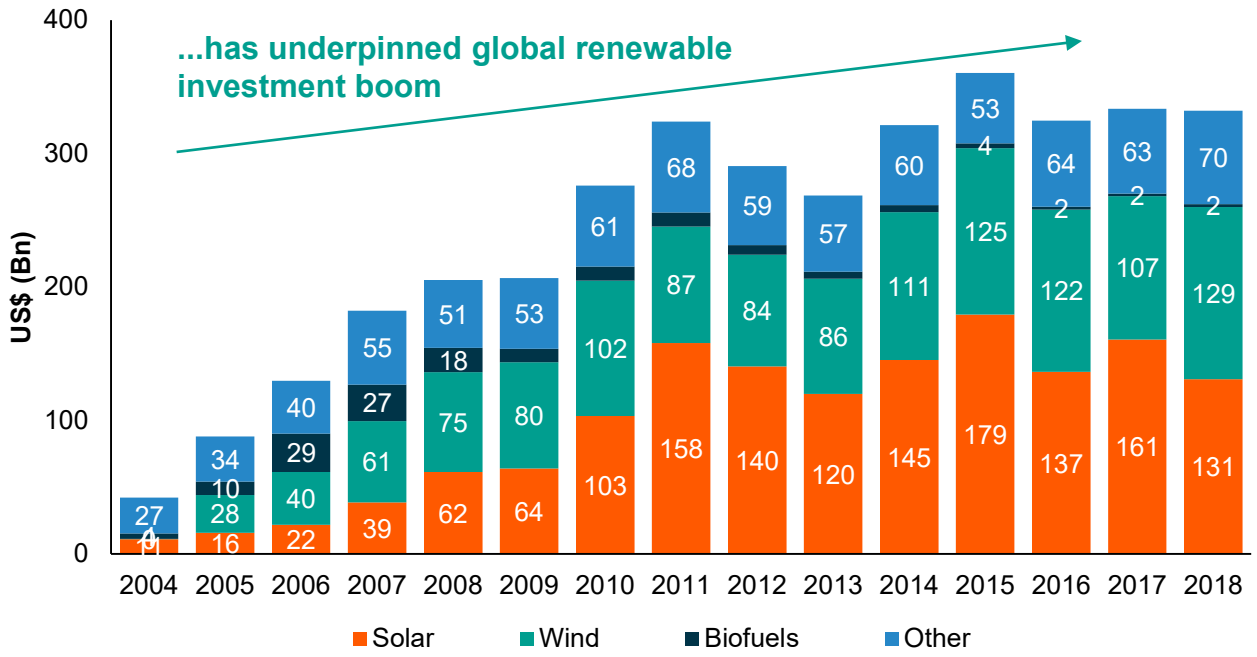
Global transition to renewables well underway

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 technology[2]



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.

Australia and the transition to a new energy era

Corporate and industry pressure for clear policy path to the future is mounting

- Uncertainty around climate and energy policy is high, inhibiting investment
- Household solar penetration is among the highest in the world
- Ageing coal-fired power stations reaching their end of life
  - Liddell to retire in 2022
  - Yallourn to be progressively retired from 2029
  - AEMO expects ~60% of current coal-fired generation will retire by 2040[1]
- Integration of distributed renewable generation, domestic and utility-scale, represents an investment opportunity

> **AEMO** and **CSIRO** estimate the potential benefit from the coordination of distributed energy resources to be $1.4 billion in avoided network investment and a lowering of household electricity bills by $414 a year.
>
> *Energy Network Australia's Electricity Network Transformation Roadmap 2017*

> **Industry Super Australia** report advises
>
> "Potential returns from technological change and disrupting existing distribution models are too big to ignore. In this respect there is a good argument for the industry taking an active role."
>
> *Modernising Electricity Sectors June 2019*

Notes:1. AEMO 2018 Integrated System Plan for the National Electricity Market pp 21-22

US Solar Fund plc

Global investors support the 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 to 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
- On 18 June USF announced it has entered exclusivity with US-based solar developer Cypress Creek Renewables to acquire a 90 MW_{DC} portfolio of utility-scale solar projects in North Carolina and Oregon
- On 23 July USF announced that it had entered into a binding agreement to acquire its first plant, a 128MW_{DC} project located in Utah, USA, with a 25-year PPA


Beryl - April 2019