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UNLESS THE CONTEXT REQUIRES OTHERWISE, WORDS AND EXPRESSIONS DEFINED IN THE COMPANY'S "NET ASSET VALUE UPDATE AND PROPOSED TAP ISSUANCE PROGRAMME" ANNOUNCEMENT RELEASED ON 15 JULY 2016 HAVE THE SAME MEANINGS WHEN USED IN THIS ANNOUNCEMENT

4 August 2016

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

Issue of Shares Pursuant to Tap Issuance Programme

In response to investor demand, the Board is pleased to announce the proposed issue of a further 5,775,557 New Shares at 101.0p per share (the "**Additional Shares**") pursuant to the Tap Issuance Programme announced on 15 July 2016 (the "**Issue**").

Applications have been made to the FCA for the Additional Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for such shares to be admitted to trading on its main market for listed securities ("**Admission**"). Admission is expected to become effective, and dealings in the Additional Shares are expected to commence, at 8.00 a.m. on 9 August 2016. Following Admission, the Additional Shares will rank *pari passu* in all respects with the existing issued ordinary shares.

On Admission, the Company's issued share capital will comprise 332,842,105 ordinary shares, none of which will be held in treasury. Each ordinary share carries the right to one vote and, therefore, the total number of voting rights in the Company on Admission will be 332,842,105. This figure may be used by shareholders and other investors as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Following the Issue, a total of 54,885,000 New Shares will have been issued or sold from treasury pursuant to the Tap Issuance Programme since it was announced on 15 July 2016. As the Company has fully utilised its general authority to issue shares granted at its 2015 annual general meeting, no further New Shares are currently available for issue pursuant to the Tap Issuance Programme. The Directors are seeking to renew the general authority to issue shares on a non-pre-emptive basis at its

annual general meeting on 24 August 2016. Accordingly, the Directors intend to increase the size of the Tap Issuance Programme following that meeting to include a further 9,215,926 New Shares, being the maximum number of New Shares that may be issued without the Company being required to publish a prospectus.

Commenting on the Tap Issuance Programme, Kevin Lyon, Chairman, said: "We are extremely pleased with the success of the Tap Issuance Programme. We have received strong support from existing investors and also significant demand from new investors, leaving the Company well-placed to take advantage of current investment opportunities and to achieve its growth ambitions over the medium to longer term."

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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 £340.2m since its initial public offering on the main market of the London Stock Exchange in April 2014. It also has credit facilities of £242.5m in place (Macquarie and Santander: £120m, MIDIS: £55.0m, Bayerische Landesbank: £44.9m and NIBC: £21.7m).

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 1,250 utility-scale solar power plants with an installed capacity in excess of 1.7 GW. NextPower II is NEC Group's private equity fund with initial commitments of €150m, investing in operating solar power plants and focused on consolidating the substantial, highly fragmented Italian solar market.

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

Important Notices

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