

17 September 2018

NEW ENERGY SOLAR (ASX: NEW) ASX RELEASE

OPERATING PORTFOLIO UPDATE: HURRICANE FLORENCE

Summary

- Hurricane Florence made landfall on the south-east coast of the United States on Friday September 14th as a category 1 hurricane but has since been downgraded.
- The storm's winds were less severe than anticipated, but flooding and power outages have impacted the region.
- New Energy Solar¹ has seven operational solar plants in North Carolina representing 131MW_{DC} of operating capacity.
- NEW implemented equipment and operational preparations in advance of the storm's arrival.
- NEW is not aware of any material damage to the sites. Access to the plants has been hampered by local conditions and one site is currently offline after being intentionally depowered in response to flooding at the site.
- The power plants were designed to manage the risk of high wind and flooding and we expect the facilities will resume normal operation once flood waters recede and damage to the state electricity grid is repaired.
- NEW has property and business interruption insurance in place should there be any site damage or prolonged interruption to operations.

Hurricane Florence reached the south-east coast of the United States on Friday September 14th at 7:35 am Eastern Daylight Saving Time (EDT). The hurricane made landfall as a category 1 hurricane, having been downgraded from a category 4 hurricane. Despite winds being considerably less severe than anticipated, the storm has caused significant flooding and widespread power outages in North Carolina and South Carolina. As of 12:00 pm EDT on Sunday September 16th, the storm's intensity has lessened to a tropical depression and it is projected to clear North and South Carolina by Monday EDT.

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

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New Energy Solar has eight solar plants totalling 131 MW_{DC} of capacity in North Carolina, seven of which are operational. In the days leading up to the hurricane, NEW undertook comprehensive storm preparation work, ensuring the facilities were physically secured and operationally protected and that site personnel were safe. NEW has also been in regular dialogue with the Business' insurance agencies to review contingency plans and implement their recommendations. All site preparations were complete on September 12th, and personnel from NEW's local partner were evacuated in advance of the storm's arrival.

Of the seven solar plants that are operational, one plant, NC-47, is offline having been manually shut down in response to observed flooding and equipment-level alarms at the site. It has also been electrically isolated to prevent damage from rising water levels. NC-31 remains operational and the other five plants are also assumed to be undamaged as wind speeds have been lower than expected, however communications connectivity at those sites has been interrupted. Operations and maintenance teams are ready to conduct thorough inspections of all sites as soon as conditions permit.

In the event of damage or prolonged interruption to operations, the Business has wind and flood insurance coverage in place for each of the plants. There is also business interruption coverage should the plants remain offline for a sustained period.

The site operators will continue to remotely monitor the plants' status throughout the remainder of the storm and will address any material or operational issues resulting from this significant weather event as quickly as circumstances and site conditions allow.

NEW will provide another update once the status of all sites has been confirmed.

For further information, contact:

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About New Energy Solar

New Energy Solar was established in November 2015 to invest in a diversified portfolio of solar asset across the globe and help investors benefit from the global shift to renewable energy. The Business 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 Energy Solar 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 United States and Australia. New Energy Solar's initial public offering was led by Morgan Stanley and its 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:

www.newenergysolar.com.au

