

21 November 2019

NEW ENERGY SOLAR (ASX: NEW)
PROPOSED ASSET SALES TO REINFORCE PORTFOLIO NET ASSET VALUE

New Energy Solar¹ (**ASX:NEW**, the **Business**) will run a formal sale process for a part interest in two of its US solar plant assets, a 49% interest in Boulder in Nevada and a 50% interest in Mount Signal 2 in California. The sale process has been initiated after receiving expressions of interest from third parties which represent an opportunity to realise value for securityholders. NEW is confident, based on indicative proposals received, that sales of the interests in Boulder and Mount Signal 2 will comfortably confirm the net asset values determined by the Business as part of its six-monthly valuation processes. Based on NEW's statutory accounts as at 30 June 2019, the combined value of these two equity interests is approximately \$A126m or 23% of NEW's total net asset value² – a summary of NEW's portfolio is attached.

Since ASX-listing in December 2017, NEW has acquired and brought into operation a portfolio of 16 well-positioned and contracted solar power plants, primarily in the United States, and in Australia. The Business has worked hard to collaborate with leading solar developers and builders to acquire high quality assets with long-term contracts with credit-worthy counterparties. Through the establishment of NEW and the London Stock Exchange-listed US Solar Fund, together these entities have become globally significant early investors in solar power plants.

While investment in solar energy technology is a rapidly growing sector, with global investment in clean energy in each of the previous five calendar years exceeding US\$300 billion³, the price at which NEW securities trade on the ASX has failed to reflect the net asset value of its underlying portfolio of assets. This underperformance is constraining the growth of NEW and its ability to take advantage of the myriad opportunities offered by the global disruption of the energy sector and transition to cleaner energy technology.

¹ Walsh & Company Investments Limited (**Walsh & Company**), as Responsible Entity for New Energy Solar Fund (**Trust**), and New Energy Solar Limited (**Company**), together **New Energy Solar** or **NEW**.

² Based on 30 June 2019 valuations and the 30 June 2019 FX rate of 1USD:0.702AUD

³ BloombergNEF Clean Energy Investment Trends, 2018

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Walsh & Company Investments Limited (ACN 152 367 649) (AFSL 410 433) as responsible entity for New Energy Solar Fund (ARSN 609 154 298)
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NEW recognises the importance of maintaining flexibility for investment purposes and regularly assesses opportunities to acquire and partner with third parties and dispose of interests in projects. This sale process is an opportunity to capture the value of well-selected and constructed assets and to use capital to further underpin the value of the portfolio. It does not reflect a fundamental change in NEW's investment strategy.

In the event interests in one or both Mount Signal 2 and Boulder are sold, use of the sale proceeds will include undertaking capital management initiatives, including an on-market buyback and paying down some shorter-term debt.

The current timetable for the sale process envisages submission of binding bids by mid-January 2020. NEW will keep the market informed of progress and the anticipated use of funds. There is no guarantee a transaction will eventuate and any decision to sell assets will be dependent on it continuing to be in the best interest of securityholders and there being no material change in market conditions.

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 assets 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. The Investment Manager, New Energy Solar Manager Pty Ltd, has a deep pipeline of opportunities primarily across the United States 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: www.newenergysolar.com.au



Appendix: NEW portfolio summary

Asset	EQUITY OWNERSHIP %	CAPACITY	30 JUNE 2019 EQUITY VALUE	LOCATION	COD	PPA OFFTAKER	PPA TERM	O&M PROVIDER	
Stanford	99.9%	67.4MW _{DC}	US\$83.4m	Rosamond, California	December 2016	Stanford University	25 Years	SunPower Corporation, Systems	
TID	99.9%	67.4MW _{DC}		Rosamond, California	December 2016	Turlock Irrigation District	20 Years	SunPower Corporation, Systems	
NC-31	100.0%	43.2MW _{DC}	US\$74.6m	Bladenboro, North Carolina	March 2017	Duke Energy Progress	10 Years	Miller Bros. Solar	
NC-47	100.0%	47.6MW _{DC}		Maxton, North Carolina	May 2017	Duke Energy Progress	10 Years	DEPCOM Power, Inc	
Boulder Solar I	49.0%	124.8MW _{DC}	US\$43.1m	Boulder City, Nevada	December 2016	NV Energy	20 Years	SunPower Corporation, Systems	
Hanover	100.0%	7.5MW _{DC}	US\$33.8m	Onslow, North Carolina	June 2018	Duke Energy Progress	15 Years	CCR O&M	
Arthur	100.0%	7.5MW _{DC}		Columbus, North Carolina	July 2018	Duke Energy Progress	15 Years	CCR O&M	
Heedeh	100.0%	5.4MW _{DC}		Columbus, North Carolina	July 2018	Duke Energy Progress	15 Years	CCR O&M	
Church Road	100.0%	5.2MW _{DC}		Johnston, North Carolina	August 2018	Duke Energy Progress	15 Years	CCR O&M	
Pendleton	100.0%	8.4MW _{DC}		Umatilla County, Oregon	September 2018	PacifiCorp	13 Years	CCR O&M	
County Home	100.0%	7.2MW _{DC}		Richmond, North Carolina	September 2018	Duke Energy Progress	15 Years	CCR O&M	
Bonanza	100.0%	6.8MW _{DC}		Klamath, Oregon	December 2018	PacifiCorp	13 Years	CCR O&M	
Organ Church	100.0%	7.5MW _{DC}		Rowan, North Carolina	February 2019	Duke Energy Carolinas	15 Years	CCR O&M	
Mount Signal 2	100.0%	199.6MW _{DC}		US\$91.0m	Imperial Valley, California	December 2019	Southern California Edison	20 Years	First Solar Electric (California), Inc.
Beryl	100.0%	110.9MW _{DC}		A\$66.1m	Beryl, New South Wales	June 2019	Sydney Metro, Kellogg's	15 Years, 10.5 years ⁴	First Solar
Manildra	100.0%	55.9MW _{DC}	A\$62.1m	Manildra, New South Wales	December 2018	EnergyAustralia	10+ Years ⁵	First Solar	

⁴ Kellogg's has the option to extend the PPA to December 2029. PPA term assumes the option is exercised

⁵ Both NEW and EnergyAustralia have will have unilateral options to extend the PPA to December 2030

