

New Energy
Solar

RENEWABLE ENERGY. SUSTAINABLE INVESTING

Investor presentation

November 2017



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Offer

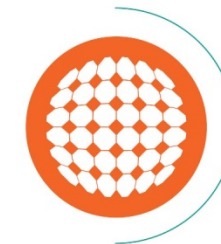
The Company and Walsh & Company will issue one unit in the Trust stapled to one share in the Company (**Stapled Securities**), one Class A Option and one Class B Option (**Options**) for every two Stapled Securities issued, under a disclosure document dated 2 November 2017 available at www.newenergysolar.com.au/offer or by contacting 1300 454 801. You should consider the disclosure document in full before applying and may apply by completing the application form attached to the disclosure document.

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Important notice and disclaimer



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Agenda



- 1 Introduction to New Energy Solar**
- 2 Investment highlights**
- 3 Financial highlights**
- 4 Key offer details**





1 Introduction to New Energy Solar

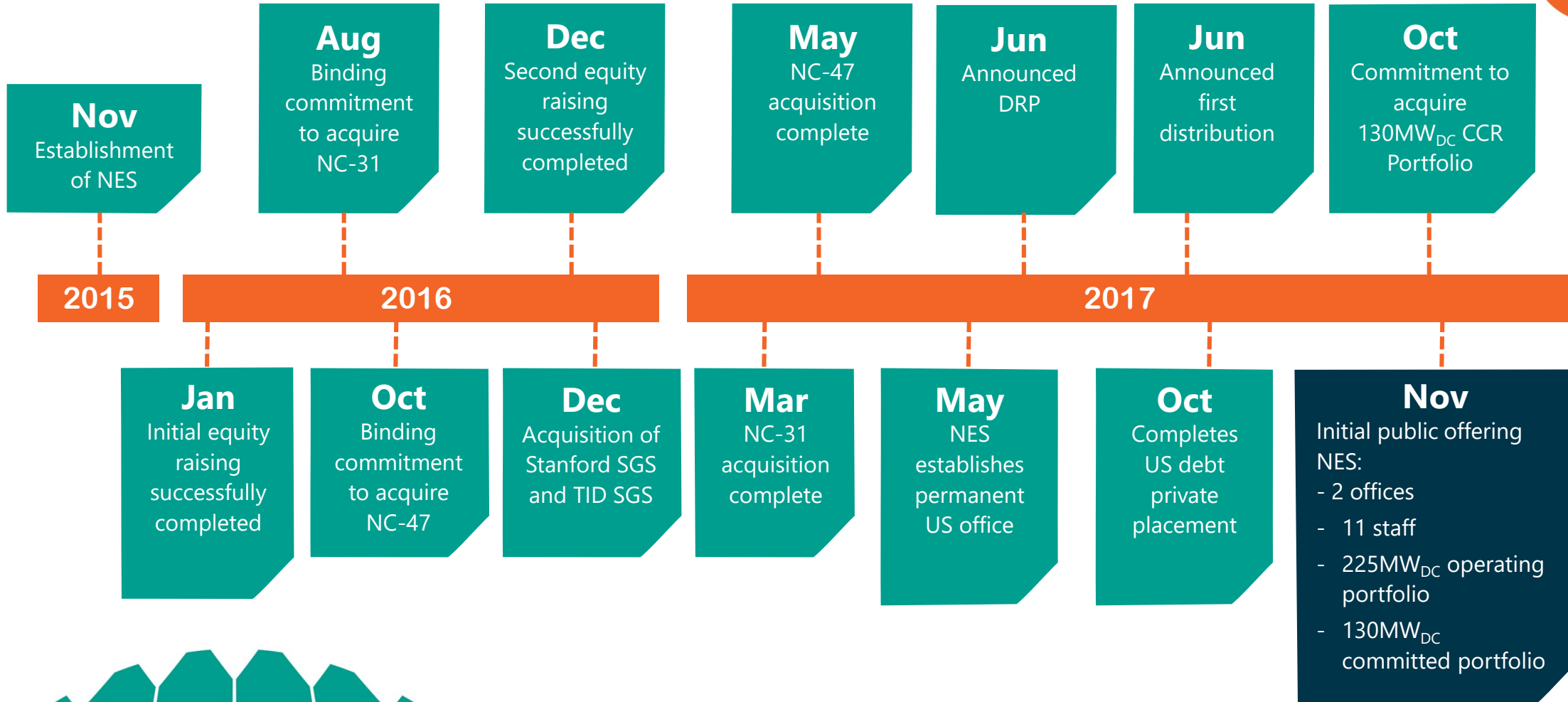




Stanford SGS & TID SGS site at sunset - September 2017

Introduction to New Energy Solar

Award-winning sustainable investment business focused on investing in large scale solar power plants with contracted cash flows



Introduction to New Energy Solar (cont'd)

Global mandate with a current focus on the US and Australia





2 Investment highlights





Stanford SGS aerial view – September 2017

Key investment highlights



1

Solar is increasingly cost competitive and is transforming the energy sector

2

Solar assets are long-life infrastructure assets with long-term offtake contracts that generate stable cashflows

3

New Energy Solar is an established business with quality relationships with developers and offtakers

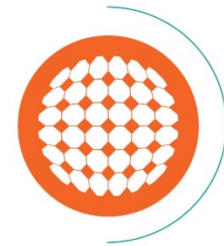
4

We have clearly identified growth pathways which leverage our track record and relationships

Note: An investment in New Energy Solar has a number of investment risks. Please refer to Section 5 of the Offer Document.

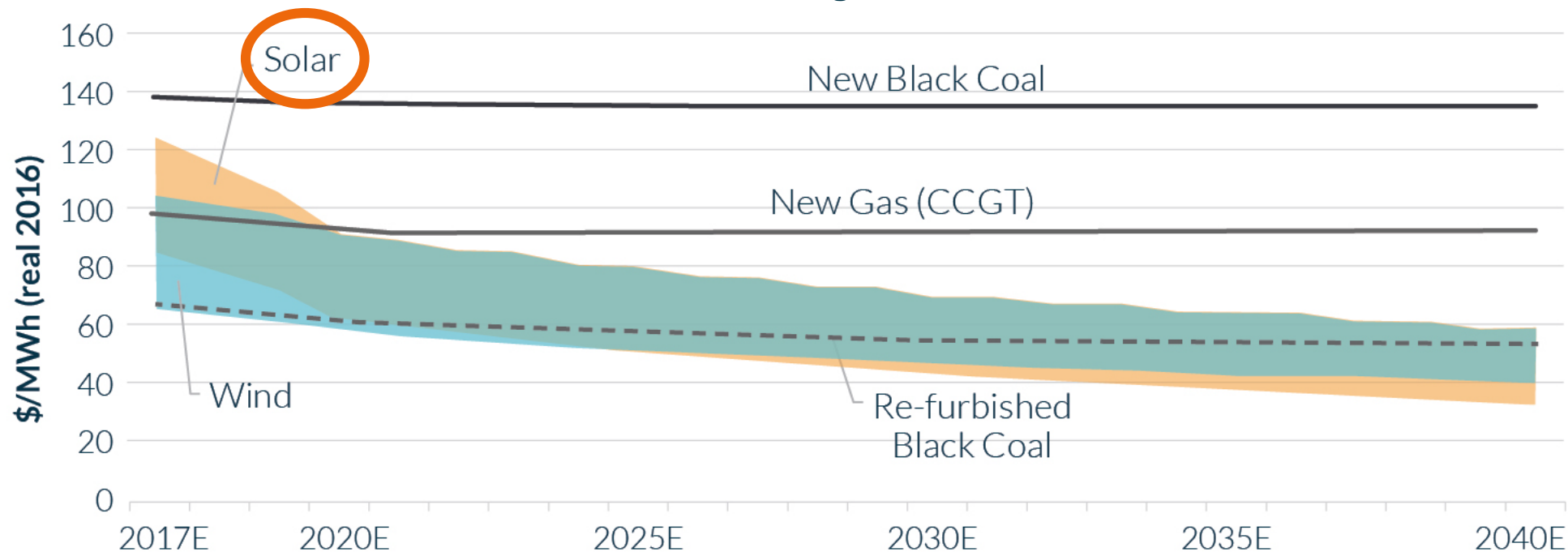


1 Solar cost competitiveness



By 2030, solar PV is forecast to be the cheapest generation technology in Australia

Australian LCOE¹ estimates for Generation Technologies 2017 to 2040E



Source: Bloomberg New Energy Finance (BNEF), New Energy Outlook 2017

Note: Levelised Cost of Energy (LCOE): Total cost of building and operating an electricity generating facility plant over its life, divided by lifetime generation, and is expressed in dollars per MWh (\$/MWh). Assumes coal refurbishment capex is 25% of new build cost. Short run marginal cost includes fixed and variable costs assuming 83% capacity factor for new coal.

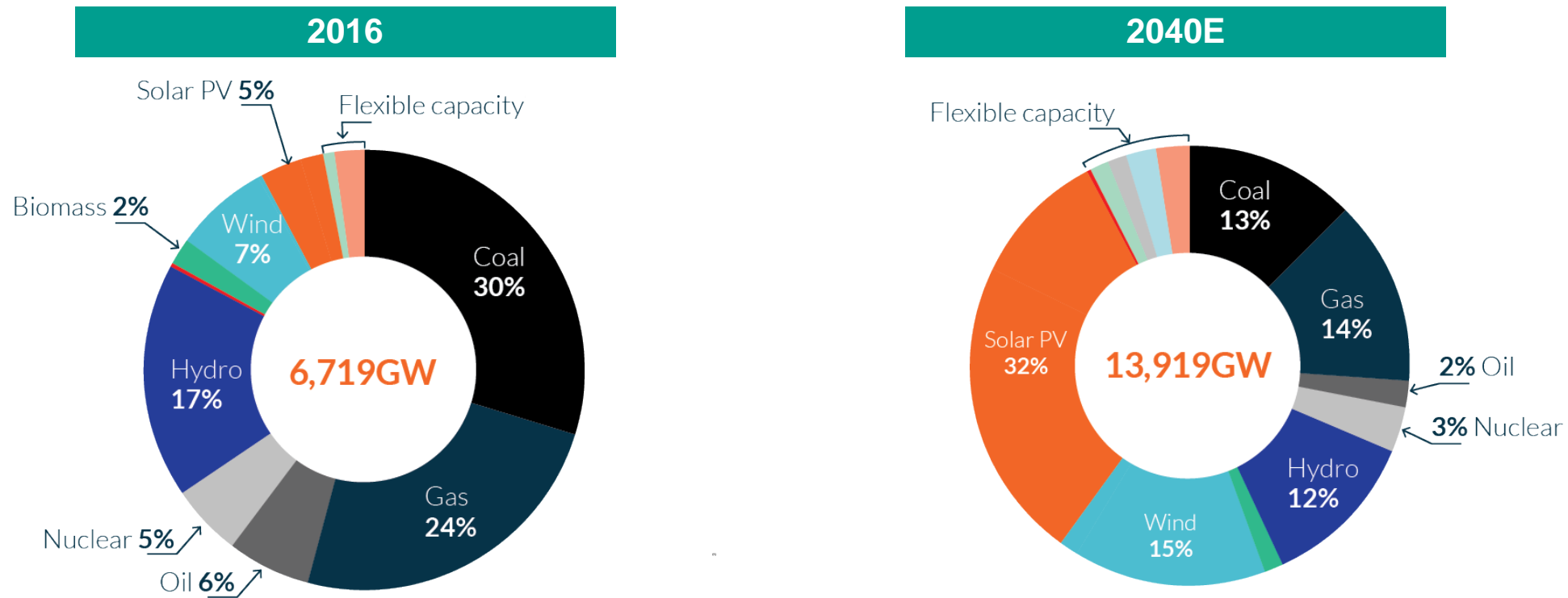


1 Changing the energy mix

By 2040, solar PV is expected to represent 32% of global installed electricity generation capacity, up from 5% in 2016



Global Installed Generation Capacity



Source: Bloomberg New Energy Finance ("BNEF"), New Energy Outlook 2017

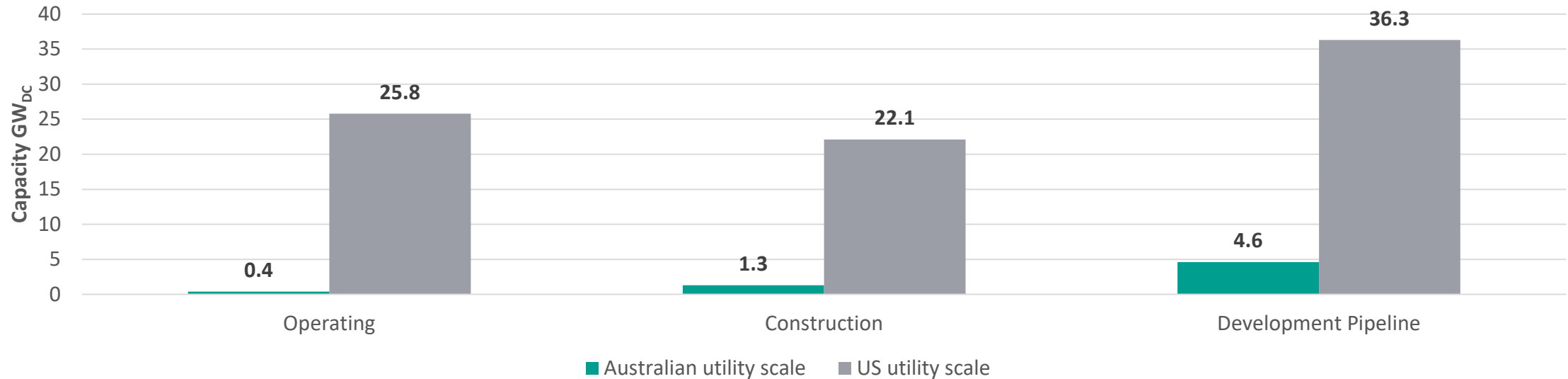


1 An immediate investment opportunity

The US solar market has superior depth and scale, and Australia is growing rapidly



Australia and US utility scale pipeline as at 30 June 2017



Source: GTM (2017); SERA Analytics (2017).

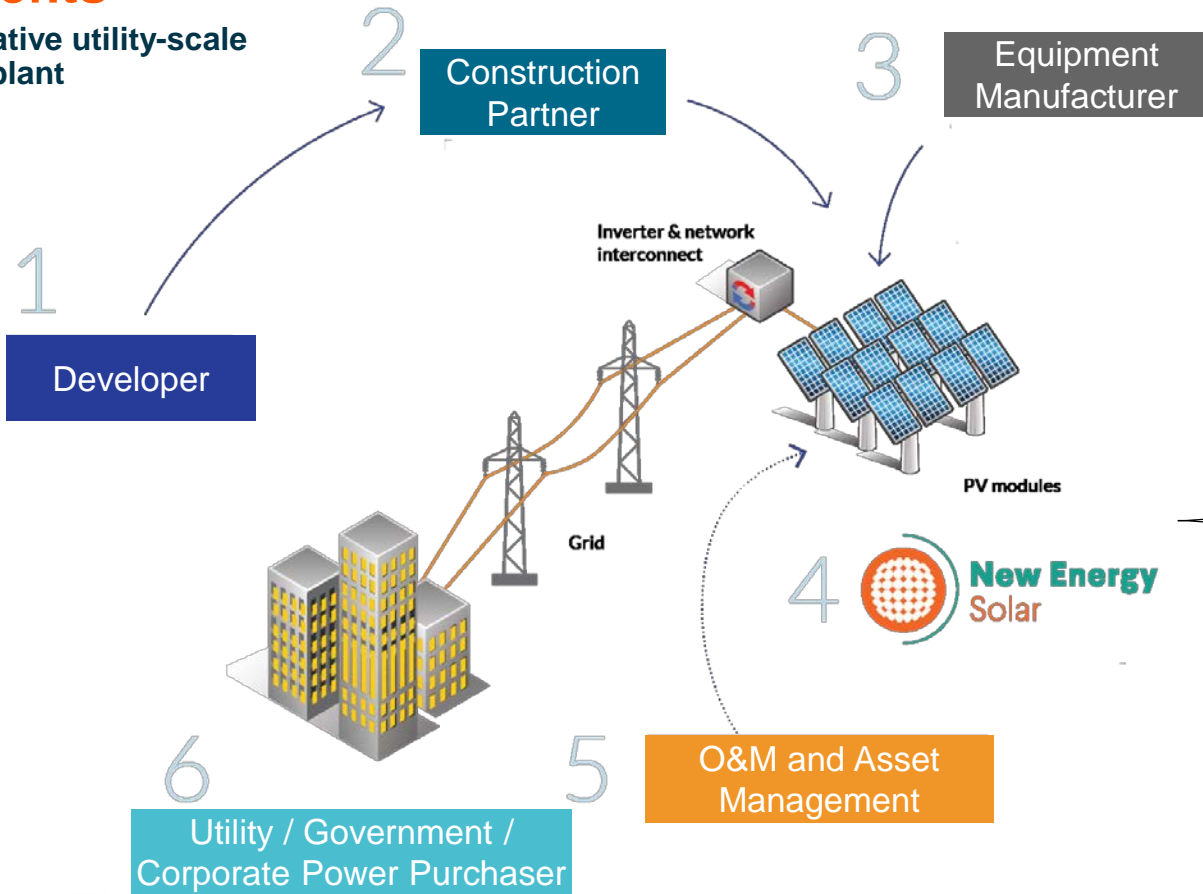


2 Long-life infrastructure assets

Typical infrastructure asset characteristics but some clear additional benefits



Illustrative utility-scale solar plant



- Capital intensive**
 - Large majority of investment upfront

- Long-life assets**
 - Technical life expected to be 30 or more years

- Low operating costs**
 - Once the solar plant is producing, operating costs are minimal

- Stable long-term cashflows**
 - Target assets are expected to produce stable long-term cash flows

+

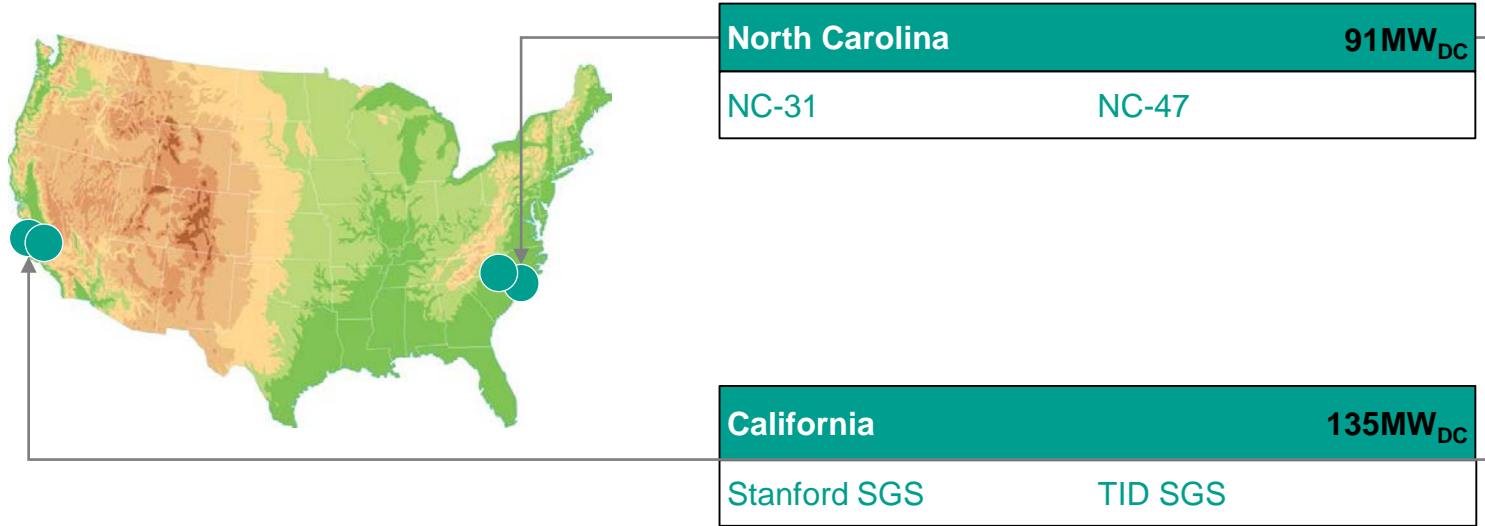
- Lower emissions**
 - Positive social impact

- Growth options**
 - Battery storage
 - Asset life extensions
 - Operational efficiencies



3 An established solar energy infrastructure business

In less than two years, NES has acquired substantial majority interests in four solar plants, all now fully operational, with an average PPA term of 16.8 years (the Existing Portfolio)



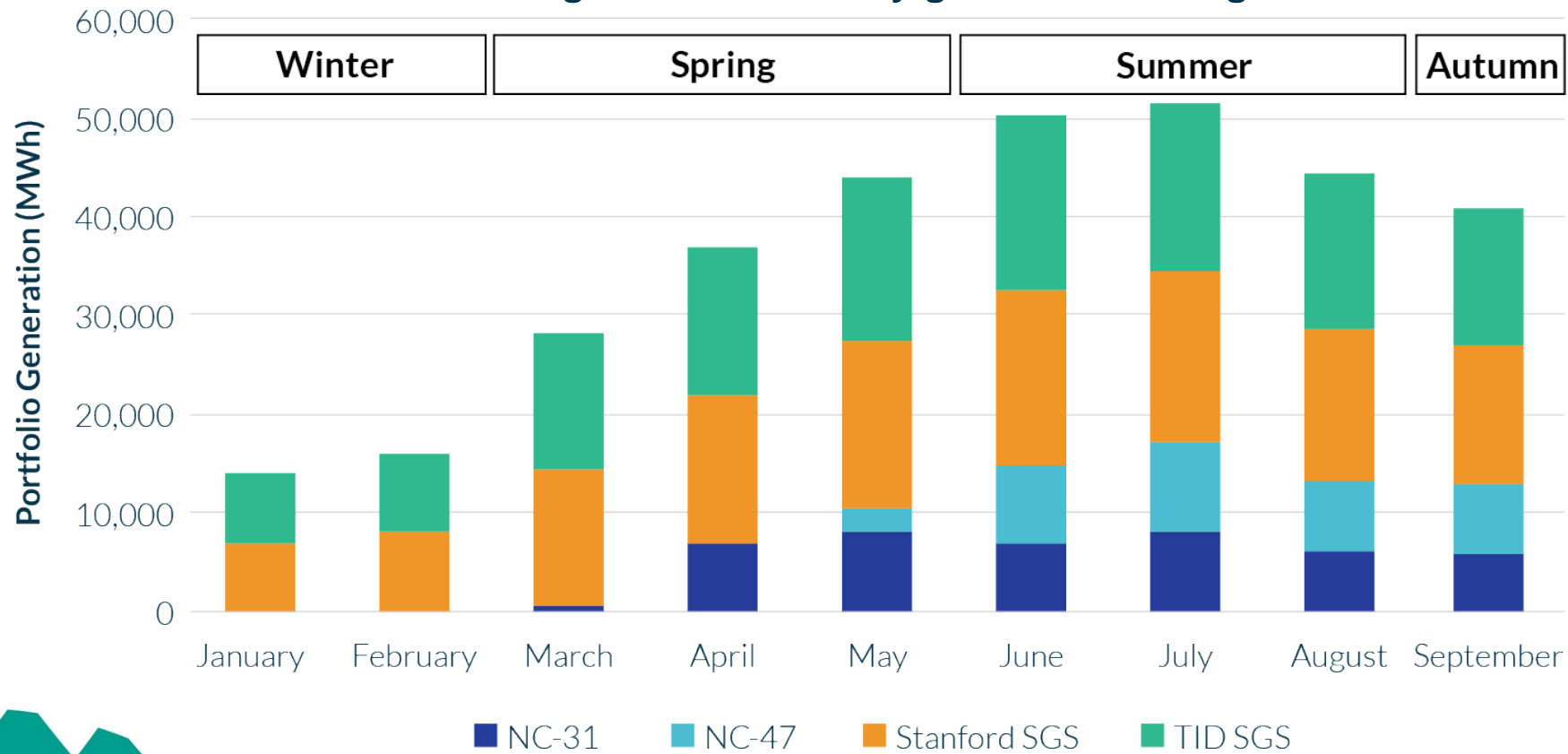
3

An established solar energy infrastructure business

Generating emissions free energy and meeting the twin goals of attractive financial returns alongside positive social impact



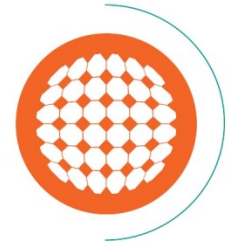
Existing Portfolio monthly generation during 2017



Note: Past performance is not a reliable indicator of future performance.

3 An established solar energy infrastructure business

Generating emissions free energy and meeting the twin goals of attractive financial returns alongside positive social impact



Proforma impact - Existing Portfolio and Cypress Creek Renewables (CCR) Portfolio⁴

Generates energy to power¹

81,600

houses.



424,000

tonnes of CO₂ emissions displaced² per annum



Equivalent number of cars removed

101,000

from the road³.



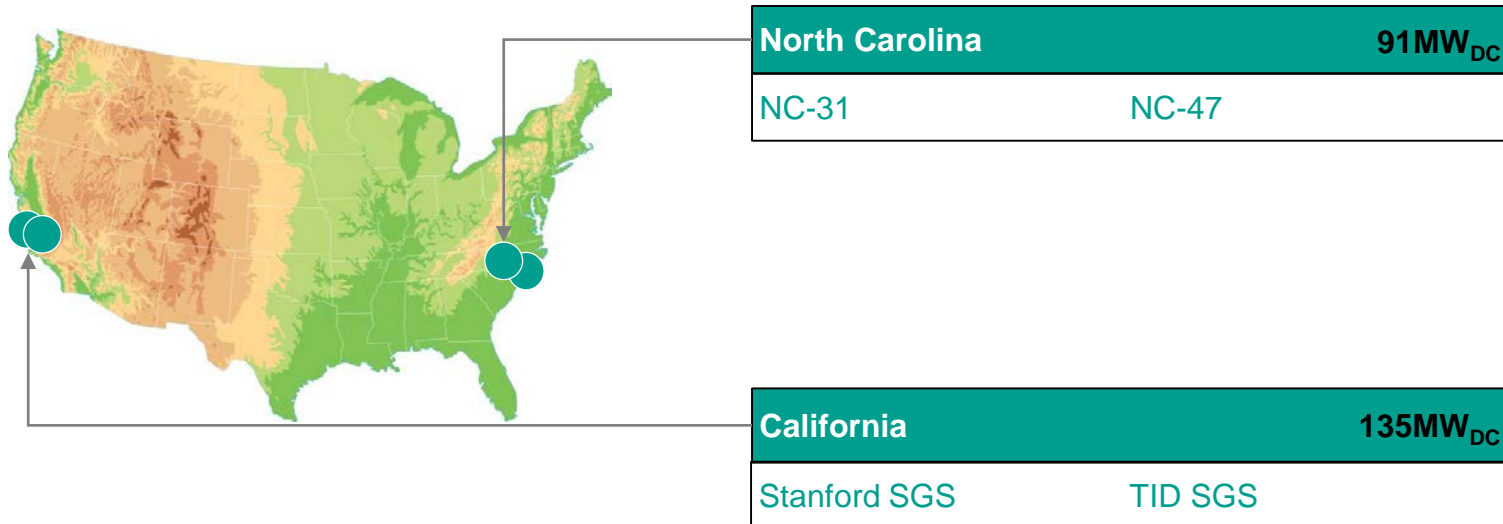
Note:

1. Based on an average house use of approximately 8,375kWh per annum (based on the average annual electricity consumption of Australian and US households).
2. Solar power plant CO₂ emission reduction calculated using the US Environmental Protection Agency's Avoided Emissions and generation Tool (AVERT). CO₂ emissions displacement is calculated as the emissions that would be produced annually if the same amount of energy was produced by a coal fired plant instead.
3. Based on an average of 4.2 tonnes of CO₂ emissions per car per annum. The "equivalent number of cars" is calculated as the number of cars per annum an equivalent amount of CO₂ in comparison with what is estimated to have been displaced.
4. The Cypress Creek Renewables (CCR) Portfolio is the 14 solar plants which the Business has agreed to acquire from CCR.



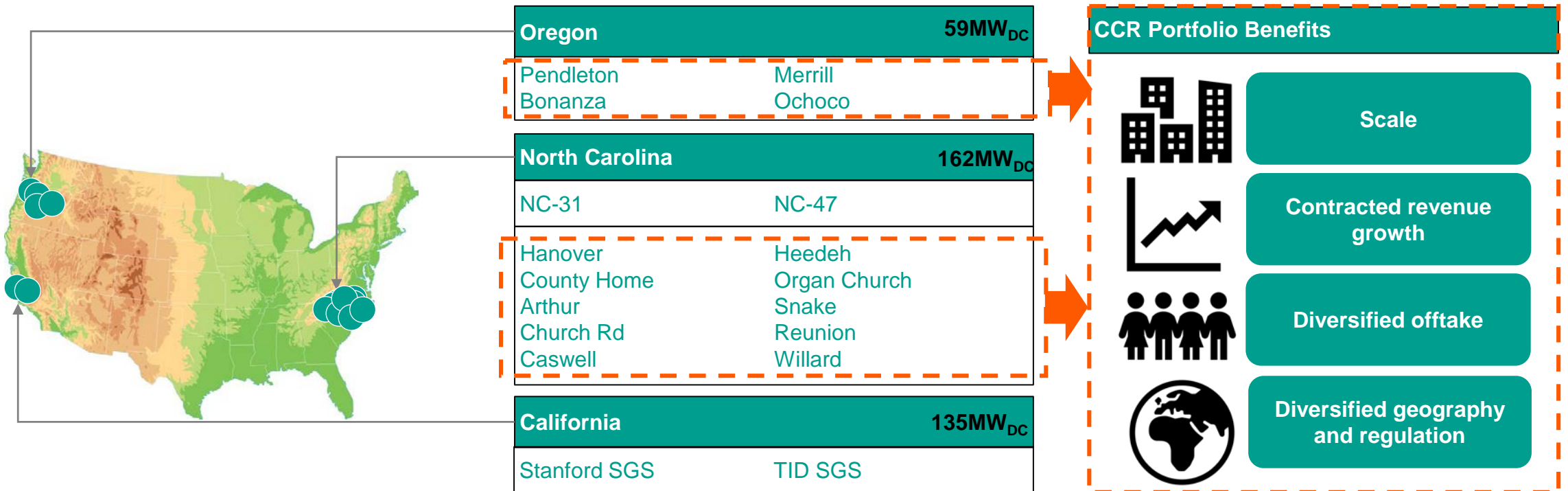
4 Clearly identified growth pathways which leverage our track record and relationships

Once the CCR Portfolio is constructed, NES will own majority interests in 18 solar power plants with 354MW_{DC} of capacity



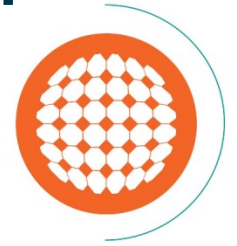
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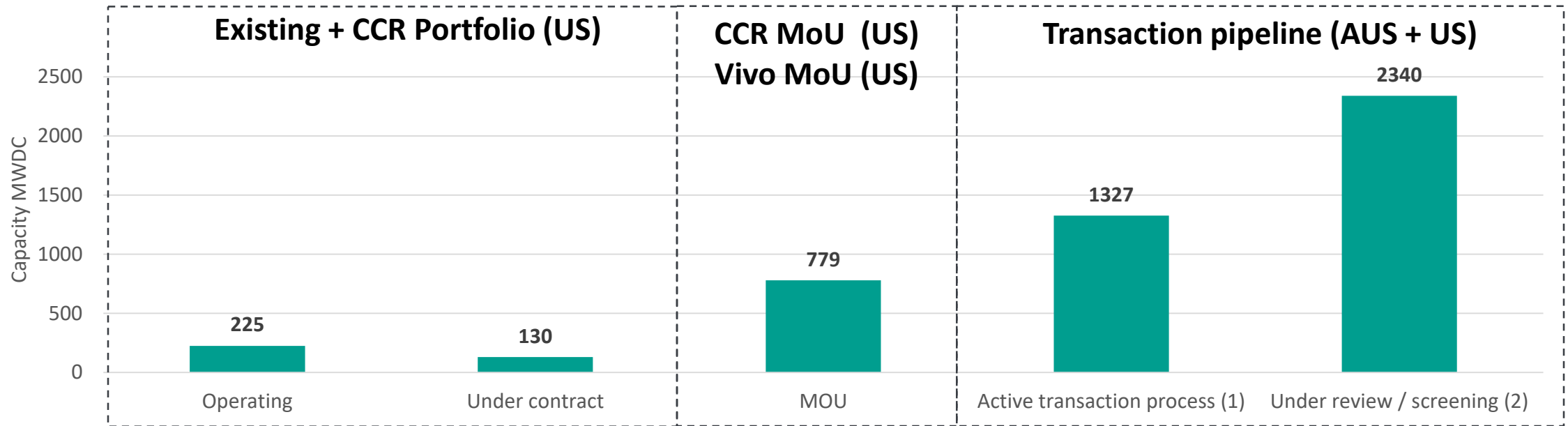


4 Clearly identified growth pathways which leverage our track record and relationships

779MW_{DC} under non-binding Memorandums of Understanding (MoU) with US developers, an an additional pipeline of US and Australian opportunities



NES potential acquisition pipeline



Note:

1. Where the Business is participating in a non-exclusive sale process
2. Where the Business is conducting a preliminary review of an opportunity to decide whether to participate in a sale process or engage with the vendor





NC-31 aerial – March 2017



3 Financial highlights



Financial Highlights

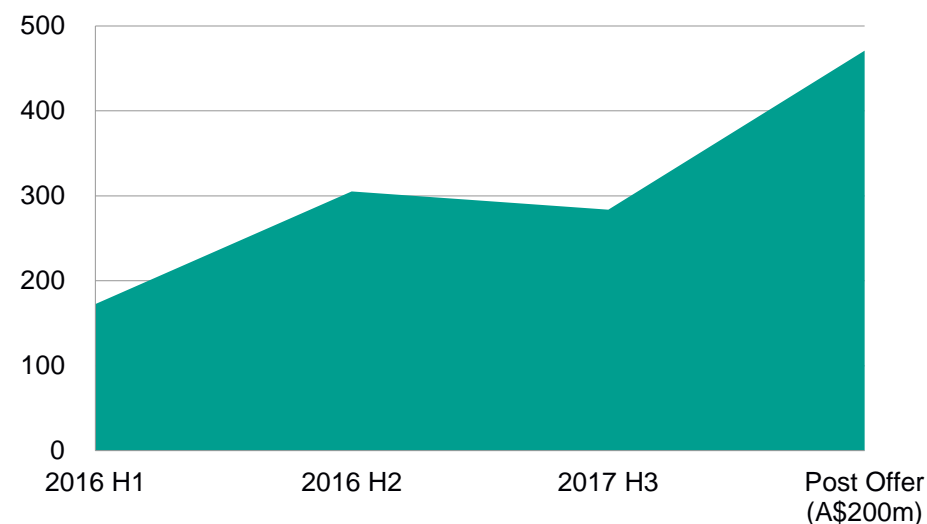
NES has deliberately maintained a strong balance sheet to facilitate business and distribution growth



Key business statistics

Net assets of the Business at 30 June 2017	A\$277.3 million
NAV per Stapled Security at 30 June 2017	A\$1.46
Business total 'look-through' gross debt outstanding ¹	US\$82.5 million (A\$107.1 million) ²
Business total 'look-through' gross gearing ³	18.6% of total gross assets
Target gearing range	Up to 50% of total gross assets

Total New Energy Solar assets (A\$ million)



Note:

1. Business total 'look-through' debt outstanding has been calculated on a group 'look-through' basis and includes the Business' proportionate share of third party or total external borrowings of the Business and its subsidiary entities
2. As at the date of the Offer Document, the Business had total debt outstanding of US\$82.5 million (this has been converted to A\$ based on the A\$:US\$ foreign exchange rate of 0.77).
3. Business total 'look-through' gross gearing has been calculated as (A) business total gross debt outstanding divided by (B) the total gross assets of the Business as at 30 June 2017. (A) Business total gross debt outstanding was US\$82.5 million as at 30 October 2017. (B) Total gross assets of the Business have been calculated as US\$443.7 million. This has been calculated using the Business' total reported assets on the balance sheet as at 30 June 2017 and adjusting for (i) the payment of the Business' 1st half of 2017 distribution, (ii) the distribution reinvestment plan, (iii) net proceeds raised from borrowings in the period to 30 October 2017 and (iv) an assumed \$200 million capital raising, which is the Maximum Subscription, net of expenses of the Offer



Financial Highlights (cont'd)

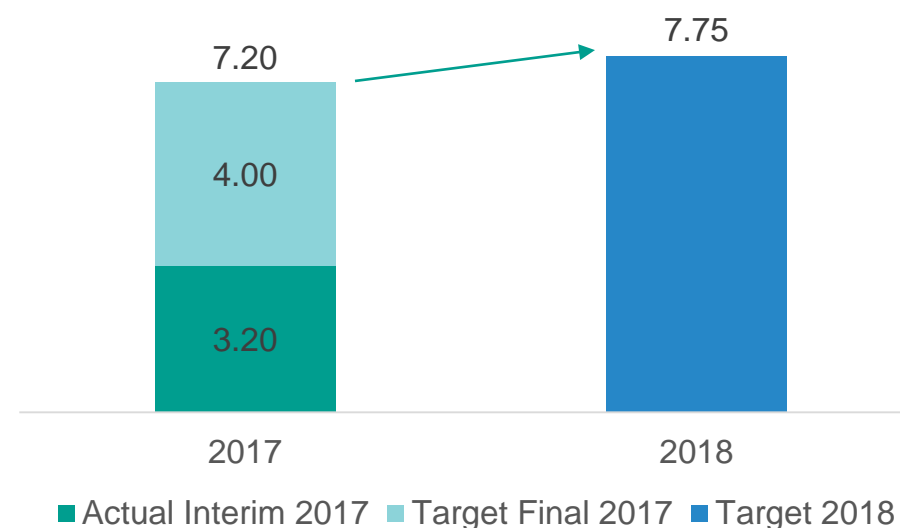
Target distributions are supported by operating assets and a clear growth pipeline



Offer price and distribution statistics

Offer Indicative Price Range (A\$)	A\$1.45 to \$1.55
Actual 1H 2017 distribution (per Stapled Security)	3.2 cents
Target 2H 2017 distribution (per Stapled Security) ¹	4.0 cents ¹
Actual 1H 2017 distribution plus target 2H 2017 distribution (per Stapled Security)	7.2 cents
Target calendar 2018 distribution (per Stapled Security) ²	7.75 cents ¹
Target calendar 2018 annual distribution yield per Stapled Security) ³	5.0% to 5.3%

Targeted and historical distributions, cents per Stapled Security¹



Note:

1. Based on the general assumptions set out in Section 4.1.6 of the Offer Document.
2. Based on the specific and general assumptions set out in Section 4.1.6 of the Offer Document.
3. Target calendar year 2018 distribution yield is calculated as the target distribution of 7.75 cents per Stapled Security for calendar year 2018 divided by the Indicative Price Range of \$1.45 to \$1.55 per Stapled Security.







NC-31 site inspection - October 2017



4 Key offer details



Offer details

Key Offer statistics



Total number of Stapled Securities being offered¹	66.7 - 200 million	
Total value of Stapled Securities being offered	\$100 - \$300 million	
Market capitalisation of the Business following completion of the Offer²	\$387.4 - \$587.4 million	
Indicative Price Range of Stapled Securities	\$1.45 - \$1.55	
NAV per Stapled Security as at 30 June 2017³	\$1.46	
2018 target distribution yield per Stapled Security⁴	5.0% to 5.3%	
Options issued at no additional cost per two Stapled Securities issued under the Offer⁵	Number	One Class A One Class B
	Exercise price	Final Price + 5 cents Final Price + 10 cents
	Exercise period	20 Business Days 20 Business Days
	Exercise period ends	5pm on 8 February 2019 5pm on 8 August 2019

Note:

1. Calculated by dividing the Minimum Subscription amount of \$100 million and the maximum Offer size, if fully oversubscribed, of \$300 million, by \$1.50, being the mid-point of the Indicative Price Range. The number of Stapled Securities being offered under the Offer Document will depend on the final Offer size and the Final Price which will be determined at the conclusion of the Institutional Offer bookbuild process and may be below, within or above the Indicative Price Range.
2. Calculated as the total number of Stapled Securities on issue following completion of the Offer based on the Indicative Price Range.
3. Based on a AUD:USD FX rate of 0.77.
4. Target 2018 distribution yield is calculated as the target distribution of 7.75 cents per Stapled Security for the 2018 calendar year divided by the Indicative Price Range of \$1.45 to \$1.55 per Stapled Security.
5. Please refer to Section 17 in the Offer Document for further details.



Offer timetable

Key dates¹



Retail offer opens	10 November 2017
Retail offer closes²	27 November 2017
Bookbuild to determine final price	27 to 28 November 2017
Final Price announcement to the market	29 November 2017
Expected commencement of trading on a conditional and deferred settlement basis on the ASX	4 December 2017
Trading expected to commence on the ASX on a normal settlement basis	12 December 2017

Note:

1. The above dates are indicative only and may vary subject to the requirements of the Corporations Act and the ASX Listing Rules. The Responsible Entity and the Company may vary the dates and times of the Offer (including closing the Offer early) without notice. The quotation and commencement of trading of the Stapled Securities and Options is subject to confirmation from the ASX
2. The date by which valid acceptances must be received by the Responsible Entity and the Company (unless paying by cheque, in which case your valid acceptance must be received by Wednesday, 22 November 2017)



Fee Summary



Offer fees

Contribution fee	3.0750% ¹ of the gross proceeds of the Offer
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Annual fees

Responsible entity fee (Trust only)	0.0836% ¹ per annum of the gross asset value of the Trust
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Investment manager fee	0.7180% ¹ per annum of the enterprise value of the Company and the Trust
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One off costs

Acquisition and disposal fee	1.5% ² of the purchase price or net sale proceeds
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Note:

- 1. Inclusive of GST and net of RITC
- 2. Exclusive of GST



Risks

It is very important that you consider the risks in Section 5 of the Offer Document

Key Risks

Broad investment strategy

Pre-operational asset risk

Stapled security and option price risk

Regulatory risk

Gearing and interest rate risk

Counterparty and warranty risk

Generation risk

Currency risk

Changes in long-term wholesale electricity prices

US Investment Tax Credit Risk

Operational risk

Tax equity investor risk



Key investment highlights



1 Solar is increasingly cost competitive and is transforming the energy sector

2 Solar assets are long-life infrastructure assets with long-term offtake contracts that generate stable cashflows

3 New Energy Solar is an established business with quality relationships with developers and offtakers

4 We have clearly identified growth pathways which leverage our track record and relationships





Stanford SGS at sunset - September 2017



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