



New Energy Solar Limited

ACN 609 396 983

Annual General Meeting

and

New Energy Solar Fund

ARSN 609 154 298

General Meeting

11:00am Sydney Time

Monday 31 May 2021

Level 15

100 Pacific Highway

North Sydney NSW 2060

**New Energy Solar
Notice of Meetings 2021**

New Energy Solar

Australia

Level 15, 100 Pacific Highway North Sydney NSW 2060

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United States

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1 BACKGROUND

New Energy Solar (or the **Business**) is a stapled security structure comprised of the following entities:

- New Energy Solar Limited (ACN 609 396 983) (**Company**); and
- New Energy Solar Fund (ARSN 609 154 298 (**Trust**)).

The issued shares of the Company (**Shares**) and issued units of the Trust (**Units**) are stapled together and quoted jointly on the ASX (under the code **NEW**) and are referred to as **Stapled Securities**. As a result, each Unit or Share cannot be traded separately.

2 NOTICE OF MEETINGS TO SECURITYHOLDERS

The Annual General Meeting of Shareholders of the Company will be held in conjunction with a General Meeting of Unitholders of the Trust (**Meetings**) at the time, date and place detailed below to consider and vote on the resolutions in this notice of meeting (**Notice**):

DATE

11:00am on Monday 31 May 2021

VENUE

Level 15, 100 Pacific Highway, North Sydney, NSW, 2060.

New Energy Solar is also pleased to provide Securityholders with the opportunity to participate in the Meetings virtually through an online platform provided by its share registrar Link Market Services <https://agmlive.link/NEW21>.

Refer to section 7, Hybrid Meetings, below for details on how to participate in the Meetings.

The Directors recommend that Securityholders vote in favour of all resolutions set out in the Notice.

Terms and expressions used in this Notice have, unless otherwise defined, the same meanings as set out in the Explanatory Memorandum.

3 BUSINESS

ORDINARY BUSINESS

1. Financial Accounts and Reports (Company and Trust)

To receive and consider the financial statements, the Directors' Report, and the Independent Auditor's Report contained within the New Energy Solar Annual Report for the period 1 January 2020 to 31 December 2020 (**New Energy Solar Annual Report**).

Note: that no resolution is required for this item of business.

2. Election and Re-Election of Directors (Company only)

To consider and, if appropriate, pass the following as separate **ordinary resolutions**:

Resolution 1: *“That Maxine McKew, who is retiring in accordance with Rule 8.7(b) of the Company’s constitution and, being eligible, be re-elected as a Director of the Company”;*

Resolution 2: *“That John Holland, who is retiring in accordance with Rule 8.7(b) of the Company’s constitution and, being eligible, be re-elected as a Director of the Company”.*

Note: please see the Explanatory Memorandum for detailed biographies of Maxine McKew and John Holland.

3. Adoption of Remuneration Report (Company only)

To consider, and if appropriate, pass the following as an **ordinary resolution**:

Resolution 3: *“That the Remuneration Report for the year ended 31 December 2020 be adopted.”*

Note: that the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The *Corporations Act 2001 (Cth)* (**Corporations Act**) restricts members of the key management personnel (**KMP**) and their closely related parties from voting in relation to resolution 3 in certain circumstances.

The Company will disregard any vote cast on resolution 3:

- by or on behalf of members of the KMP named in the Remuneration Report for the year ended 31 December 2020 and closely related parties of those persons, regardless of the capacity in which the vote is cast;
- as a proxy for members of the KMP or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on resolution 3:

- in accordance with a direction on the proxy form; or
- by the Chair of the meeting in accordance with an express authority in the proxy form to vote undirected proxies as the Chair sees fit even though resolution 3 is connected with the remuneration of the KMP.

SPECIAL BUSINESS

4. Approval of On-market Buyback of Stapled Securities (Company and Trust)

To consider, and if thought fit, to pass the following resolution a an **ordinary resolution** of each of the Company and the Trust:

“That, New Energy Solar authorises and approves, for the purposes of Section 601KH(8)(a) of the Corporations Act (as inserted by ASIC Legislative Instrument 2016/1159), Section 257C(1) of the Corporations Act, ASX Listing Rule 7.33 and for all other purposes, the buyback of up to 25% of the issued Stapled Securities on-market during the 12 month period commencing on 1 June 2021 (and in any event within 2 months of this date) and expiring on 1 June 2022 as detailed in the Explanatory Memorandum which accompanies this Notice of Meeting.”

4 OTHER INFORMATION

An Explanatory Memorandum accompanies and forms part of this Notice.

All Securityholders should read the Explanatory Memorandum carefully and in its entirety. Securityholders who are in doubt regarding any part of the business of the Meetings should consult their financial or legal adviser for assistance.

To constitute a valid meeting of the Company, a quorum of at least three Shareholders or Shareholders representing at least 10% of the voting Shares must be present (in person or by proxy) at the time when the meeting proceeds to business.

To constitute a valid meeting of the Trust, a quorum of at least five Unitholders must be present (in person or by proxy).

All resolutions proposed at the meeting are ordinary resolutions. To be passed, they must be approved by a simple majority of the total votes cast by Securityholders entitled to vote on the resolution (including Securityholders who are voting by proxy).

5 PROXIES, CORPORATE REPRESENTATIVES AND ATTORNEYS

PROXIES

Any Securityholder entitled to attend and vote at these Meetings is entitled to appoint not more than two proxies to attend and vote in his/her stead.

A proxy need not be a Securityholder.

If the Securityholder appoints two proxies, the Securityholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the votes. If the specified proportion or number of votes exceeds that which the Securityholder is entitled to, each proxy may exercise half of the

Securityholder votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies must be:

- (a) lodged by posting them or delivering them by hand to the address specified below;
- (b) received at the fax number specified below; or
- (c) registered online.

not later than 48 hours before the Meetings i.e.

11:00am (AEST) on Saturday 29 May 2021.

By mail: New Energy Solar

C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

By fax: +61 2 9287 0309

In person: Level 12, 680 George Street,
Sydney NSW 2000

Online: www.linkmarketservices.com.au

A proxy form is provided in this Notice.

CORPORATE REPRESENTATIVES

A Securityholder or proxy that is a corporation and entitled to participate and vote at the Meetings may appoint an individual to act as its corporate representative. Evidence of the appointment of a corporate representative must be in accordance with section 250D of the Corporations Act and be lodged with New Energy Solar before the Meetings.

ATTORNEY

To vote by attorney at the Meetings, the original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by the Share Registry before 11:00am (AEST) on Saturday 29 May 2021 in any of the following ways:

By mail: New Energy Solar

C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

In person: Level 12, 680 George Street,
Sydney NSW 2000

6 ENTITLEMENT TO VOTE

Persons who are registered Securityholders at 11.00am AEST on Saturday 29 May 2021 will be entitled to vote at the Meetings, subject to being excluded in relation to the Meeting of the Trust under section 253E of the Corporations Act which provides that the responsible entity of a registered scheme and its associates are not entitled to vote on a resolution if they have an interest in the resolution or matter other than as a Securityholder. If you are in any doubt as to whether you are entitled to vote, please notify us immediately.

By order of the board of the Company and E&P Investments Limited, in its capacity as responsible entity of the Trust,
(Responsible Entity).

CAROLINE PURTELL

Secretary of the Company and the Responsible Entity of the Trust.

28 April 2021

7 HYBRID MEETINGS

ALL RESOLUTIONS WILL BE BY POLL

In accordance with clause 7.7(b) of the Company's constitution and clause 18.13 of the Trust's constitution, the Chair intends to demand a poll on each of the resolutions proposed at the Meetings. Each resolution considered at the Meetings will therefore be conducted by a poll, rather than on a show of hands.

The Chair considers voting by poll to be in the interests of Securityholders as a whole particularly where the Meetings are proposed as hybrid meetings and are a way to ensure the views of as many Securityholders as possible are represented and offered an opportunity to participate at the Meetings.

ATTENDING IN PERSON

Securityholders can attend the Meetings in person and vote using the paper voting cards provided.

ATTENDING VIRTUALLY

Securityholders and proxies will also be able to attend and participate in the Meetings virtually via an online platform at <https://agmlive.link/NEW21>. Directors have determined that Securityholders attending and participating in the Meetings virtually via the online platform will be able to vote and ask questions during the Meetings. More information regarding virtual attendance at the Meetings (including how to vote and ask questions virtually during the Meetings) is available in the New Energy Solar Limited Virtual Meeting Online Guide available at <https://www.newenergysolar.com.au/investor-centre/key-documents>.

USING THE ONLINE PLATFORM

We recommend that those who will be attending the Meetings virtually log in to the online platform at least 15 minutes prior to the scheduled start time for the Meetings using the instructions below:

- (a) enter <https://agmlive.link/NEW21> into a web browser on a mobile or online device;
- (b) Securityholders will need their Securityholder Reference Number or Holder Identification Number, which is printed at the top of the Proxy Voting Form; and
- (c) Proxyholders will need their proxy code which Link Market Services will provide via an email no later than 24 hours prior to the Meetings. Securityholders who wish to appoint a Proxyholder will also need to provide the Proxyholder's email address, either on the proxy voting form or by calling the Link Market Services Contact Centre on 1300 554 474.

Online voting will be open between the commencement of the Meeting at 11.00am (AEST) on Monday, 31 May 2021 and the time at which the Chair announces the closure of voting.

RESTRICTION ON RECORDING

Securityholders, proxies, corporate representatives or other permitted attendees to the Meetings must not record, transmit or otherwise permit attendance or access to the Meetings to any party who is not otherwise entitled to attend the Meetings.

8

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice and provides Securityholders with information to assess the merits of the proposed resolutions in the Notice.

ORDINARY BUSINESS

Financial Report and Reports of the Directors and Auditor (Company and Trust)

This item allows Securityholders the opportunity to receive and consider the financial statements of and the reports of the Directors and independent auditor for the period 1 January 2020 to 31 December 2020. Under Section 317 of the Corporations Act, the Company is required to lay these three reports that together comprise the New Energy Solar Annual Report before its Securityholders at its Annual General Meeting.

There is no requirement either in the Corporations Act, the Company's constitution or the Trust's constitution for Securityholders to approve the financial report, the Directors' Report or the Independent Auditor's Report.

Securityholders will have a reasonable opportunity at the Meetings to ask questions and make comments on these reports and on the business and operations of New Energy Solar.

Securityholders will also be given a reasonable opportunity to ask the independent auditor questions about the Independent Auditor's Report and the conduct of the audit of the financial report.

Election and Re-Election of Directors (Company only)

Under Rule 8.7(b) of the Company's constitution, one third of the Directors of the Company must retire from office. Retiring Directors are eligible for re-election. As the Company currently has five Directors, two Directors must retire from office and are eligible for re-election.

Maxine McKew was re-elected to the Company board at the 2018 Company annual general meeting and John Holland was re-elected to the Company board at the 2019 Company annual general meeting. Both retire in accordance with Rule 8.7(b) of the Company's constitution and, being eligible in accordance with Rule 8.4 of the Company's constitution and the ASX Listing Rules, offer themselves for re-election.

RESOLUTION 1

Re-Election of Maxine McKew as Director of the Company

Resolution 1 provides for the re-election of Maxine McKew as Director of the Company in accordance with the Company's constitution. See below for details of Ms. McKew's' background.



MAXINE MCKEW

MAICD

Non-Executive Director

Maxine is an author and Honorary Enterprise Professor of the Melbourne Graduate School of Education at the University of Melbourne. Her most recent book, published by Melbourne University Press in 2014, is *Class Act*, a study of the key challenges in Australian schooling. This publication followed the success of her memoir, *Tales From the Political Trenches*, an account of her brief but tumultuous time in the Federal Parliament.

Maxine's background traverses both journalism and politics. For many years she was a familiar face to ABC TV viewers and was anchor of prestigious programs such as the 7.30 Report and Lateline. Her work has been recognised by her peers with both Walkley and Logie awards.

When she left journalism to enter politics, Maxine wrote herself into the Australian history books by defeating Prime Minister John Howard in the Sydney seat of Bennelong. In government she was both parliamentary secretary for early childhood and later, for regional development and local government.

Maxine serves as director of the State Library of Victoria and has served on the boards of numerous not for profits, including Per Capita John Cain Foundation and Playgroup Australia.

During the past three years Maxine has not acted as director of any other Australian listed public entity.

The Directors of the Company (with Ms. McKew abstaining) recommend that Securityholders vote in favour of the re-election of Ms. McKew.

The Chair of the Meetings intends to vote undirected proxies in favour of the re-election of Ms. McKew.

RESOLUTION 2

Re-Election of John Holland as Director of the Company

Resolution 2 provides for the re-election of John Holland as Director of the Company in accordance with the Company's constitution. See below for details of Mr. Holland's background.



JOHN HOLLAND

MA (Hons) (Oxford)

Non-Executive Director

John holds a portfolio of complementary non-executive board roles. In particular, he chairs Virtu ITG UK Ltd, a brokerage business which is part of the Virtu Financial group, and Open Door Capital Management (a Greater China Asset Management company), as well as acting as Non-Executive Director of sQuidcard Limited (a UK and African Payments business in the Education and Aid Sectors).

Prior to his current roles, John was Managing Director and Member of UBS Investment Bank Board. Over the course of his 24-year career at UBS and its predecessor banks, John helped to build and then led UBS' leading Asian Equities and banking business based in Hong Kong, before returning to London to assume various senior management roles in the Global Equities business.

Throughout his career, John has had significant experience working with a wide range of Financial Regulators, including a three-year stint as a member of the European Securities Markets Experts Group advising the European Commission on new regulation.

John holds a Master of Arts (Hon) from Oriel College, Oxford University, majoring in Philosophy, Politics and Economics.

During the past three years John has acted as a non-executive director of the following Australian listed public entity: - Asian Masters Fund Limited (since 2010, delisted on 17 May 2018).

The Directors of the Company (with Mr. Holland abstaining) recommend that Securityholders vote in favour of the re-election of Mr. Holland. The Chair of the Meetings intends to vote undirected proxies in favour of the re-election of Mr. Holland.

RESOLUTION 3

Adoption of Remuneration Report

The Company's Remuneration Report is contained in the Directors' Report set out in the New Energy Solar Annual Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its remuneration report to a vote at its annual general meeting.

The vote is advisory only and does not bind the Directors or the Company.

The Board of the Company will consider the outcome of the vote and any comments made by Securityholders on the Remuneration Report at the Annual General Meeting when reviewing the Company's remuneration policies.

If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, at the second of those annual general meetings, Securityholders will be required to consider, and if thought fit, pass an ordinary resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors other than the Managing Director must stand for election.

The Directors of the Company unanimously recommend that Security holders vote in favour of adopting the Remuneration Report.

The Chair of the Meetings intends to vote undirected proxies in favour of adopting the Remuneration Report.

SPECIAL BUSINESS

RESOLUTION 4

Approval of On-market Buyback

In September 2020, New Energy Solar undertook a Strategic Review to address the persistent discount at which the security price was trading relative to the Net Asset Value per security. On 26 October 2020, the results of the Strategic Review were announced, including a decision to commence a sale process for the two Australian assets, Beryl and Manildra. This sale process is now well advanced and an announcement on the outcome is expected before the end of June 2021.

While the asset sales have not yet been completed, consideration is being given to the appropriate use of asset sale proceeds. Along with debt reduction and capital returns, this may include using part of the proceeds to fund a possible buyback of Stapled Securities.

There are currently 357,418,401 Stapled Securities on issue in New Energy Solar.

The size of a possible buyback will not be known until the Australian asset sale process is complete, however, to provide sufficient flexibility Securityholder approval is sought for up to 25% of the issued Stapled Securities (i.e. currently 89,354,600 Stapled Securities) ("**Buyback**") over a period commencing on 1 June 2021 (and in any event within 2 months of this date) and expiring on 1 June 2022.

The Buyback will be conducted on market, which means the Company and the Responsible Entity will buy back the Stapled Securities in the

ordinary course of trading on the ASX. The Buyback will be open to all Securityholders and participation is voluntary. The usual rules for settlement of transactions which occur on-market on the ASX will apply. The Company and the Responsible Entity reserve the right to jointly suspend or terminate the Buyback at any time.

The Company and the Responsible Entity will offer to buy back the Stapled Securities during the course of the 12 month period within a range of prices they jointly determine, but not at a price greater than 5% above the VWAP of all Stapled Securities sold on the ASX during the last five days on which the sales in Stapled Securities were recorded before the date of the relevant Buyback, in accordance with ASX Listing Rule 7.33. The current market price of Stapled Securities as at 19 April 2021 is \$0.79.

In accordance with section 257H(2) of the Corporations Act and the constitutions of the Company and the Trust, all Stapled Securities which are bought back will be cancelled.

If Securityholder approval of Resolution 4 is obtained, it is not guaranteed that the Company and the Responsible Entity will buy back the maximum number of Stapled Securities permitted under the Buyback or any Stapled Securities at all.

Securityholder approval

The Buyback requires approval under the Corporations Act as the maximum amount of Stapled Securities proposed to be bought back exceeds 10% of the issued Stapled Securities, at any time, during the last 12 months (**10/12 Limit**).

Approval is sought by New Energy Solar to buy back up to 25% of the Stapled Securities.

Effect if the Buyback is not approved by Securityholders

If the Buyback is not approved by the Securityholders then the Company and the Responsible Entity may undertake the Buyback within the 10/12 Limit. It is not guaranteed that the Company and the Responsible Entity will buy back the maximum number of Stapled Securities permitted under 10/12 Limit.

Advantages and disadvantages of the Buyback

The Company and the Responsible Entity believe the Buyback will create the following advantages for Securityholders:

- it enhances New Energy Solar's ability to return surplus capital in a cost effective manner;
- all Securityholders are entitled to offer their Stapled Securities to be purchased;
- the creation of a period of enhanced liquidity for Securityholders to sell Stapled Securities back to New Energy Solar, where that liquidity would not otherwise be available to Securityholders;

- promotes a more efficient capital structure; and
- allows continuing Securityholders to control a larger proportion of Stapled Securities.

The Company and the Responsible Entity believe the Buyback may create the following disadvantages:

- the Buyback will reduce the cash reserves of New Energy Solar, possibly limiting future investment opportunities;
- participation in the Buyback may have financial, taxation, or other ramifications for Securityholders depending upon each Securityholder's personal circumstances. The Directors recommend each Securityholder obtains their own professional advice.

Financial Impact

The Company and the Responsible Entity have proposed the Buyback as they consider the current Stapled Security market trading price is not an accurate reflection of New Energy Solar's value, and the Buyback is an opportunity to add value for the Securityholders of New Energy Solar. The Buyback will be funded from New Energy Solar's cash reserves.

Under the Corporations Act, a listed company can buy back its own shares on-market if the buyback does not materially prejudice its ability to pay its creditors and it follows the procedures set out in the Corporations Act. Accordingly, Stapled Securities will not be bought back under the Buyback if it would materially impact New Energy Solar's ability to pay its creditors.

Related parties' right to participate in the Buyback

Sections 208(1)(a) and 601LC of the Corporations Act prohibit the Company from giving a financial benefit to 'related parties' of the Company and the Trust (as defined in the Corporations Act) without the approval of Securityholders by a resolution passed at a meeting at which no votes are cast in relation to the resolution in respect of any securities held by the related party or by an associate of the related party.

No Directors intend to sell into the Buyback and it is not envisaged that any other related party will sell into the Buyback.

However, to the extent that a related party does participate in the Buyback, the Company considers that the proposed purchase of Stapled Securities from related parties falls within the 'arm's length' exception under section 210 of the Corporations Act, as:

- related parties who wish to participate in the Buyback will only be entitled to sell Stapled Securities on the same terms as those that apply to other Securityholders;

- the ability of related parties to participate in the Buyback may assist New Energy Solar to obtain the advantages of the Buyback set out above; and
- the impact on the proportion of securities held by continuing Securityholders is the same whether or not any related parties participate.

Recommendation

The Directors and the Responsible Entity unanimously recommend that Securityholders vote in favour of the Buyback.

The Chair of the Meetings intends to vote undirected proxies in favour of the Buyback.

GLOSSARY

In this Explanatory Memorandum and the Notice:

Annual General Meeting means the annual general meeting of the Company convened by this Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange.

ASX Listing Rules means the listing rules of the ASX.

Buyback means the proposed on-market buy back of the Stapled Securities that is the subject of Resolution 4, as described in this Explanatory Memorandum.

Company means New Energy Solar Limited (ACN 609 396 983).

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company or the Responsible Entity, as the case may be.

Directors' Report means the directors' report contained within the New Energy Solar Annual Report.

Explanatory Memorandum means the explanatory memorandum to this Notice.

General Meeting means the general meeting of the Trust convened by this Notice.

Independent Auditor's Report means the independent auditor's report contained in the New Energy Solar Annual Report.

Meetings means the Annual General Meeting and the General Meeting.

New Energy Solar means the Trust and the Company and their controlled entities.

Notice means the notice of meetings contained in this document.

Remuneration Report means the remuneration report contained in the Directors' Report set out in New Energy Solar's Annual Report.

Responsible Entity means E&P Investments Limited (ACN 152 367 649) (AFSL 410 433) as responsible entity for the Trust.

Securityholder means a holder of a Stapled Security.

Share means a fully paid ordinary share in the Company.

Shareholder means a holder of a Share.

Stapled Security means one Unit stapled to one Share.

Trust means New Energy Solar Fund (ARSN 609 154 298).

Unit means a fully paid ordinary unit in the Trust, being an undivided share in the beneficial interest in the Trust.

Unitholder means a holder of a Unit.

VWAP means the volume weighted average price of a Stapled Security sold on the ASX trading platform.

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