



16 June 2017

Dear Stapled Securityholder,

New Energy Solar – Distribution Reinvestment Plan

New Energy Solar Limited (**Company**) and Walsh & Company Investments Limited, in its capacity as responsible entity (**Responsible Entity**) of the New Energy Solar Fund (**Trust**) (Trust and Company together **NES**), are pleased to provide stapled securityholders in NES (**Stapled Securityholders**) with the opportunity to participate in the New Energy Solar Distribution Reinvestment Plan (**Plan**).

The Plan has been established as part of NES' preparations to pay its first Distribution.

The Plan enables you to increase your holding in Stapled Securities in NES by reinvesting all or part of NES' Distributions in additional Stapled Securities free of brokerage, commission and other costs.

You have three choices for a Distribution from NES:

1. Reinvest the full Distribution in additional Stapled Securities;
2. Reinvest part of the Distribution in Stapled Securities and receive the rest in cash; or
3. Receive the total Distribution payment in cash.

If you wish to receive your Distributions in cash, no action is required. If you wish to receive all or part of your Distributions in additional Stapled Securities, you are required to complete and return a Distribution Election Notice available from the NES Registry.

Participation in the Plan is entirely voluntary and you can vary or cease your participation in the Plan at any time. The main features of the Plan are outlined in the enclosed booklet, together with the details, terms and conditions of the Plan.

On behalf of NES, I invite you to participate in the Plan by completing a Distribution Election Notice form and returning it to NES' Registry.

TAXATION

Under current income tax legislation, participants may be required to include the taxable components of Distributions reinvested under the Plan in their taxable income on the same basis as if those Distributions had been received in cash. The cost base of each new Stapled Security acquired under the Plan should include the amount of the Distribution that has been applied to acquire each Stapled Security.

Important note: Stapled Securityholders should seek advice from their financial advisor or taxation advisor. The Company and the Responsible Entity do not offer any advice to Stapled Securityholders on the taxation or other consequences of the Plan.

Please take time to read the enclosed booklet carefully and seek your own investment or taxation advice if needed. I look forward to your continued support of NES.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Alex MacLachlan".

Alex MacLachlan
Chairman of the Responsible Entity and Chairman of the Company

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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)
New Energy Solar Limited (ACN 609 396 983)



New Energy
Solar

A large, decorative graphic on the left side of the page, composed of several overlapping, irregular orange shapes that resemble solar cells or a honeycomb pattern. The shapes are arranged in a roughly circular, sun-like form, extending from the top left towards the bottom left.

DISTRIBUTION REINVESTMENT PLAN BOOKLET



Participation in the Plan is optional and is open to all Stapled Securityholders resident in Australia and New Zealand.

1. SUMMARY OF THE DISTRIBUTION REINVESTMENT PLAN

1.1 INTRODUCTION

The Distribution Reinvestment Plan (**Plan**) offers Stapled Securityholders the opportunity to purchase additional Stapled Securities in NES by reinvesting part or all of their periodic Distributions.

New Energy Solar Limited (**Company**) and Walsh & Company Investments Limited in its capacity as responsible entity (**Responsible Entity**) of the New Energy Solar Fund (**Trust**) (Trust and Company together **NES**), consider it important that the Plan operates to the advantage of all Stapled Securityholders, not only those that participate in the Plan. Therefore, the Company and the Responsible Entity will operate the Plan where they have formed the view that the benefits derived from the capital raised through the Plan will exceed the costs associated with the Plan.

Accordingly, under the terms of the Plan the Company and the Responsible Entity have the ability to together:

- a) Determine the amount of capital that the Plan will raise by limiting the number of Stapled Securities in NES that can be issued under the Plan at each Distribution;
- b) Suspend the Plan; and
- c) Determine that the Plan will be underwritten.

The following sections outline the way the Plan works and should be read in conjunction with the plan rules (attached to this booklet as Annexure A) (**Plan Rules**). If you are interested in participating in the Plan you are encouraged to read the Plan Rules in full.

2. ELIGIBILITY TO PARTICIPATE

Participation in the Plan is optional and is open to all Stapled Securityholders resident in Australia and New Zealand.

The Plan is not registered under the securities laws of any other jurisdiction. Consequently, Stapled Securityholders of the Company and the Trust whose registered address is not in Australia or New Zealand may not be able to participate in the Plan.


3. HOW TO PARTICIPATE

To participate, vary a previous election or terminate participation, a Stapled Securityholder must lodge a Distribution Election Notice with NES' Registry. If a Stapled Securityholder has multiple securityholding accounts in NES, a separate Distribution Election Notice will be required for each account.

Stapled Securityholders may elect to participate for all or part of their Stapled Securityholdings.

The Plan has no minimum participation requirement. In addition, Stapled Securityholders may vary or terminate their participation in the Plan at any time. The Company and the Responsible Entity may refuse to accept or reject any election to participate in the Plan at its discretion, subject to the Corporations Act, the Company Constitution and the Trust Constitution.





A Distribution Election Notice may be lodged with NES' registry at any time. A Distribution Election Notice received before the Notification Date will take effect for that and subsequent distribution periods. A Distribution Election Notice to participate, vary or terminate participation received after a Notification Date will apply only to subsequent Distribution periods.

4. HOW THE PLAN OPERATES

For each Distribution period, the Company and the Responsible Entity will announce on NES' website, and, if NES is Listed, on the ASX announcements platform:

- a) The Distribution entitlement for each Stapled Security;
- b) The maximum number of fully paid Stapled Securities in NES which can be issued under the Plan (**Maximum Plan Amount**) (if any);
- c) The price at which Stapled Securities will be issued under the Plan (**Reinvestment Price**) and the method by which the Reinvestment Price is to be determined;
- d) The Record Date;
- e) The Notification Date; and
- f) Payment Date of the Distribution and the issue date for Stapled Securities issued under the Plan (**Distribution Date**).

Following the end of each Distribution period, the Company and the Responsible Entity will determine each Stapled Securityholder's Distribution entitlement.

5. REINVESTMENT PRICE

The Reinvestment Price will be a price determined by the Directors in accordance with the Trust Constitution.

If NES is Listed, the Reinvestment Price will be the arithmetic average of the daily volume weighted average market price per Stapled Security during the 10 Trading Days commencing on the Trading Day following the relevant Record Date less the Discount (if any) set by the Directors.

If NES is not Listed or, if Listed, Stapled Securities do not trade on ASX on a minimum of five days during the 10 Trading Day period (including as a result of suspension in trading), the Reinvestment Price will be the most recently announced net asset value per Stapled Security, before provision for tax, available at 7pm on the last Trading Day of the 10 Trading Day period less the Discount (if any) set by the Directors or such other price as may be determined by the Directors in accordance with the Trust Constitution.

6. BROKERAGE AND COMMISSION

Stapled Securities acquired through the Plan will be issued free of brokerage and commission.

7. PLAN UNDERWRITING

Where the Company and the Responsible Entity consider it appropriate, the Plan may be partly or fully underwritten.





8. RANKING FOR DISTRIBUTIONS

Stapled Securities created through the Plan will rank equally in all respects with existing issued Stapled Securities from the date of issue.

9. TAXATION

The Company and the Responsible Entity take no responsibility for the taxation liabilities of Stapled Securityholders and suggest you obtain independent advice concerning your taxation position.



ANNEXURE A

DISTRIBUTION RE-INVESTMENT PLAN RULES

The following Rules contain the terms, provisions and conditions that apply in relation to the New Energy Solar Limited and New Energy Solar Fund Distribution Reinvestment Plan (**Plan**).

1. INTERPRETATION

a) In these Plan Rules

ASX	ASX Limited (ACN 008 624 691)
Company	New Energy Solar Limited (ACN 609 396 983)
Company Constitution	The constitution of the Company
Directors	Together the directors of the Company and the directors of the Responsible Entity
Discount	Such percentage discount (if any) determined in accordance with the Company Constitution and the Trust Constitution as determined by the Company and the Responsible Entity
Distribution	A dividend in respect of a Share and an income distribution in respect of a Unit
Distribution Date	The payment date of a Distribution or issue date of Stapled Securities under the Plan
Distribution Election Notice	An application form approved by the Directors to participate in the Plan
DRP Register	The register maintained in accordance with Clause 4.
Eligible Member	A person registered as a holder of a Stapled Security: <ul style="list-style-type: none">(i) whose address as it appears in the Register is situated (and in the case of a Stapled Security held jointly by 2 or more persons, all of whose addresses appearing in the Register are situated) in Australia or New Zealand; or(ii) whose address as it appears in the Register, is situated (and in the case of a Stapled Security held jointly by 2 or more persons, 1 of whose address appears in such registers is situated) outside Australia or New Zealand and who has produced to NES such evidence as may be required to satisfy NES that any necessary approvals of any governmental authority in relation to participation in the Plan have been obtained and that participation is not contrary to any applicable laws of Australia or any other relevant jurisdiction
First Alternative	Has the meaning given in clause 2(c)(i) of the Plan Rules
Listed	NES is admitted to the official list of the ASX and the Stapled Securities are officially quoted on the ASX
Listing Rules	The listing rules of the ASX



Maximum Plan Amount	The maximum number of fully paid Stapled Securities in NES which can be issued under the Plan (if any)
NES	The Trust and the Company
Notification Date	The date determined by the Company and the Responsible Entity by which Distribution Election Notices must be received in order to participate in the first Distribution following that date
Participant	An Eligible Member who has applied to participate in the Plan and whose application has been accepted by NES pursuant to Clause 3(a)
Plan Stapled Security	A Stapled Security that is a designated Plan Stapled Security pursuant to Clause 3(a)
Record Date	The date a Stapled Securityholder must be recorded on the Register to participate in a Distribution
Register	NES' register of holders of Stapled Securities
Registry	Link Market Services Limited (ACN 083 214 537)
Reinvestment Price	If NES is Listed, the arithmetic average of the daily volume weighted average market price per Stapled Security during the 10 Trading Days commencing on the Trading Day following the relevant Record Date less the Discount (if any). If NES is not Listed or, if Listed, Stapled Securities do not trade on ASX on a minimum of five days during the 10 Trading Day period (including as a result of suspension), the most recently announced net asset value per Stapled Security, before provision for tax, available at 7pm on the last Trading Day of the 10 Trading Day period less the Discount (if any) or such other price as may be determined by the Directors in accordance with the Trust Constitution.
Responsible Entity	Walsh & Company Investments Limited (ACN 152 367 649) in its capacity as responsible entity of New Energy Solar Fund (ARSN 609 154 298)
Second Alternative	Has the meaning given in Clause 2(c)(ii)
Share	An ordinary share in the Company
Stapled Security	One Unit in the Trust and one Share in the Company stapled to each other
Stapled Securityholder	A holder of a Stapled Security
Stapling	The linking together of a Share and a Unit so that one may not be transferred or otherwise dealt with without the other
Stapling Deed	The deed by that name between the Company and the Responsible Entity containing the terms and conditions governing the relationship between the Responsible Entity and the Company in respect of the Stapled Securities
Termination Notice	Notice of a Stapled Securityholders' termination of participation in the Plan to be provided to the Registry
Trading Day	Has the meaning given in the ASX Listing Rules
Trust	New Energy Solar Fund (ARSN 609 154 298)





Trust Constitution	The constitution of the Trust
Unit	An ordinary unit in the Trust, being an undivided share in the beneficial interest in the Trust
Variation Notice	A form to be lodged with the Registry by Participants that wish to increase or decrease the number of their Plan Stapled Securities

- b) Subject to any express or implied contrary intention:
 - (i) Words importing the singular include the plural and vice versa.
 - (ii) A gender includes all genders.
 - (iii) Words importing natural persons include corporations and vice versa.
 - (iii) References to Clauses are references to Clauses of these Rules.


2. APPLICATIONS

- a) No person other than an Eligible Member may apply to participate in the Plan.
- b) Every Eligible Member who wishes to participate in the Plan must complete and lodge with the Registry a Distribution Election Notice. For each Distribution, the Directors will determine the Notification Date.
- c) Eligible Members who wish to participate in this Plan must elect in their Distribution Election Notice to participate in the Plan in respect of:
 - (i) A specified number of Stapled Securities held by them as at each Record Date for a Distribution including or excluding any Stapled Securities allotted to them pursuant to the Plan in respect of those Stapled Securities (**First Alternative**); or
 - (ii) All Stapled Securities held by them as at each Record Date for a Distribution including any Stapled Securities allotted to them pursuant to the Plan otherwise and any Stapled Securities acquired by them other than by allotment (**Second Alternative**).
- d) If Eligible Members elect the First Alternative, they must specify the number of Stapled Securities in respect of which they seek to participate in the Plan. If they fail to nominate an alternative or, if they elect the First Alternative but fail to specify the number of Stapled Securities in respect of which they wish to participate, they will be taken to have elected the Second Alternative.
- e) No Eligible Member may transfer their right to any allotment of Stapled Securities pursuant to this Plan.
- f) NES' records of the level of an Eligible member's participation and the number of Stapled Securities subject to the Plan is conclusive evidence of the matters so recorded.

3. ACCEPTANCE OF APPLICATIONS

- a) The Directors may, in their absolute discretion, subject to the Corporations Act, the Company Constitution and the Trust Constitution, accept or refuse any application made by an Eligible Member pursuant to Clause 2. The Directors' and Responsible Entity's acceptance of any such application must be denoted by the entry in the Register of the name of the Eligible Member applying and the other particulars required to be recorded in the Register pursuant to clause 4(a). The Stapled Securities that are subject to such an application become designated Plan Stapled Securities from that date.



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- b) Each Distribution Election Notice received on or before a Notification Date and accepted by the Directors is effective in respect of the first Distribution payable after receipt of that Distribution Election Notice and subsequent Distributions. The Notification Date for a relevant Distribution will be the business day following the Record Date for that Distribution, or such later date as determined by the Directors and notified to Stapled Securityholders by announcement.

4. REGISTER

- a) The Company and the Trust must each establish and maintain a register (**DRP Register**) in which the following particulars of each Participant are recorded:
 - (i) Each Participant's name and address;
 - (ii) The number of each Participants Plan Stapled Securities; and
 - (iv) Any variation pursuant to Clause 6(a).
- b) The Register is conclusive evidence of the matters recorded in it.

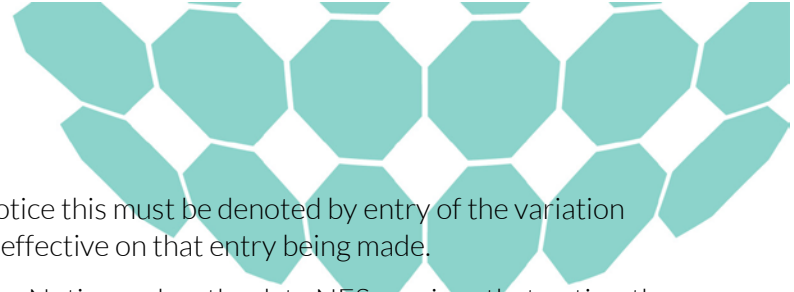
5. INVESTMENT OF DISTRIBUTIONS

- a) Stapled Securities allotted pursuant to clause 5(b)(iv) and 5(b)(v) will be allotted at the Reinvestment Price.
- b) In respect of each Distribution from time to time due and payable to Participants in respect of their Plan Stapled Securities, the Directors must:
 - (i) Determine the amount of Distribution payable in respect of Plan Stapled Securities of that Participant;
 - (ii) Determine the maximum number of Stapled Securities that could be acquired by subscription by the application of the aggregate to the subscription for Stapled Securities at the Reinvestment Price
 - (iii) On behalf of and in the name of the Participant subscribe for that number of additional Stapled Securities;
 - (iv) Allot that number of Stapled Securities to the Participant; and
 - (v) Where the number of Stapled Securities ascertained in accordance with the provisions of Clause 5(b)(iv) results in a fraction, the number of Stapled Securities is ascertained by rounding up the number of Stapled Securities to the nearest whole number.
- c) All Stapled Securities allotted and issued under the Plan rank equally in all respects with Existing Stapled Securities from the date of allotment.
- d) Stapled Securities allotted under the Plan must be allotted within the time required by the Corporations Act, and if NES is Listed the Listing Rules of the ASX.
- e) Stapled Securities allotted under the Plan must be registered on the Register where the Participant, in respect of whom the Stapled Securities are allotted, already holds Stapled Securities.
- f) Notwithstanding any other provision of this Plan, no Shares or Units may be issued under the Plan unless the number of Shares and Units issued to a Participant are identical and each Share is stapled to a Unit.

6. VARIATION OR TERMINATION OF PARTICIPATION

- a) Participants may at any time alter the number of their Plan Stapled Securities by completing and lodging a Variation Notice with the Registry.



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- b) Where the Directors have approved a Variation Notice this must be denoted by entry of the variation requested in the DRP Register and the variation is effective on that entry being made.
 - c) Participants may at any time give NES a Termination Notice and on the date NES receives that notice, the Participant ceases to be a Participant and all Plan Stapled Securities held by the Participant cease to be Plan Stapled Securities from that date.
 - d) If a Participant dies, participation by that Participant and any Participants with whom the deceased was a joint Participant is terminated on the date NES receives notice of the death of the deceased Participant.
 - e) If Participants dispose of all of their Stapled Securities without giving NES a Termination Notice and are not registered as the holders of any Stapled Securities when the Register is next closed for determination of entitlements to a payment of a Distribution, the Participants are deemed to have terminated their participation on the last day when NES registered a transfer or instrument of disposal of their Stapled Securities.
 - f) If a Participant disposes of some but not all of their Stapled Securities and does not give notice to NES to the contrary prior to that disposal, they are deemed to have disposed of their Stapled Securities that are not Plan Stapled Securities first. Accordingly, in this instance the number of Plan Stapled Securities is reduced only if the number of Stapled Securities that have been disposed of exceeds the number of Stapled Securities that are not Plan Stapled Securities held before the disposal.

7. ASX LISTING

If NES is Listed, the Directors must make an application promptly on each allotment of Plan Stapled Securities for quotation of such Plan Stapled Securities on the official list of the ASX in accordance with the ASX Listing Rules.

8. LIMITATION OF SUBSCRIPTION

The Directors may at any time limit the amount of Distributions which may be reinvested under these Plan Rules.

9. MODIFICATION, SUSPENSION AND TERMINATION OF THE PLAN

- a) These Rules may be modified or varied by the Directors at any time or from time to time by giving to Participants notice in writing of the intention to do so.
- b) The Directors may settle any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the Plan, whether generally or in relation to any Participant or any Stapled Securities in such manner as they think expedient and the determination of the Directors is conclusive and binding on all Participants and other persons to whom the determination relates.
- c) The Directors may suspend or terminate the Plan after giving to Participants notice in writing of their intention to do so.
- d) The Directors reserve the discretion to waive strict compliance with any provision of this Plan.

10. COSTS TO PARTICIPANTS

No brokerage, commissions or other transaction costs are payable by the Participants in respect of the application for an allotment of Stapled Securities under the Plan.





11. STATEMENTS

As soon as practicable after each allotment of Stapled Securities pursuant to Clause 5(b)(iv) and 5(b)(v) and, if NES is Listed, as required by the Listing Rules of the ASX, NES must send to each Participant to whom Stapled Securities have been allotted a statement setting out, in respect of each Participant:

- a) The number of the Participants Plan Stapled Securities as at the date of the closure of the Register for determination of entitlements to payment of the relevant Distribution prior to such allotment;
- b) The amount of Distributions due and payable to that Participant in respect of the Participant's Plan Stapled Securities which have been applied towards subscription of additional Stapled Securities;
- c) The number of additional Stapled Securities allotted to the Participant pursuant to Clause 5(b)(iv) and 5(b)(v); and
- d) The number of Stapled Securities (including Plan Stapled Securities) in respect of which the Participant is the registered holder after such allotment.

12. PARTICIPANTS TO BE BOUND

Participants are bound by these Rules in respect of the Plan as modified or varied from time to time pursuant to Clause 9.

13. STAPLING

- a) If Stapling ceases to apply, the Plan terminates automatically.
- b) To the extent that the Plan or the publication of the Plan may be an offer of securities, the Plan is a contemporaneous offer of an identical number of Shares and Units which will be stapled together.
- c) An Application and any Variation Notice under the Plan is deemed to contemporaneously apply to both Shares and Units to be issued under the Plan.

