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3 March 2017

Foresight Solar Fund Limited
Initial Placing, Offer for Subscription, Introduction of Placing Programme,
South African Secondary Listing and Private Placement, and
Net Asset Value Update

The Board of Foresight Solar Fund Limited (the “**Company**”) is pleased to announce its intention to raise in excess of £50 million by way of an Initial Placing and Offer for Subscription (the “**Initial Placing and Offer**”) and a secondary listing (“**Secondary Listing**”) on the main board of the securities exchange operated by the JSE Limited (“**JSE**”) and Private Placement in South Africa (the “**Private Placement**”) of new Ordinary Shares (“**New Shares**”) (together the “**Initial Issues**”). The Board of the Company is also pleased to announce its intention to implement a Placing Programme in relation to up to 250 million New Shares less any New Shares issued under the Initial Issues. The Initial Issues and the Placing Programme are together known as the “**Issues**”.

A prospectus in relation to the Issues and a pre-listing announcement in relation to the Secondary Listing and Private Placement are expected to be published shortly.

The Company also announces its unaudited NAV as at 23 February 2017 of £360 million, resulting in a NAV per share of 105.6 pence (31 December 2016: 102.9 pence). For the avoidance of doubt, this includes the impact of the acquisition of Shotwick and Sandridge announced in February 2017. The Company’s equity discount rate used to value its assets remains unchanged at 7.5% and the methodology for calculating the NAV remains consistent with that used to calculate the 31 December 2016 NAV.

Rationale for the Issues

The Board believes that the UK solar market remains attractive, particularly given the recent recovery in wholesale power prices. Furthermore, the Company and Foresight Group CI Limited (the “**Investment Manager**”) continue to see attractive investment opportunities in both the primary and secondary UK solar market and wish to be in a position to take advantage of these opportunities as and when they arise. The recent acquisitions of the Shotwick and Sandridge solar plants, which represent the Company’s two largest acquisitions to date, are evidence of the attractive investment opportunities available in the market, which the Investment Manager has been able to source.

The Investment Manager is currently evaluating an investment pipeline of operational UK based solar power plants representing an installed capacity of approximately 250MW.

To date, the Company has used the net proceeds from its equity fundraisings and its Bank Facilities to acquire 18 ground based solar power plants. All of these assets are fully operational and have received accreditation under the RO scheme. The Portfolio has a total operational capacity of approximately 470 MW. Following the recent acquisitions of Shotwick and Sandridge, the Company has drawn down, in aggregate, £255 million under its Bank Facilities (£160 million under its Term Loan Facilities and £95 million under its Revolving Credit Facilities).

The Board has therefore been discussing with its advisers a proposal to raise additional equity by means of the issue of up to 250 million New Shares in aggregate over the following twelve months.

It is currently intended that the net proceeds of the Initial Issues will be used, in the first instance, to repay the Revolving Credit Facilities either in full or in part. The Group may then draw down again under the Revolving Credit Facilities or it may use any remaining net proceeds to invest in or commit to further ground based solar power plants in accordance with the Company's investment policy.

Any proceeds raised under the Placing Programme will be used to take advantage of investment opportunities in accordance with the Company’s investment policy and/or to repay debt.

Rationale for the Secondary Listing and Private Placement in South Africa

The success of the South African Renewable Energy Program has created a sophisticated understanding and appreciation of solar and other renewable energy assets in South Africa, and interest in the Company. Due to South African exchange control regulations, South African investors’ ability to invest and hold shares outside of South Africa is restricted in terms of size. In order to facilitate participation by South African investors in the Issues, the Company has applied and has been granted approval by the Financial Surveillance Department of the South African Reserve Bank for an inward listing of the Company on the JSE and a Private Placement of New Shares to Qualifying South African Investors. The inward listed shares will be classified as domestic investment on the JSE and will allow South African

investors the opportunity to invest in the Company on an unrestricted basis. The Company believes that the Secondary Listing and Private Placement will:

- improve the depth and spread of the shareholder base of the Company which should, as a result improve the liquidity and tradability of the Ordinary Shares;
- provide the Company with access to a wider pool of international capital; and
- provide the Company with an additional platform to raise equity funding to pursue growth and investment opportunities in the future.

Following the Secondary Listing and Private Placement, the Ordinary Shares will be fully transferrable between the UK and South African share registers. Rand Merchant Bank, a division of FirstRand Bank Limited (“**RMB**”), has been appointed by the Company as South African Bookrunner and JSE Sponsor for the Secondary Listing and Private Placement.

The Initial Issues

The Initial Placing and Offer is being conducted, subject to the satisfaction of certain conditions, through a bookbuild process which will be launched immediately following this announcement. Stifel Nicolaus Europe Limited (“**Stifel**”) is acting as sponsor and joint bookrunner in connection with the Initial Placing and Offer and Placing Programme and J.P. Morgan Securities plc, which carries on its UK investment banking activities as J.P. Morgan Cazenove (“**J.P. Morgan Cazenove**”), is acting as joint bookrunner in connection with the Initial Placing and Offer and Placing Programme.

The Offer for Subscription is being made in the UK only. The public generally (unless they are located or resident outside the UK) may apply for New Shares through the Offer for Subscription.

The price at which the New Shares will be issued pursuant to the Initial Placing and Offer (“**Initial Placing and Offer Price**”) will be equal to the NAV per Share on 23 February 2017 plus a premium as determined by the Board and is expected to be announced via RIS on or around 14 March 2017.

The price at which the New Shares will be issued pursuant to the Private Placement (“**Private Placement Price**”) will be equal to the ZAR equivalent of the Initial Placing and Offer Price determined based on the ZAR/GBP spot rate at the closing of the Private Placement (as quoted on Bloomberg). The Private Placement Price will be announced by the Company through SENS on 29 March 2017.

The total number of New Shares issued under the Initial Issues will be determined by the Company, Stifel, J.P. Morgan Cazenove and RMB. The Board has reserved the right, in consultation with Stifel, J.P. Morgan Cazenove and RMB, to increase the number of New Shares offered pursuant to the Initial Placing and Offer and the Private Placement to up to the maximum amount for which the Board is seeking shareholder authority pursuant to the Issues, being 250 million New Shares.

The New Shares will be entitled to receive the interim dividend of 1.55p per Ordinary Share in respect of the period from 1 October 2016 to 31 December 2016 which will be paid on 5 May 2017 provided the holders of the New Shares are on the Register on 7 April 2017.

Extraordinary General Meeting

The Issues are subject to Shareholder approval to be sought at an extraordinary general meeting ("EGM") to be held at 4:30pm on 22 March 2017 at Elizabeth House, 9 Castle Street, St. Helier, Jersey JE4 2QP. A circular and notice of EGM (the "**Circular**") to approve, amongst other proposals, the issue of the New Shares without having to first offer those New Shares to existing Shareholders, and to approve by ordinary resolution the Related Party Transaction that may arise if any of BlackRock, Inc. and its Associates, including funds controlled by it or any of them wish to take part in the Issues, are expected to be posted shortly.

Words and expressions that are defined in the Prospectus and the Circular shall have the same meaning where they are used in this announcement, except where the context requires otherwise.

Timetable

The expected timetable for the Issues is as follows:

EXPECTED TIMETABLE

<i>Event</i>	<i>Date</i>
Initial Placing and Offer	
Initial Placing and Offer opens	3 March 2017
Initial Placing and Offer Price Announced	14 March 2017
Latest time and date for return of Forms of Proxy for the General Meeting	4.30 p.m. on 20 March 2017
General Meeting	4.30 p.m. on 22 March 2017
Results of General Meeting	22 March 2017
Latest time and date for receipt of Application Forms under the Offer	11 a.m. on 28 March 2017
Latest time and date for commitments under the Initial Placing	11 a.m. on 29 March 2017
Results of Initial Placing and Offer announced	29 March 2017
Admission and dealings in New Shares on the Main Market of	8.00 a.m. on 31

the LSE commence	March 2017
Crediting of CREST accounts in respect of the New Shares	31 March 2017
Share certificates in respect of New Shares despatched (if applicable)	on or around 10 April 2017

Secondary Listing and Private Placement

Publication of the Pre-listing Announcement on SENS in South Africa	3 March 2017
JSE Private Placement opens	3 March 2017
Publication of the Pre-listing Announcement in the South African press	6 March 2017
Latest time and date for commitments under the Private Placement	12 p.m. (SAST) on 29 March 2017
JSE Private Placement closes	12 p.m. (SAST) on 29 March 2017
JSE Private Placement Price announced	29 March 2017
Results of the Private Placement released on SENS in South Africa	29 March 2017
Notification of allotments	29 March 2017
Anticipated Secondary Listing Date and commencement of trading on the Main Board of the JSE	8.00 a.m. (SAST) on 3 April 2017
Accounts at CSDPs or brokers updated and accounts debited in respect of the Private Placement Shares at the commencement of trade	3 April 2017

Placing Programme

Placing Programme opens	4 April 2017
Publication of Placing Programme Price in respect of each Issue	At the time of each Issue
Admission and dealings in New Shares commence	8.00 a.m. on each day New Shares are issued
Crediting of CREST in respect of New Shares	8.00 a.m. on each day New Shares are issued
Share certificates in respect of New Shares despatched (if applicable)	Approximately one week following the

issue of any New
Shares

Last date for New Shares to be issued under the Placing Programme 2 March 2018

The dates and times specified above and mentioned throughout this document are subject to change. All references to times in this document are to London times, unless otherwise stated. In particular, subject to those matters on which the Issues are conditional, the Board may, with the prior approval of Stifel, JPMC and RMB, bring forward or postpone the closing time and date for the Issues. In the event that such time and date is changed, the Company will notify investors who have applied for Ordinary Shares of changes to the timetable either by post, by electronic mail or by the publication of a notice through a Regulatory Information Service.

Your attention is drawn to the detailed Terms and Conditions of the Initial Placing and Offer set out in the Appendix to this announcement.

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