

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX, IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, TO U.S. PERSONS, OR IN OR INTO, THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR INTO ANY OTHER JURISDICTION WHERE TO DO SO MIGHT CONSTITUTE A VIOLATION OR BREACH OF ANY APPLICABLE LAW. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

THIS ANNOUNCEMENT HAS BEEN DETERMINED TO CONTAIN INSIDE INFORMATION.

This announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or to buy shares in any jurisdiction.

*This announcement is an advertisement and not a prospectus. Any investment in any shares referred to in this announcement may be made only on the basis of information in a prospectus to be published by Foresight Solar Fund Limited on or around 3 March 2017, in connection with an initial placing, offer for subscription, private placement and a placing programme of ordinary shares of no par value each, to be admitted to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the Main Market for listed securities of the London Stock Exchange plc ("the **Prospectus**").*

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 March 2017

the LSE commence

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.

For further information, please contact:

Foresight Group

Louise Chesworth

lchesworth@foresightgroup.eu

+44 (0)20 3667 8100

Stifel Nicolaus Europe Limited (Joint UK Bookrunner)

+44 (0)20 7710 7600

Mark Bloomfield

Neil Winward

Tunga Chigovanyika

J.P. Morgan Cazenove (Joint UK Bookrunner)

+44 (0)20 7742 4000

William Simmonds

Anne Ross

Oliver Kenyon

Rand Merchant Bank (South African Bookrunner)

+27 (0)11 282 8000

Irshaad Paruk

Samuel Barton-Bridges

IMPORTANT NOTICE

This announcement is not for distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the United States of America and the District of Columbia) (the "**United States**"), Australia, Canada, Japan or into any other jurisdiction where to do so might constitute a violation or breach of any applicable law. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute, or form part of, an offer to sell, or a solicitation of an offer to purchase, any securities in the United States, Australia, Canada, Japan or in any jurisdiction in which such offer or solicitation is unlawful (the "**Excluded Territories**"). The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the US Investment Company Act of 1940, as amended and may not be offered or sold directly or indirectly in or into the United States or to or for the account or benefit of any US Person (within the meaning of Regulation S under the Securities Act). The securities referred to herein have not been registered under the applicable securities laws of any state, province or territory of the Excluded Territories and, subject to certain exceptions, may not be offered or sold into or within any of the Excluded Territories or to any national, resident or citizen of any of the Excluded Territories.

This announcement has been issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by, Stifel, J.P. Morgan Cazenove or RMB or by any of their respective affiliates or agents as to or in relation to the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or their advisers and any liability therefore is expressly disclaimed.

Stifel is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the "FCA"). Stifel is acting exclusively for the Company and no-one else in connection with the Issues, this announcement or any other matters referred to in this announcement, and will not regard any other person as its client in relation to the Issues or any other matters referred to in this announcement. Stifel will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issues or any other matter referred to in this announcement.

J.P. Morgan Cazenove is authorised by the Prudential Regulatory Authority (the "PRA") and is regulated in the United Kingdom by the FCA and PRA. J.P. Morgan Cazenove is acting exclusively for the Company and no-one else in connection with the Issues, this announcement or any other matters referred to in this announcement, and will not regard any other person as its client in relation to the Issues or any other matters referred to in this announcement. J.P. Morgan Cazenove will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issues or any other matter referred to in this announcement.

RMB is authorised and regulated by the Financial Services Board of South Africa. RMB is acting exclusively for the Company and no-one else in connection with this announcement or any other matters referred to in this announcement, and will not regard any other person as its client in relation to the Issues or any other matters referred to in this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on it by the Financial Services Board of South Africa or the regulatory regime established thereunder, RMB will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issues or any other matter referred to in this announcement.

Apart from the responsibilities and liabilities, if any, which may be imposed on Stifel and J.P. Morgan Cazenove under the Financial Services and Markets Act 2000 (as amended) or the regulatory regime established thereunder or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Stifel nor J.P.

Morgan Cazenove nor any of their respective affiliates accept any responsibility or liability whatsoever for, nor make any representation or warranty, express or implied, concerning the contents of this announcement, including its accuracy, completeness or verification, or for any other statement made or purported to be made by the Company, or on the Company's behalf, or by Stifel or J.P. Morgan Cazenove, or on behalf of Stifel or J.P. Morgan Cazenove in connection with the Company, the Issues or the New Shares and nothing in this announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. To the fullest extent permitted by law, each of the Stifel and J.P. Morgan Cazenove and their respective affiliates disclaim all and any duty, liability or responsibility whatsoever, whether direct or indirect and whether in contract, in tort, under statute or otherwise (save as referred to above), which it might otherwise have in respect of this announcement or any such statement.

This announcement contains (or may contain) certain forward-looking statements, beliefs or opinions, with respect to the financial condition, results of operations and business of the Company. These forward-looking statements, which sometimes use words such as "believe," "estimate," "target," "anticipate," "expect," "could," "would," "intend," "aim," "plan," "predict," "continue," "assume," "positioned," "may," "will," "should," "shall," "risk" their negatives and other similar expressions, include all matters that are not historical facts and reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. By their nature, forward-looking statements are subject to unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Past performance of the Company cannot be relied on as a guide to future performance and persons reading this announcement are cautioned not to place undue reliance on such forward-looking statements. The information contained in this announcement is subject to change without notice and except as required by applicable law, none of the Company, Stifel, J.P. Morgan Cazenove or RMB or any of their respective affiliates or agents assumes any responsibility or obligation to update, amend or revise publicly or review any of the forward-looking statements, which speak only as at the date of this announcement. No statement in this announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company.