

Aquila European Renewables Income Fund makes acquisition in Norwegian wind farm

Aquila European Renewables Income Fund ("AERIF" or the "Company") the London-listed investment company advised by Aquila Capital Investmentgesellschaft mbh has today announced the acquisition of its third investment since the successful Initial Public Offering (IPO) on the London Stock Exchange in May 2019.

The Company has acquired 25.9% of the share capital in Midtfjellet Vindkraft AS, one of Norway's largest operating wind farms.

The Midtfjellet wind farm was built in three phases. Phases I and II comprise 44 N100 and N90 wind turbines (2.5 MW each) from the German manufacturer Nordex and have been operational since 2013. A third expansion phase of 40 MW successfully commenced operation in August 2018 with 11 installed Nordex turbines of the type N117 3.6 MW. Further details can be found on midtfjellet.no.

A comprehensive hedging strategy for the proceeds from the sale of electricity and green electricity certificates ("Elcerts") as well as guarantees of origin ("GoOs") was recently implemented by Aquila Capital. The power purchase agreement ("PPA") covers 70% of the expected P-50 production for the next ten years. The investment was part of the enhanced pipeline, as disclosed in the prospectus dated 10 May 2019 and the consideration amounts to c. 13.3% of the proceeds raised.

Ian Nolan, Chairman, of the Company said:

"The Board is very pleased with the continued capital deployment towards a diversified portfolio of renewable energy assets. Investments in projects backed by PPAs is a key element of the Company's investment strategy and value proposition. The acquisition is expected to make a strong contribution towards AERIF's dividend objective."

Commenting on today's announcement, Christine Brockwell, Senior Investment Manager at Aquila Capital, the investment adviser: "With the investment in Midtfjellet, the Company is diversified across three continental European countries, Portugal, Denmark and Norway, with a good blend of revenues from feed-in tariffs and power purchase agreements. In aggregate c. 40% of the proceeds raised from the IPO are invested and we are looking forward to advising the Company on further investments in the near future."

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Aquila European Renewables Income Fund ("AERIF" or the "Company") is a recently established, London-listed renewable energy infrastructure investment company with the aim to provide investors with an attractive long-term, income-based return in EUR through a diversified portfolio of hydropower, onshore wind and solar PV investments across continental Europe and Ireland. Through the diversification of generation technologies, the seasonal production patterns of these asset types complete each other to balance the cash flow, while the geographic diversification serves to reduce exposure to one single energy market. AERIF is targeting an aggregate annual yield of 5.0% once fully invested.

Further details can be found on AERIF 's website at www.aquila-european-renewables-income-fund.com