



DUXTON WATER
LIMITED
JUNE 2024
HALF-YEAR REPORT

PROUDLY SUPPORTING AUSTRALIAN IRRIGATORS AND FARMERS





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HALF-YEAR 2024 SNAPSHOT

Duxton Water's Investment Manager operates **Australian agricultural businesses in viticulture, dried fruit, nuts, broadacre, bees, dairies, apples and water.** In any given year, the Duxton businesses produce **15-20** different commodities and provide jobs for over **500 people** living in **rural communities.**

-3.88%
TOTAL
SHAREHOLDER
RETURNS
(6 MONTHS)¹

\$354M
WATER
PORTFOLIO
VALUE²

\$1.51
PER SHARE
NET ASSET VALUE
(POST TAX)²

\$1.39
PER SHARE
SHARE PRICE

87.3GL
TOTAL WATER
OWNED

61%
LEASED
PORTFOLIO

¹ Total portfolio return is based on NAV movements and includes franked dividends for the 6 month period to 30 June 2024.

² Non-statutory value, adjusting for water entitlements held at cost in Financial Statements of \$303.9m. At 30 June 2024, the Company's statutory Post-Tax Net Asset Value is \$1.26 per Share.

HALF-YEAR KEY HIGHLIGHTS

- Ed Peter



Dear Shareholders,

Duxton Water Limited ("Duxton Water" or "the Company") has remained steadfast in its commitment to delivering value to shareholders through consistent dividends and capital growth in our diversified portfolio of Australian water entitlements.

Since we listed Duxton Water in September 2016, we are pleased to have generated total post-tax NAV returns of +95% (or +9% annualised). This is a remarkable result considering some of the volatile and unpredictable events the world and Australia have seen over the last 8 years.

In the last 6 months, Duxton Water has once again successfully met its dividend target for the period. The Company paid a fully franked dividend of 3.6 cents per share to shareholders in April 2024, marking the Company's 14th consecutive and increasing dividend paid since November 2017.

While the first half of 2024 presented some challenges, it has also highlighted the Company's resilience. Despite unpredictable weather and ongoing economic pressures in many agricultural sub-sectors, the Company navigated considerable volatility in both the permanent and temporary water markets by actively managing its portfolio with foresight.

By continuing to build out more reliable revenue streams, leases and forwards, and rebalancing our permanent water portfolio, the Company is pleased to deliver its strongest half-year net profit after tax of \$8.3 million (1HY2023: \$2.8 million).

BALANCED PORTFOLIO

Duxton Water concluded the 2023-2024 water year with 61% of its permanent portfolio under lease. This has helped mitigate exposure to the fluctuations in allocation prices observed in recent months. Significant rainfall during late spring and early summer across key irrigation areas led to a sharp decline in allocation prices at the beginning of 2024. While this impacted the yield of unleased high security entitlements, most of the portfolio was secured into leases and forward contracts, which helped to stabilise revenue streams. As a result, the Company achieved higher operational revenue when compared to the same period in 2023.

DEBT

Given the current interest rate environment, the Company has been using surplus cash to reduce its drawn debt. This provides the Company with increased flexibility to take advantage of strategic opportunities as they present. Duxton Water remains committed to using debt sensibly and continues to monitor fixed interest rate markets for hedging opportunities.

As of June 2024, the Company's Loan to Value ratio ("LVR") stands at 29%, well below the Company's 40% max LVR covenant. The Company successfully renegotiated debt terms during the period, which have remained very competitive due to the nature of the Company's assets and operating business.



DIVIDENDS

During the period, Duxton Water paid a fully franked dividend of 3.6 cents per share to shareholders on 26 April 2024. This was in line with the previously stated dividend target.

We were pleased to once again offer shareholders the opportunity to participate in the Dividend Reinvestment Plan (“DRP”). Under the DRP, shareholders were entitled to receive additional shares at a 5% discount.

The Board of Duxton Water is pleased to formally declare a fully franked dividend of 3.7 cents per share, to be paid to shareholders on 25 October 2024.

NET ASSET VALUE (NAV) PERFORMANCE

Duxton Water’s post-tax NAV declined by 11 cents, from \$1.62 per share to \$1.51 per share in the six months ending 30 June 2024. When accounting for the 3.6 cents per share fully franked dividend paid to shareholders in April 2024, the NAV return over this period stands at -3.88%. This outcome primarily reflects a decrease in entitlement values within the portfolio.

In the six months to 30 June 2024, entitlement values in the southern Murray Darling Basin (“sMDB”) declined by approximately 3%. This decline was largely seen on high security entitlements. Most general security/low reliability entitlements appreciated in value during this period, providing some offset to the overall decrease.

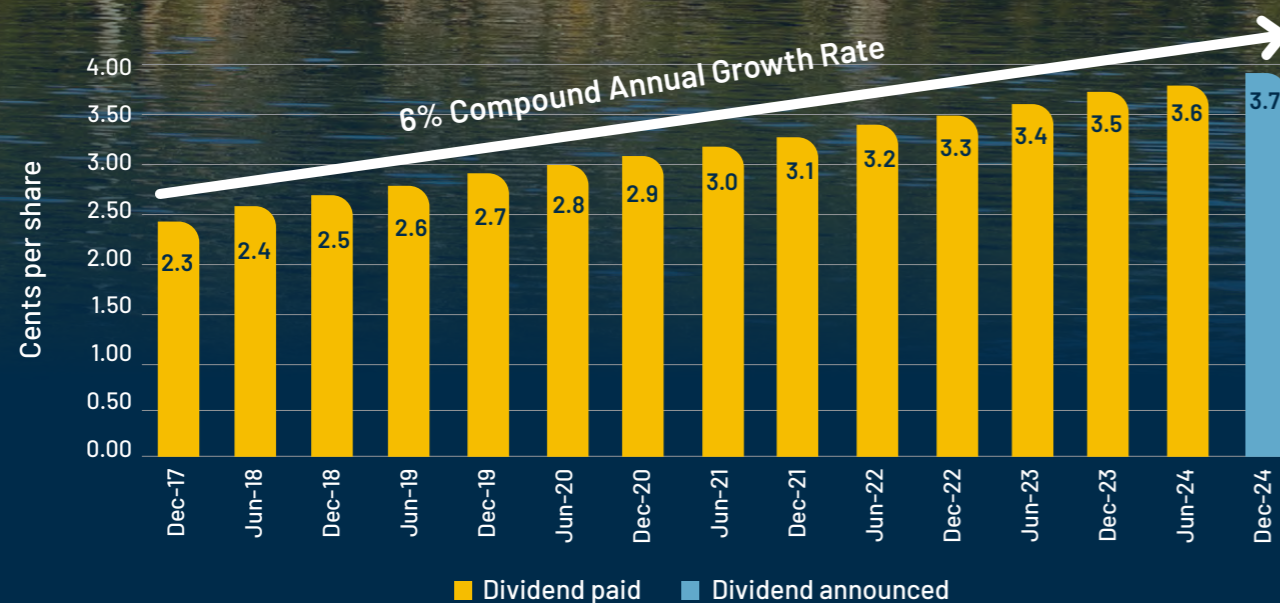
Entitlement values have been on a downward trajectory since March 2023, a trend that persisted in the first half of 2024. The agricultural sector has faced numerous challenges in recent years, including unpredictable weather patterns, rising input costs, and high capital costs. Additionally, certain sectors have also been impacted by unfavourable commodity prices. These economic pressures have resulted in a surplus of entitlements being sold on the market, placing downward pressure on prices.

With that being said, in July 2024, entitlement values rebounded by 3%, as shown by an increase in the Aither Entitlement Index (“AEI”). This marked the most significant monthly gain since February 2022. We believe this recovery was driven by greater certainty around government water buybacks, a return to more normal rainfall patterns, and the commencement of the 2024-2025 water year. Further information can be found in the latest D20 monthly [report](#).

At 30 June 2024:

- **Share Price:** \$1.39 per share
- **Non-statutory Post-tax NAV:** \$1.51 per share
- **Non-statutory Pre-tax NAV:** \$1.60 per share
- **Statutory Post-tax NAV:** \$1.28 per share

DIVIDENDS SINCE INCEPTION



OUTLOOK

With the start of the 2024-2025 water year on 1 July 2024, we have entered the season with a well-positioned allocation portfolio. In the months leading up to the new water year, we focused on optimising our existing allocation holdings and carefully managed carryover provisions to maximise our position.

This strategic preparation ensures that we are well placed to manage climate variability risks and capitalise on opportunities as they arise, providing a strong foundation for the year ahead.

Looking forward, I remain confident in our team's ability to actively manage our diversified portfolio of Australian water entitlements. I want to reaffirm that we have a well-defined strategy in place, positioning us to effectively navigate and capitalise on opportunities in the year ahead.

I would like to express my gratitude to our shareholders for their continued support, and to our Board and management team, who have all made significant contributions towards achieving our targets.

Kind regards,



Ed Peter
Chairman



DIRECTORS' REPORT FOR THE HALF-YEAR ENDING 30 JUNE 2024



The Directors of Duxton Water Limited submit herewith the Directors' report, the financial report of Duxton Water Limited ("the Company") or ("Duxton Water") for the half-year ended 30 June 2024 and the Independent Auditor's Review Report thereon. In order to comply with provisions of the Corporations Acts 2001, the Directors' Report as follows:

DIRECTORS

The names of the Directors of the Company that held office during and since the end of the interim period are:

Mr Edouard Peter

Mr Stephen Duerden

Mr Dirk Wiedmann

Mr Dennis Mutton

Dr Vivienne Brand

Mr Brendan Rinaldi

The above named Directors held office since the start of the financial year unless otherwise stated.

The office of Company Secretary is held by Mrs Katelyn Adams.

PRINCIPAL ACTIVITIES

There has been no change in the principal activities of the Company. The Company has continued to acquire and manage a portfolio of Australian water entitlements primarily focused in the southern Murray Darling Basin. Income is derived through the provision of water supply solutions to mainly primary producers through a combination of long-term lease arrangements, and the sale of temporary water allocations to support Australian agricultural production.

There were no significant changes in the nature of the activities of the Company during the period.

REVIEW OF OPERATIONS

OPERATIONAL PERFORMANCE

- Duxton Water delivered a half-year net profit after tax of \$8.3 million for the period ended 30 June 2024 (1HY2023: \$2.8 million).
- The Company paid a fully franked dividend of 3.6 cents per share to shareholders in the first half of 2024 (1HY2023: 3.4 cents per share).
- As at 30 June 2024, Duxton Water's portfolio comprised of 87.3 gigalitres of water entitlements, with a fair market value of \$354 million.

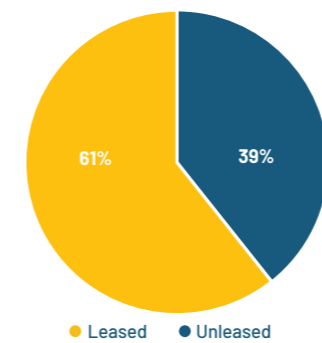
Over the last 6 months:	HY2024	HY2023	Difference
Share Price	\$1.39	\$1.70	-31 cents
NAV per share (post-tax) ¹	\$1.51	\$1.80	-29 cents
Dividends Paid	3.6 cents	3.4 cents	+0.2 cents
Water Portfolio Valuation (\$m) ¹	\$354m	\$401m	-\$47m
Water Owned (GL)	87.3GL	88.8GL	-1.5GL
Leased %	61%	53%	+8%

The Company has recorded its highest half-year net profit after tax since inception. This result was largely underpinned by an increase in gain on entitlement sales. This increase was primarily due to the sale of 2,799 ML of NSW high security water entitlements to Treasury Wine Estates ("TWE"). As announced previously, TWE exercised its call option over these entitlements in April 2024. Although the cash net profit/loss recorded on this transaction was immaterial, the Company realised a significant accounting profit due to inventory accounting treatment.

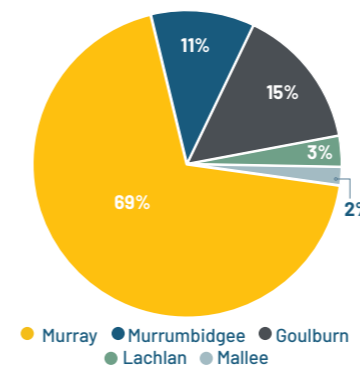
The Company's long-term water leases provided a stable revenue stream in another year of high water availability. The Company's leases continue to provide a hedge against the persistent lower allocation prices. The Company maintained a leased percentage of 61% throughout the first half of the year. By doing so, it has reduced exposure to lower allocation prices. Dam storage levels remain above their long-term averages, and although some areas of the Basin have been drier than usual, variable rainfall continues to be seen across major catchment areas.

In June 2024, the Company contracted a range of forward allocation sale contracts with irrigators for delivery in the 2024-2025 water year. This strategy allows D20 to hedge against lower spot prices should they present in the year ahead.

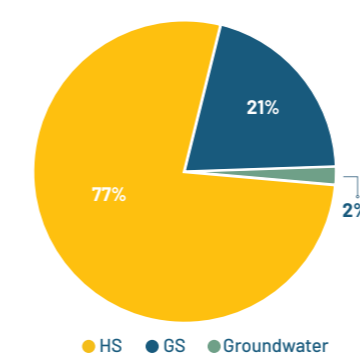
WATER PORTFOLIO DIVERSIFICATION



WATER SECURITY BREAKDOWN



ENTITLEMENT VALUE BY REGION



ACTIVE MANAGEMENT OF LONG-TERM WATER LEASES

Duxton Water continued to actively manage its portfolio of water leases. The Company's leased percentage at 30 June 2024 was 61%, compared to 53% at the same time last year.

The lease portfolio includes a natural turnover each year as existing leases expire and new leases begin. The Company has been working with current customers on lease renewals and has new leases in the pipeline for the coming year.

From 1 July 2024, the Company's leased percentage has decreased to 39%. This lower leased percentage is a function of continued lower allocation prices and reduced demand for long-term leases from irrigators. The Company aims to strengthen its leasing percentage as weather conditions normalise.

Looking forward, the Company has locked in a material percentage of its unleased water allocations to forward contracts for delivery in the 2024-2025 water year. Forward allocation contracts provide visibility to income, which assists with offsetting a drop in leasing revenue.

From 1 July 2024, Duxton Water's annualised leasing revenue is expected to start at \$5.5 million, compared to \$7.6 million at the same time last year. The annualised revenue from forward allocation contracts for the upcoming water year is expected to be approximately \$1.7 million, supporting the difference in leasing revenue.

Long-term water security has become topical amongst irrigators of late, as weather outlooks remain uncertain and the Federal Government announces updates on buybacks. Proactive irrigators are beginning to think forward with the intention of locking in long-term water security ahead of upcoming water years.

The Company continues to emphasise the importance of irrigators having a well-defined water strategy in place as Australia has a variable climate, with the tendency to experience extremes over the course of a climatic cycle (e.g. 10 years).

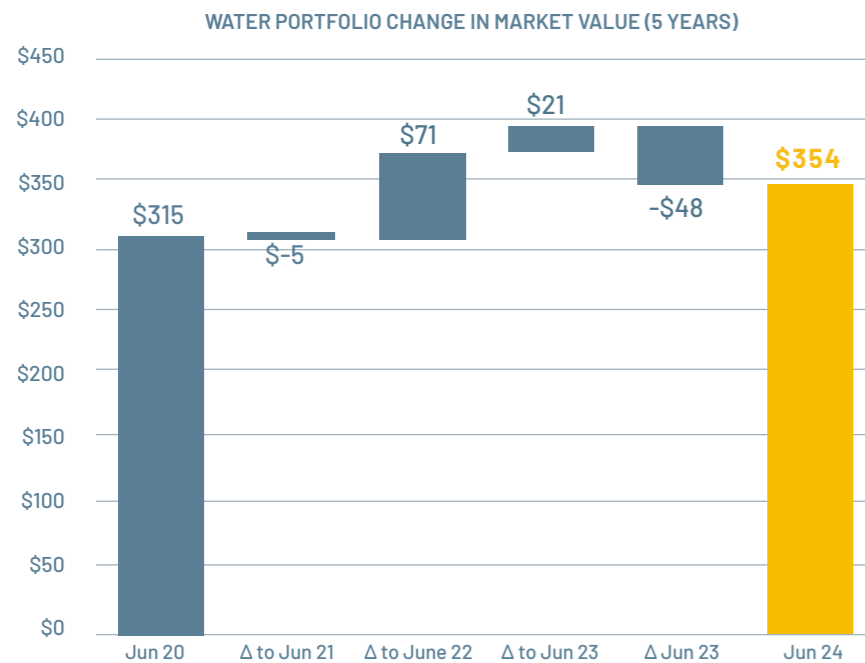
1. Non-statutory value, adjusting for water entitlements held at cost in Financial Statements of \$303.9m. At 30 June 2024, the Company's statutory Post-Tax Net Asset Value is \$1.26 per Share.

PORTFOLIO SUMMARY AT 30 JUNE 2024

Duxton Water owns and manages a diversified portfolio of Australian water entitlements across 19 different entitlement types and zones. At 30 June 2024, Duxton Water's portfolio is valued at \$354 million¹ (30 June 2023: \$401 million).

The decrease in portfolio valuation is a reflection of two main drivers. Firstly, TWE executed its call option in April 2024 to buy back 2,799ML of NSW Murray high security entitlements valued at approximately \$25.2 million. This was part of the acquisition and leaseback that was announced to the market on 3 July 2023.

Secondly, water entitlement values across the sMDB softened by approximately 3% (AEI) during the period, leading to a decrease in value of the Company's water entitlement portfolio.



Note: This chart does not take into account water entitlements purchased or sold, and is solely intended as a representation of the scale of the Company's activities.

1. Non-statutory value, which adjusts statutory water entitlements held at cost less accumulated impairment of \$303.9m in Financial Statements to fair market value of \$354m.



ENTITLEMENT TYPE HELD	31/12/2023	ML CHANGE	30/06/2024
VIC 1A Goulburn HR	13,564	(450)	13,114
VIC 1A Goulburn LR	1,401	-	1,401
VIC 1B Boort HR	376	-	376
VIC 3 Goulburn HR	421	-	421
VIC 6 Murray HR	5,817	-	5,817
VIC 6 Murray LR	313	-	313
VIC 6B Murray HR	1,344	-	1,344
VIC 7 Murray HR	7,337	-	7,337
NSW Murray 10 HS	3,010	-	3,010
NSW Murray 10 GS	14,491	-	14,491
NSW Murray 11 HS	9,249	(2,599)	6,650
NSW Murray 11 GS	7,225	-	7,225
NSW Murray 11 Supp	83	-	83
NSW Murrumbidgee 13 HS	2,390	-	2,390
NSW Murrumbidgee 13 GS	8,822	(1,500)	7,322
NSW Lachlan Valley – Jemalong Irrigation GS	2,660	-	2,660
NSW Lachlan Valley – GS	4,504	-	4,504
SA Murray HS	4,901	1,348	6,248
SA Mallee Prescribed Wells Area – Parilla Red Zone	500	-	500
SA Mallee Prescribed Wells Area – Parilla Green Zone	846	1,200	2,046
Total	90,453	(3,201)	87,252

Breakdown by zone of permanent water entitlements held by the Company at 30 June 2024.



MARKET OVERVIEW

During the first half of 2024, the sMDB experienced unpredictable weather conditions, resulting in price fluctuations in the allocation market.

In January 2024, the Basin saw near-record rainfall, leading to flooding in some areas. Despite the El Niño declaration that was made by the Bureau of Meteorology ("BOM") in September 2023, the southern Basin had a wet spring and summer, reducing the demand for allocation water during the peak irrigation season. As a result, there was a significant drop in allocation prices in early 2024.

The BOM confirmed that the El Niño Southern Oscillation ("ENSO") returned to neutral conditions in April 2024. However, unexpectedly dry and warmer conditions persisted during most of Autumn. This brought some stability to allocation prices in the final months of the 2023-2024 water year. That being said, given demand during this time of year is typically low, these conditions did not have a material impact on prices.

The new water year commenced on 1 July 2024. Lower Murray allocation prices began trading the year at \$140/ML but then dropped to \$100/ML during July, before recovering to \$150/ML by early August 2024. Higher allocation prices compared to the same time last year have resulted in an increase in demand for long-term leases.

The entitlement markets experienced continued volatility over the past six months, extending the downward trend from 2023. This decline likely reflects the economic challenges faced by various agricultural sub-sectors. Market activity has been subdued, with motivated sellers continuing to be present in the market. Anticipation of Government buybacks also influenced market behaviour, with many participants being hesitant to transact until more substantial updates were provided by the Government, which were provided in mid-July 2024.

Overall, the entitlement market contracted by approximately 3% from 1 January 2024 to 30 June 2024. However, in July 2024, the market rebounded, largely offsetting the decline of the previous six months. July 2024 saw the largest monthly increase in water entitlement values since February 2022, increasing by 2.6% during the month (AEI).

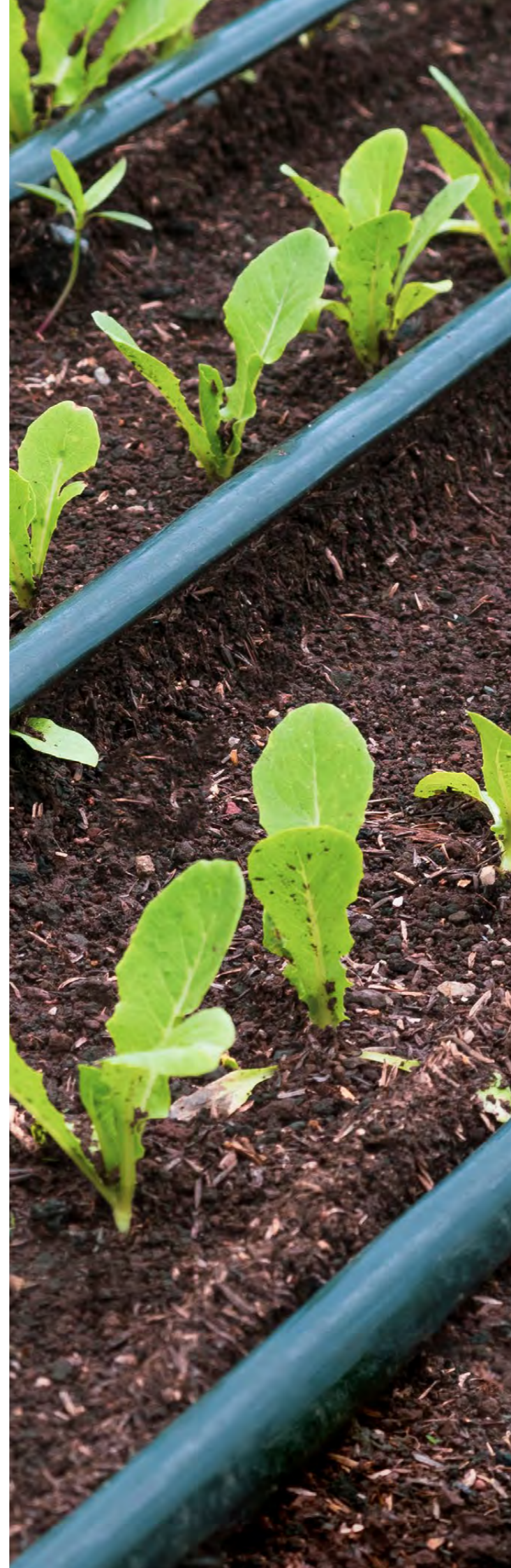
The Board of Duxton Water remains confident in the value of water as an investment class. The strong demand and supply dynamics supporting water entitlement prices remain unchanged. Since the Company's inception in September 2016, water entitlement values have achieved a compound annual growth rate of 10% (AEI). The Company remains committed to actively managing its portfolio of entitlements to deliver long-term value for shareholders.

SYSTEM INFLOWS AND STORAGE LEVELS

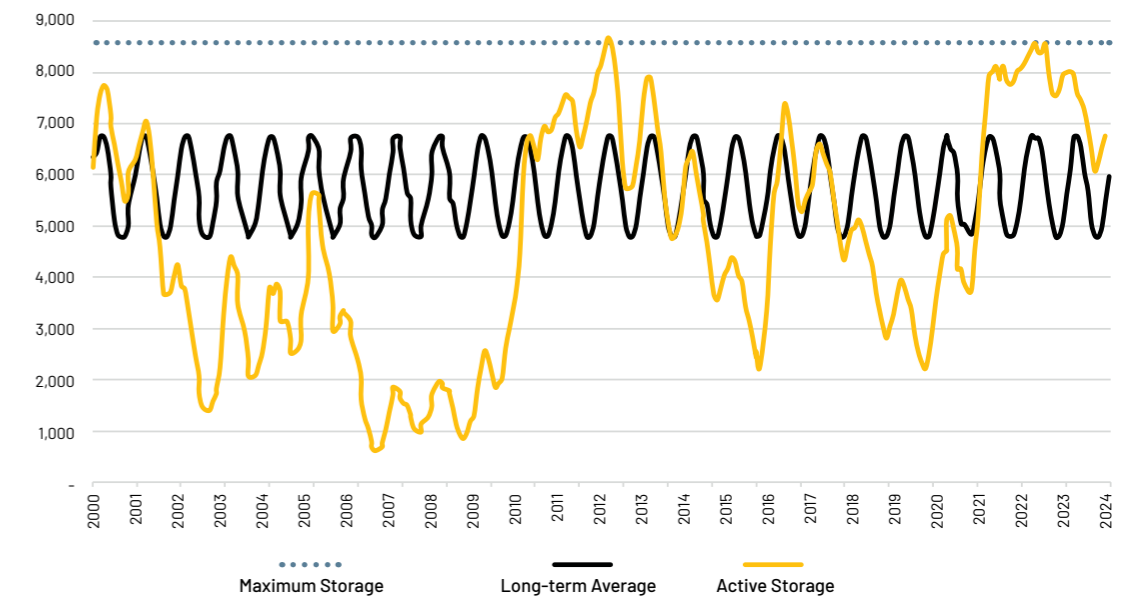
At 30 June 2024, dam storage levels in the Murray Darling Basin ("MDB") remained high, with overall MDB storages closing the water year at 78%. This represents a 16% decrease from the year prior when overall MDB storages closed at 30 June 2023 at 94%.

At 30 June 2024, storages in the northern and southern Basins were at 68% and 79% respectively. At the same time last year, the northern and southern Basins at 93% and 94% respectively.

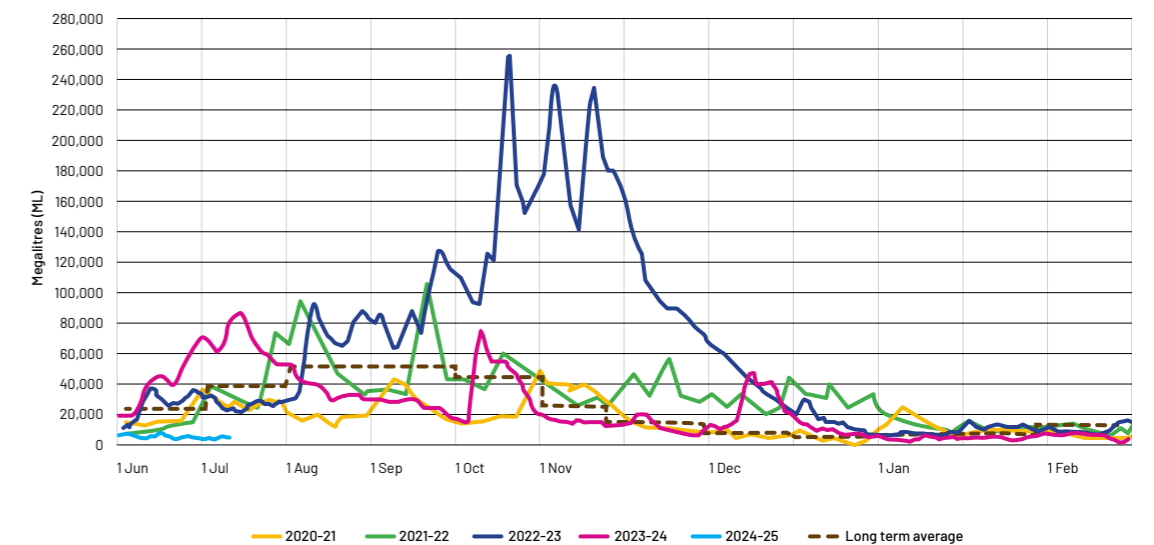
Compared to the previous seasons, there has been higher water drawdowns from dam storages due to drier and warm conditions. In addition, there have been multiple months of below average river inflow conditions.



MDBA ACTIVE STORAGES - JUNE 2000 TO PRESENT



DAILY INFLOWS TO THE MURRAY DARLING BASIN



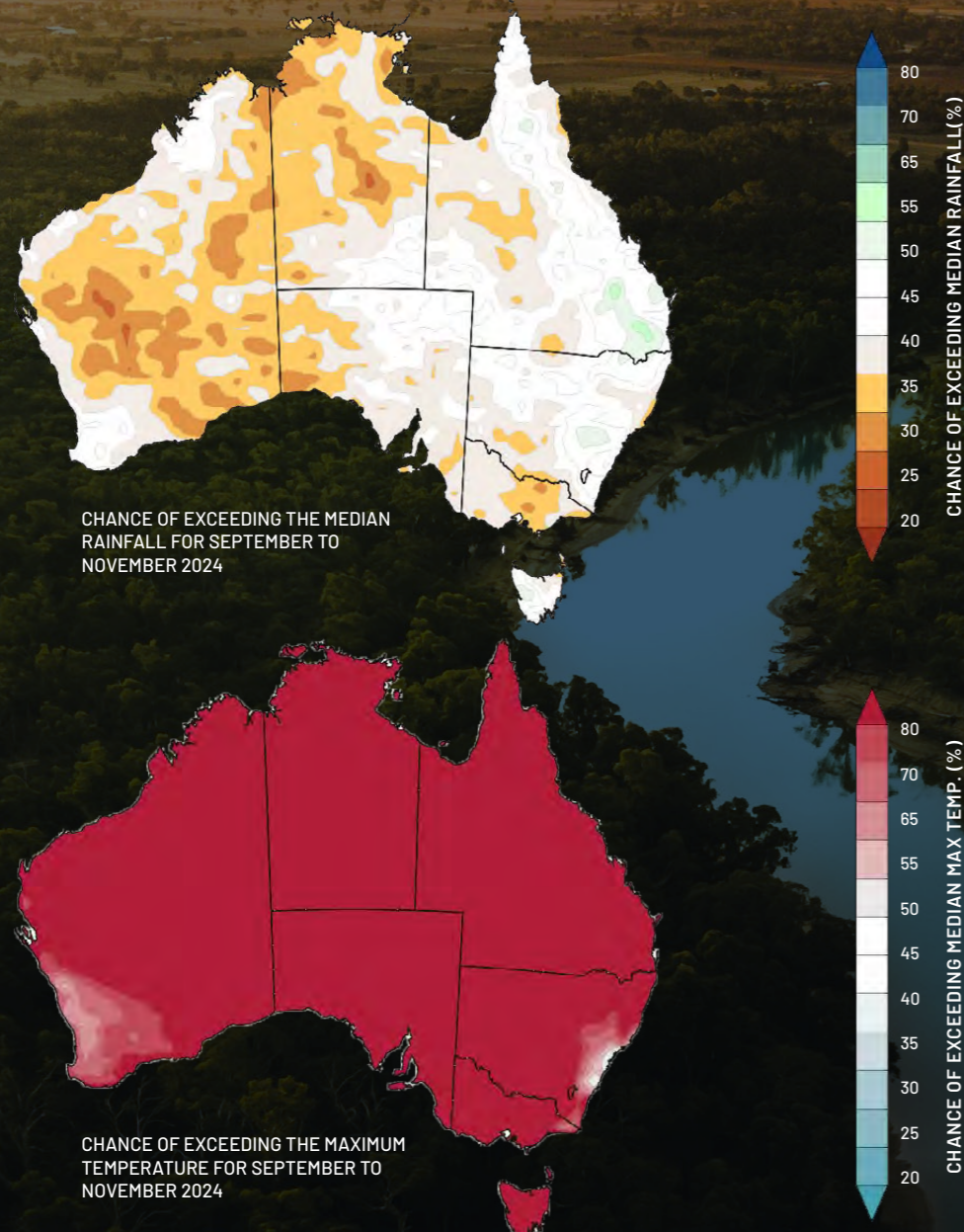
WEATHER OUTLOOK

The weather forecast for Spring 2024 suggests warmer than usual temperatures across much of Australia and typical seasonal rainfall for most of eastern and South Australia.

Western Australia, the Northern Territory, and parts of Victoria are likely to experience below-average rainfall. In the sMDB, rainfall is likely to be close to the mean, and below average across several catchments in Victoria¹.

The ENSO outlook is currently at La Niña Watch, indicating a 50% chance of a La Niña event developing. The BOM forecasts that ENSO is likely to remain neutral until at least early Spring. Five out of seven international climate models suggest that the ENSO will remain neutral for the remainder of 2024, while two models are suggesting that a La Niña may develop later in 2024. La Niña typically increases the chance of wetter conditions in eastern, central, and northern Australia.

The Indian Ocean Dipole ("IOD") is currently neutral with all seven international climate models predicting the IOD to remain neutral for the remainder of 2024².



1. Bureau of Meteorology - Long-Range Forecast - Issued 15 August 2024.
 2. Bureau of Meteorology - Climate Driver Update - Issued 12 August 2024.

GOVERNMENT WATER BUYBACKS

In the first half of 2024, there have been significant developments regarding the Australian Government's plan to recover 450 GL of water entitlements. This is a key target of the Murray Darling Basin Plan ("MDBP") aimed at increasing water holdings for environmental purposes.

In late 2023, legislation was passed to extend the MDBP's deadline to 31 December 2027. The extension was put in place given the lack of progress towards this 450 GL target since the Basin Plan was first put in place in 2012. At 30 June 2024, progress towards this target was only 27.5 GL. At the same time as extending the deadline, the Government removed the cap on water purchases, allowing for large-scale water entitlement buybacks to recommence.

In January 2024, the federal Government released a draft framework outlining the recovery of the 450 GL, detailing three main programs set to run from 2024 to 2027. These are the Resilient Rivers, Sustainable Communities, and Voluntary Water Purchases programs. The Resilient Rivers program will focus on infrastructure projects, rule changes, and water partnerships. The Sustainable Communities program aims to provide adjustment assistance to communities affected by water buybacks. Lastly, the Voluntary Water Purchases program will involve the Government directly purchasing water entitlements from willing sellers.

In July 2024, the Government released the final framework and announced the first round of voluntary water entitlement buybacks. The Government plans to acquire 70 GL of water entitlements through an open tender process. This tender will run from 15 July 2024 to 11 September 2024, with submissions being evaluated between September and November 2024.

The initial water purchase program will target the southern connected Basin, focusing on the Murrumbidgee, Murray, and Ovens regions. Most of these regions are known for their high concentration of permanent horticulture developments.

FINANCIAL OVERVIEW

During the period ended 30 June 2024, the Company:

- Paid a fully franked dividend of 3.6 cents per share in April 2024, in line with previously stated dividend guidance.
- Recorded its highest ever half-year net profit after tax of \$8.3 million.
- Reduced drawn debt during the period by \$11 million, enhancing balance sheet flexibility.
- Closed the year with a post-tax non-statutory net asset value of \$1.51 per share¹.

Over the last 6 months, water entitlement prices have continued to soften, contributing to a decrease in the Company's post-tax NAV¹. As of 30 June 2024, the Company's post-tax NAV¹ based on Fair Market Value was \$1.51 per share, compared to \$1.62 per share as of 31 December 2023.

Despite this, the Company maintained a strategic and proactive approach to managing its portfolio of water entitlements. In the first half of 2024, the Company successfully realised a \$15.0 million capital gain from the sale of permanent water entitlements.

As of 30 June 2024, the Company is carrying \$47 million (or \$0.30 per share) in unrealised capital gains on the water portfolio. These unrealised gains are excluded from the statutory financial statements due to the application of Australian Accounting Standards.

The statutory NAV of the Company, in accordance with Australian Accounting Standards (which excludes unrealised capital gains), is \$1.28 per share at 30 June 2024, up from \$1.26 per share at 31 December 2023.

VALUATION EXPERT

The portfolio continues to be valued on a dry equivalent basis by Aither Pty Ltd ('Aither'). Aither employs a market valuation approach to determine a Fair Market Value, which draws on publicly available water trade data from the relevant state water registers as well as analysis of trade data obtained from market intermediaries to calculate a dollar per ML volume weighted average price for each entitlement and allocation type.

The Fair Market Value is not in accordance with the recognition and measurement requirements of the Australian Accounting Standards in relation to the accounting treatment of water assets (intangible assets). Therefore, increases in the Fair Market Value of water assets are not reported in the statutory accounts.

For financial statement reporting purposes, in accordance with the basis of preparation described in Note 2 of the financial statements, the Company's permanent water entitlements are carried at cost less any accumulated impairment losses. Temporary water allocations related to these entitlements are recognised in the Statement of Financial Position at zero cost initially. Purchased temporary water allocations are recognised at cost when acquired. Presented below is a summary of the Company's NAV on a Fair Market Value basis compared to the basis of preparation described in Note 2 of the financial statements.

1. Non-statutory value, which adjusts statutory water entitlements held at cost of \$303.9m to fair market value of \$354m.



30 June 2024	Company Statement of Financial Position \$'000	Fair Market Value* \$'000 (non statutory)	Variance \$'000
ASSETS			
Permanent water entitlements	303,874	354,052	50,178
Temporary water entitlements	-	37	37
Net current and deferred tax assets	627	(13,377)	(14,004)
Net other current assets	1,510	1,510	-
Net non-current liabilities	(105,500)	(105,500)	-
TOTAL NET ASSETS	200,511	236,722	36,211
NET ASSET VALUE PER SHARE	\$1.28	\$1.51	\$0.23

30 June 2023	Company Statement of Financial Position \$'000	Fair Market Value* \$'000 (non statutory)	Variance \$'000
ASSETS			
Permanent water entitlements	303,210	401,257	98,047
Temporary water entitlements	-	8	8
Net current and deferred tax assets	(1,105)	(30,521)	(29,416)
Net other current liabilities	(30,068)	(30,068)	-
Net non-current liabilities	(128,500)	(128,500)	-
TOTAL NET ASSETS	143,537	212,176	68,639
NET ASSET VALUE PER SHARE	\$1.22	\$1.80	\$0.58

* Fair Market Value is prepared in accordance with the Company's monthly NAV statement. The water portfolio is evaluated on a monthly basis by the Company's independent valuer "Aither Pty Ltd". Fair Market Value is a non-IFRS measure that is not reviewed or audited by the Company's auditor.

Further detail by reported segment is disclosed in Note 5 of the Financial Statements.

DIVIDENDS

Duxton Water paid a fully franked dividend of 3.6 cents per share to shareholders on 26 April 2024. This was the Company's 14th consecutive dividend paid since November 2017. In addition, all eligible shareholders were given the opportunity to participate in the Company's DRP. Participants in the DRP were eligible to receive new shares at a 5% discount.

On 24 April 2024, Duxton Water entered into an agreement with Petra Capital to underwrite \$4.5 million of the DRP shortfall. The Board saw this as an excellent opportunity to broaden the shareholder base and improve balance sheet flexibility.

The Board is pleased to formally announce a fully franked dividend of 3.7 cents per share, to be paid on 25 October 2024. The Company will once again offer shareholders the opportunity to participate in the DRP. Under the DRP, shareholders are entitled to receive additional shares at a 5% discount.

The Board maintains its commitment to providing shareholders with a biannual dividend, franked to the greatest extent possible.



DEBT SUMMARY

At 30 June 2024, the Company's total drawn debt was \$105.5 million, representing an 18% decrease from the same time last year. The Board acknowledges that current interest rate levels have increased the cost of debt significantly compared to previous years. Therefore, the Company has been utilising surplus cash to reduce debt, giving it more flexibility to capitalise on strategic opportunities should they arise.

At 30 June 2024, the Company's LVR is at 29%. This remains well below the Company's max LVR covenant of 40%. The Board remains focused on using debt prudently and is actively monitoring fixed interest rate markets for well-priced hedging opportunities.

A summary of the Company's debt position at 30 June 2024 can be seen below:

D20 DEBT SUMMARY

	HY2024	HY2023	Difference
Total Debt Drawn	\$105.5m	\$128.5m	-\$23.0m
Total LVR	29%	30%	-1%
Total Variable Debt	\$105.5m	\$128.5m	-\$23.0m
Effective Cost of Borrowings	5.6%	4.8%	+0.8%

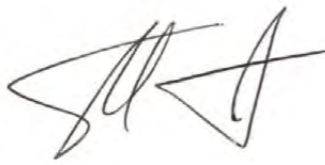


ROUNDING OF AMOUNTS

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with the Corporations Instrument amounts in the Directors' Report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

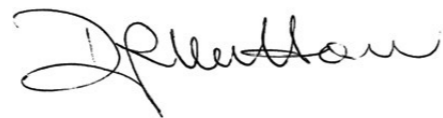
AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Company's auditors, Grant Thornton Audit Pty Ltd, to provide the Directors of the Company with an Independence Declaration. This Lead Auditor's Independence Declaration is included on page 31. Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.



Edouard Peter
Chairman

Stirling, South Australia
30 August 2024



Dennis Mutton
Independent Non-Executive Director

Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Duxton Water Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Duxton Water Limited for the half year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 30 August 2024

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STATEMENT OF **PROFIT OR LOSS**
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Note	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Revenue	4	5,066	4,052
Gain on entitlement sales		14,950	5,770
Cost of sales and leasing		(278)	(212)
Management fees	11	(1,110)	(1,055)
Legal and professional fees		(139)	(76)
Other expenses		(822)	(726)
Impairment of water entitlements	6	(2,621)	-
Total expenses		(4,970)	(2,069)
Profit before net finance expense		15,046	7,753
Finance expense		(3,236)	(3,708)
Net finance expense		(3,236)	(3,708)
Profit before tax		11,810	4,045
Income tax expense		(3,543)	(1,202)
Profit for the half-year attributable to shareholders of Duxton Water Limited		8,267	2,843
Other comprehensive income, net of income tax		-	-
Total comprehensive profit for the half-year to shareholders of Duxton Water Limited		8,267	2,843
Earnings per share attributed to shareholders of Duxton Water Limited			
Basic earnings per share (dollars)		0.053	0.024
Diluted earnings per share (dollars)		0.042	0.024

STATEMENT OF **FINANCIAL POSITION**
AS AT 30 JUNE 2024

	Note	30 Jun 2024 \$'000	31 Dec 2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		3,801	1,832
Trade and other receivables		88	9,941
Other current assets		236	223
Total current assets		4,125	11,996
Non-current assets			
Water entitlements	6	303,874	311,101
Deferred tax assets		2,089	1,546
Total non-current assets		305,963	312,647
Total assets		310,088	324,643
LIABILITIES			
Current liabilities			
Trade and other payables		2,080	13,156
Contract liabilities		533	884
Tax liability		1,463	1,514
Total current liabilities		4,076	15,554
Non-current liabilities			
Borrowings	9	105,500	116,500
Total non-current liabilities		105,500	116,500
Total liabilities		109,576	132,054
Net assets		200,512	192,589
EQUITY			
Issued capital	7	190,407	185,252
Retained Earnings		10,105	7,337
Total equity		200,512	192,589

The condensed notes on page 36 to 45 are an integral part of these half-year financial statements

The condensed notes on page 36 to 45 are an integral part of these half-year financial statements

STATEMENT OF CHANGES IN **EQUITY**
FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Note	Issued capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2023		134,526	10,338	144,864
Profit for the period		-	2,843	2,843
Other comprehensive income for the period, net of tax		-	-	-
Total comprehensive income for the period		-	2,843	2,843
<i>Transactions with owners of the Company:</i>				
Shares issued		523	-	523
Share buyback		(688)	-	(688)
Shares issue costs - net of taxes		(2)	-	(2)
Payment of dividends		-	(4,003)	(4,003)
Balance at 30 June 2023		134,359	9,178	143,537
Balance at 1 January 2024		185,252	7,337	192,589
Profit (loss) for the period		-	8,267	8,267
Other comprehensive income for the period, net of tax		-	-	-
Total comprehensive income for the period		-	8,267	8,267
<i>Transactions with owners of the Company:</i>				
Shares issued		5,268	-	5,268
Share issue costs - net of taxes		(113)	-	(113)
Payment of dividends		-	(5,499)	(5,499)
Balance at 30 June 2024		190,407	10,105	200,512

STATEMENT OF **CASH FLOWS**
FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Note	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Cash flows from operating activities			
Receipts from customers		4,668	2,874
Payments to suppliers		(2,513)	(4,381)
Interest and other costs of finance paid		(3,278)	(3,119)
Income tax paid		(3,978)	(2,115)
Net cash used in operating activities		(5,101)	(6,741)
Cash flows from investing activities			
Purchase of permanent water entitlements		(22,158)	(4,968)
Proceeds from sale of permanent water entitlements		40,619	9,622
Proceeds from sale of interest rate swap arrangements		-	1,867
Net cash provided by investing activities		18,461	6,521
Cash flows from financing activities			
Proceeds from issue of shares		4,500	-
Proceeds from exercise of share options		4	-
Payment of share buyback		(56)	(688)
Payment for share issue costs		(162)	(2)
Proceeds from borrowings		20,500	3,500
Repayment of borrowings		(31,500)	-
Dividends paid		(4,677)	(3,477)
Net cash used in financing activities		(11,391)	(667)
Net (decrease)/increase in cash and cash equivalents		1,969	(887)
Cash and cash equivalents at the beginning of the period		1,832	1,246
Cash and cash equivalents at end of period		3,801	359

The condensed notes on page 36 to 45 are an integral part of these half-year financial statements

The condensed notes on page 36 to 45 are an integral part of these half-year financial statements

1. CORPORATE INFORMATION

Duxton Water Limited (the 'Company') is a Company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange under the symbol D20. Its registered office and principal place of business is located at 7 Pomona Road Stirling SA 5152.

The Company is a for-profit entity.

The half-year financial statements were authorised for issue by the Directors on 30 August 2024.

2. BASIS OF PREPARATION

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

At 30 June 2024 the Company has statutory net assets of \$200.51 million (31 December 2023: \$192.59 million). At Balance date, the Company has a net current asset surplus of \$0.05 million, and it has the ability to sell non-current permanent water entitlements if it is required due to working capital constraints. As such, the directors have determined it is appropriate to prepare the financial statements by applying the going concern basis of accounting. The financial statements are prepared utilising historical costs.

STATEMENT OF COMPLIANCE

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard AASB 134 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Australian Accounting Standards Board (AASBs) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are:

a) Permanent water entitlements

Permanent water entitlements are treated as intangible assets on the Statement of Financial Position at cost (in accordance with AASB 138 Intangible Assets). It has been determined that there is no foreseeable future limit to the period over which the asset is expected to generate net cash inflows for the entity, therefore the entitlements will not be subject to amortisation, as the permanent water entitlements have an indefinite life. Permanent water entitlements will be tested annually for impairment, unless there are indications present that the asset is impaired or if there are indications present that a previously impaired asset is no longer impaired.

b) Temporary water allocations

Temporary water allocations purchased are treated as items of inventory available for resale in accordance with AASB 102 Inventories. Temporary water allocations are measured at the lower of its individual cost and net realisable value.

3. MATERIAL ACCOUNTING POLICIES

CHANGES IN MATERIAL ACCOUNTING POLICIES

The accounting policies applied in these interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2023.

4. REVENUE

	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Lease income from water entitlements	4,186	3,684
Sale of temporary water allocations	855	272
Other income	25	96
	5,066	4,052

5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker to make strategic decisions. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The amounts provided to the Board of Directors with respect to profit or loss, liabilities and assets other than water entitlement assets is measured in a manner consistent with that of the financial statements, while permanent water entitlement assets and temporary water allocations are allocated to a segment based on the geographical region of the water entitlement assets and measured on a "fair market value" basis.

"Fair market value" for purposes of valuing the Company's water entitlement and allocation portfolio that is reported to the Board of Directors, is based on the independent monthly valuation that is undertaken by an independent expert.

NOTE 5. SEGMENT REVENUE AND RESULTS

Segment revenue and results For the half year ended 30 June 2024	Permanent Water \$'000	Temporary Water \$'000	Unallocated \$'000	Total \$'000
Profit & Loss				
Reportable segment revenue	4,186	855	25	5,066
Gain on entitlement sales	14,950	-	-	14,950
Total segment Revenue and other income	19,136	855	25	20,016
Expenses	(220)	(212)	(4,538)	(4,970)
Finance costs	-	-	(3,236)	(3,236)
Tax benefit (expense)	-	-	(3,543)	(3,543)
Net Profit/(loss) after tax	18,916	643	(11,292)	8,267

Balance Sheet	Murray \$'000	Murrumbidgee \$'000	Goulburn \$'000	Other ¹ \$'000	Unallocated \$'000	Total \$'000
Permanent water entitlements at fair value						
Permanent water entitlements at fair value	244,768	38,740	53,669	19,169	-	356,346
- Less fair market value adjustment ²	(33,886)	(8,017)	2,367	(9,400)	-	(48,936)
- Less accumulated impairment	(522)	-	(3,014)	-	-	(3,536)
Permanent water entitlements at cost less impairment	210,360	30,723	53,022	9,769	-	303,874
Temporary water allocations at fair value						
Temporary water allocations at fair value	32	5	-	-	-	37
- Less fair market value adjustment ³	(32)	(5)	-	-	-	(37)
Temporary water allocations at cost	-	-	-	-	-	-
Total segment assets as disclosed in the financial statements⁴						
Total segment assets as disclosed in the financial statements ⁴	210,360	30,723	53,022	9,769	6,214	310,088
Total segment liabilities as disclosed in the financial statements					(109,576)	(109,576)

Segment revenue and results For the half year ended 30 June 2023	Permanent Water \$'000	Temporary Water \$'000	Unallocated \$'000	Total \$'000
Profit & Loss				
Reportable segment revenue	3,684	272	96	4,052
Gain on entitlement sales	5,770	-	-	5,770
Total segment Revenue and other income	9,454	272	96	9,822
Expenses	(161)	(213)	(1,695)	(2,069)
Finance costs	-	-	(3,708)	(3,708)
Tax benefit (expense)	-	-	(1,202)	(1,202)
Net Profit/(loss) after tax	9,293	59	(6,509)	2,843

Balance Sheet	Murray \$'000	Murrumbidgee \$'000	Goulburn \$'000	Other ¹ \$'000	Unallocated \$'000	Total \$'000
Permanent water entitlements at fair value						
Permanent water entitlements at fair value	287,709	46,409	49,075	18,064	-	401,257
- Less fair market value adjustment ²	(77,661)	(10,757)	(1,334)	(8,295)	-	(98,047)
Permanent water entitlements at cost	210,049	35,652	47,741	9,769	-	303,210
Temporary water allocations at fair value						
Temporary water allocations at fair value	5	3	-	-	-	8
- Less fair market value adjustment ³	(5)	(3)	-	-	-	(8)
Temporary water allocations at cost	-	-	-	-	-	-
Total segment assets as disclosed in the financial statements⁴						
Total segment assets as disclosed in the financial statements ⁴	210,049	35,652	47,741	9,769	11,682	314,893
Total segment liabilities as disclosed in the financial statements						
Total segment liabilities as disclosed in the financial statements	-	-	-	-	(171,356)	(171,356)

1. "Other" comprises of the Lachlan and Parilla regions which individually account for less than 10% of the Company's revenue, loss before taxation, total liabilities and total assets.
2. In accordance with the Australian Accounting Standards requirements on measuring permanent water entitlements subsequent to initial recognition, fair market value increments are not included in the amounts recognised in the financial statements.
3. In accordance with the requirements of the Australian Accounting Standards, temporary water allocations obtained through owned permanent water entitlements are not recognised as assets in the Statement of Financial Position. Only those allocations separately acquired are recognised.
4. "Total segment assets" is a measure used by the Company for internal reporting purposes. For purposes of determining this measure, all assets excluding water entitlements are measured consistent with the financial statements and water entitlements are measured at fair value. The measure of water entitlements does not comply with the recognition and measurement requirements of the Australian Accounting Standards.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2024

6. WATER ENTITLEMENTS AND ALLOCATIONS

a) Permanent water entitlements

Permanent water entitlements - at cost less accumulated impairment	\$'000
Balance at 1 January 2023	262,756
Additions	56,797
Disposals	(7,537)
Impairment loss recognised in profit or loss	(915)
Balance at 31 December 2023	311,101
Balance at 1 January 2024	311,101
Additions	11,235
Disposals	(15,841)
Impairment loss recognised in profit or loss	(2,621)
Balance at 30 June 2024	303,874

7. ISSUED CAPITAL AND SHARE OPTIONS

	No. Shares	\$'000
Opening balance at 1 January 2023	118,038,179	134,526
Shares issued (dividend reinvestment plan)	755,861	1,251
Shares issued (capital raising)	34,320,538	51,481
Share buy-back	(394,000)	(688)
Share issue costs - net of taxes	-	(1,318)
Closing balance at 31 December 2023	152,720,578	185,252
Opening balance at 1 January 2024	152,720,578	185,252
Shares issued (dividend reinvestment plan)	575,660	821
Shares issued (capital raising)	3,155,680	4,500
Shares issued (exercise of options)	1,920	4
Share buy-back	(40,000)	(56)
Share issue costs - net of taxes	-	(114)
Closing balance at 30 June 2024	156,413,838	190,407

At 30 June 2024 the Company has 38,165,906 bonus share options on issue, which were issued on a 1:4 basis to all shareholders on 09/11/2023, and are exercisable at \$1.92 per share, with an expiry date of 10/05/2026 (30 June 2023: nil).

CONDENSED NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE HALF-YEAR ENDED 30 JUNE 2024

8. DIVIDENDS PAID

Total dividends paid for the half-year ended 30 June 2024 were \$5.5 million (June 2023: \$4.0 million). This consisted of cash distributions of \$4.7 million (June 2023: \$3.5 million) and shares issued under the DRP to the value of \$0.8 million (June 2023: \$0.5 million).

9. BORROWINGS

	30 Jun 2024 \$'000	31 Dec 2023 \$'000
Bank Loans - secured	105,500	116,500
	105,500	116,500

SUMMARY OF BORROWING ARRANGEMENTS

At 30 June 2024, the Company has the following outstanding debt facility with NAB:

- Facility A - Limit of \$130 million due for expiry 31 March 2026 (\$105.5 million drawn).

TERMS OF BORROWING ARRANGEMENTS:

- The variable interest payable on debt facility A (\$130m) is calculated as BBSY + Margin Fee of 0.65% p.a + Facility Fee of 0.65% p.a.
- The facility is secured by mortgages on the Company's permanent water rights.
- The Company must maintain an interest coverage ratio (ICR) greater than 2.5.
- The Company's maximum loan to valuation ratio is 40%

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

FAIR VALUE HIERARCHY

AASB 13 requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs)



CONDENSED NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE HALF-YEAR ENDED 30 JUNE 2024

The Company's financial instruments consist mainly of deposits with banks, accounts receivable, accounts payable, and interest bearing borrowings. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies in the Company's annual report, are as follows:

	30 Jun 2024 \$'000	31 Dec 2023 \$'000
Financial Assets		
Cash and cash equivalents	3,801	1,832
Trade and other receivables	88	9,941
Total financial assets	3,889	11,773
Financial Liabilities		
Trade and other payables	2,080	13,156
Borrowings	105,500	116,500
Total financial liabilities	107,580	129,656

11. KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel and of the Investment Manager (Duxton Capital (Australia) Pty Ltd) are disclosed in, and remains unchanged from the latest annual financial report.

Mr Edouard Peter, Chairman of the Company, controls the Investment Manager and is a shareholder and Director of the Investment Managers' remuneration from the Investment Manager for services provided by the Investment Manager.

Company Director, Mr Stephen Duerden, is also a shareholder and Director of the Investment Managers' parent Company and as such, may receive remuneration from the Investment Manager for Services provided by the Investment Manager.

As Shareholders of the Investment Manager, Mr Peter and Mr Duerden may receive a financial benefit from the Company as a result of payment of fees by the Company to the Investment Manager. The Investment Management Agreement is on arms-length commercial terms and was approved by the Non-Executive Directors of the Company.

CONDENSED NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE HALF-YEAR ENDED 30 JUNE 2024

Neither Mr Edouard Peter nor Mr Stephen Duerden have received Directors' fees from the Company. Mr Edouard Peter has a direct interest of 450,000 shares (June 2023: 422,846) in the Company and an indirect interest of 7,537,028 shares (June 2023: 7,392,908) shares in the Company.

Mr Edouard Peter's indirect interest is inclusive of shares owned by the Duxton Group.

Mr Stephen Duerden has a direct interest of 55,218 shares (June 2023: 42,172) in the Company and an indirect interest of 225,899 shares (June 2023: 211,219) in the Company. Mr Stephen Duerden's indirect interest is inclusive of shares owned by the Duxton Group.

The Duxton Capital Holdings Group owns 2,154,845 shares in the company at 30 June 2024 (June 2023: 2,154,845).

	30 Jun 2024 #Shares	30 Jun 2023 #Shares
Mr Edouard Peter Direct Interest	450,000	422,846
Mr Edouard Peter Indirect Interest	7,537,028	7,392,908
Mr Stephen Duerden Direct Interest	55,218	42,172
Mr Stephen Duerden Indirect Interest	225,899	211,219
Duxton Group	2,154,845	2,154,845

	30 Jun 2024 #Options	30 Jun 2023 #Options
Mr Edouard Peter Direct Interest	155,712	-
Mr Edouard Peter Indirect Interest	1,883,371	-
Mr Stephen Duerden Direct Interest	13,465	-
Mr Stephen Duerden Indirect Interest	56,093	-
Duxton Group	538,712	-



CONDENSED NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE HALF-YEAR ENDED 30 JUNE 2024

12. RELATED PARTY TRANSACTIONS

The following transactions occurred with related parties during the half-year ended 30 June 2024 (and the half-year ended 30 June 2023):

	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Management fee – Duxton Capital (Australia) Pty Ltd	1,110	1,055
Administration fee – Duxton Capital (Australia) Pty Ltd	118	149
Lease revenue – Duxton Viticulture Pty Ltd	198	1,099
Lease revenue – Duxton Farms Ltd	313	93
Lease revenue – Duxton Dairies (Cobram) Pty Ltd	-	46

Transactions between related parties are on commercial terms and conditions.

The following balances are outstanding between the Company and its related parties:

	30 Jun 2024 \$'000	30 Jun 2023 \$'000
Amount due to (from) Duxton Capital (Australia) Pty Ltd	224	232
Amount due to (from) Duxton Farms Ltd	(153)	(155)
Amount due to (from) Duxton Viticulture Pty Ltd	(43)	(72)
Amount due to (from) Duxton Dairies (Cobram) Pty Ltd	-	(5)

13. SUBSEQUENT EVENTS

There have been no events subsequent to reporting date which would have a material impact on the Company's 30 June 2024 financial statements.

DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 30 JUNE 2024

In the opinion of the Directors of Duxton Water Limited ("the Company"):

1. the condensed financial statements and notes set out on pages 36 to 45, are in accordance with the Corporations Act 2001 including:
 - a. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance of the 6 months period ended on that date; and
 - b. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Edouard Peter
Chairman



Dennis Mutton
Independent Non-Executive Director

Stirling, South Australia
30 August 2024

Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Independent Auditor's Review Report

To the Members of Duxton Water Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Duxton Water Limited (the Company) and which comprises the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Duxton Water Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J. L. Humphrey
Partner – Audit & Assurance

Adelaide, 30 August 2024

CORPORATE DIRECTORY

Non-Executive Chairman

Edouard Peter

Non-Executive Director

Stephen Duerden

Independent Non-Executive Directors

Dirk Wiedmann

Dennis Mutton

Vivienne Brand

Brendan Rinaldi

Company Secretary

Katelyn Adams

Principal and Registered Office

7 Pomona Road

Stirling SA 5152

Telephone: (08) 8130 9500

Facsimile: (08) 8130 9599

Legal Advisors

Thomson Geer

7/19 Gouger Street

Adelaide SA 5000

Share Registry

Computershare

Auditors

Grant Thornton

170 Frome Street

Adelaide SA 5000

Computershare Investor Services

Level 5, 115 Grenfell Street

Adelaide SA 5000

Stock Exchange Listing

Australian Securities Exchange

Share Code: D20

Option Code: D200A



DUXTON
WATER