

# Quarterly Update



MARCH 2025

## INVESTMENT NAME

Duxton Water Limited  
ASX Code: D20

## INVESTMENT MANAGER

Duxton Capital (Australia) Pty Ltd

## INVESTMENT UNIVERSE

Australian Water Entitlements

## NET ASSET VALUE (POST-TAX)

\$1.71 per share

## WATER PORTFOLIO VALUE

\$290 million

**SHARES ON ISSUE:** 156,403,151

**OPTIONS ON ISSUE:** 38,165,498



The primary investment objective of Duxton Water ("the Company") is to build a portfolio of permanent water entitlements and utilise this portfolio to provide flexible water supply solutions to our Australian farming partners. The Company generates a return by offering irrigators a range of supply solutions including long-term entitlement leases, forward allocation contracts, and spot allocation supply.



## Operational Update

On 5 March 2025, Duxton Water announced the sale of \$121.3 million of water entitlements to the Australian Government to support environmental water flows. This sale, along with other portfolio movements and transactions completed during the quarter, has resulted in the Company's NAV per share increasing to \$1.71, representing a 17-cent increase compared to previous quarter. This marks the Company's strongest quarterly result since inception in 2016.

Additional information in relation to the sale of water entitlements to the Government can be found in the Company's recent ASX [announcement](#).

In addition, the Company executed several entitlement acquisitions and disposals at attractive valuations during the quarter. Upon settlement of all outstanding entitlement transactions, the Company is expected to hold approximately 58.9 gigalitres of water entitlements.

Duxton Water intends to use funds received from recent sales of entitlements to reduce its debt facility while also continuing to look for well priced acquisition opportunities.

## Entitlement Market

Since 31 December 2024, the aggregated value of water entitlements in the southern Murray Darling Basin increased by approximately 3%. This is based on the Ricardo Entitlement Index ("REI"). The most significant gains have been seen in Lower Murray high security water entitlements.

This increase is likely attributed to an increase in demand from irrigators. However, market activity has remained relatively subdued, with a reduced volume of transactions occurring during the period. On the supply side, there has been very limited availability of entitlements, which is likely contributing to the recent increase in prices.

## COMPANY PERFORMANCE (31 MARCH 2025)

1 Month	3 months	6 Months	12 Months	Inception
8.15%	11.04%	11.84%	12.66%	118.58%

## COMPANY SNAPSHOT

	December 2024	March 2025
Water Entitlements	91.5 GL	58.9 GL
Leased % of Portfolio	37%	52%
Weighted Average Lease Expiry (WALE)	2.8 years	2.7 years
WALE (incl. renewal options)	4.4 years	4.3 years
Shares on Issue	156.4m	156.4m
Total Water Assets	\$392m	\$290m

## Allocation Market

Allocation prices remained firm over the past three months leading to 31 March 2025. This was likely driven by high demand during a relatively dry and warm summer across most key agricultural regions.

The highest prices were observed in the Murrumbidgee during January, where dry conditions coincided with lower seasonal allocations on general security entitlements and restrictions on intervalley trading. By the end of the quarter, the highest allocation prices were observed in the Lower Murray.

At 31 March 2025, spot water prices ranged between \$180-\$195/ML in the lower Murray, \$105-\$120/ML in the upper Murray, \$180-\$190/ML in the Murrumbidgee, and \$110-\$120/ML in the Goulburn. Allocation prices have continued to increase from these levels in April 2025.

## Lease and Forward Market

During the March quarter, D20 signed three new leases totalling 2,100 ML. One lease started in January 2025, while the other two are set to begin on 1 July 2025. These two leases will contribute to the lease percentage for the upcoming water year.

As we approach the 2025-2026 water year, the market for leases and forwards is becoming more active, with irrigators seeking to secure their future water needs. The Company is actively working towards increasing its leased portfolio.

^These figures are based on NAV movements and include franked dividends for the period.





## Investment Update

At 31 March 2025, Duxton Water's NAV closed at \$1.71 per share, reflecting a 17-cent rise during the quarter. This represents an 11% increase since the end of December 2024. The Company's total performance since inception has increased to 119% (or 9.6% per year), including dividends paid.

The Company's pre-tax NAV, excluding tax provisions, closed the quarter at \$1.87 per share, reflecting an increase of 22 cents per share during the quarter. NAV increases are primarily attributed to the sale of water entitlements at above valuations and the acquisition of water entitlements at below valuations. This was further supported by a rise in entitlement values across the broader portfolio.

At 31 March 2025, the Company's Net Debt\* to water assets ratio ("LVR") is 28%. This includes outstanding receivables and payables. Upon settlement of the Company's outstanding water entitlement transactions, the Company anticipates it will be able to significantly reduce its Net Debt to less than 5%.

December 2024 NAV (post-tax)	March 2025 NAV (post-tax)
\$1.54 per Share	\$1.71 per Share

## Dividends

On 27 February 2025, the Company was pleased to declare a fully franked dividend of 3.71 cents per share. The dividend was paid to shareholders on 24 April 2025 and marks the Company's 16<sup>th</sup> consecutive dividend paid since 2017.

The Company continued to offer shareholders the opportunity to participate in its Dividend Reinvestment Plan ("DRP"), providing a 5% discount to the share price (based on a 5-day VWAP prior to and inclusive of the record date).

FY2025 Dividends	Cents Per Share	Franking
Final 2024 (Apr-25)	3.71 cps	Fully Franked (Paid)

\*Net Debt = Debt Drawn / (Total Water Assets + outstanding water receivables - outstanding water payables)



Irrigated Canola Field

## On Market Share Buyback

Duxton Water continues to operate its on-market share buyback. This allows the Company to buy back shares from the market when the Company believes the share price does not accurately reflect the underlying value of the Company's assets. The Board considers the share buyback program to be in the interest of all shareholders. Duxton Water has bought back a total of 736,000 shares at an average price of \$1.35 per share between 27 June 2024 and 31 March 2025.

## Finance

Receipts from customers total \$6.8 million for the first quarter of the year. This is approximately double the amount received during Q1 last year. Receipts include payments from leases and allocation sales. The primary difference when compared to last year is due to higher water allocation prices.

Operating cash outflows were broadly in line with the previous year except for income taxes paid during the quarter (\$2.9 million). This was primarily due to the tax liability attributable to the recent sale of water entitlements. The Company recorded no movements in investing activities or financing activities during the quarter.

## Payments to Associates/Related Parties

During the March 2025 quarter, the following cash payments to Associates and Related Parties occurred:

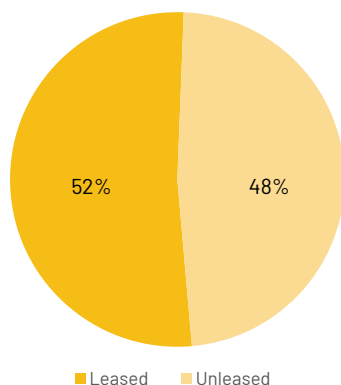
	March 2025 Quarter	YTD
<b>Duxton Capital - Administration Fees</b> (Admin. & Accounting Services)	\$94k	\$94k
<b>Duxton Capital - Management Fees</b> (As per the Management Agreement)	\$414k	\$414k
<b>Duxton Capital - Performance Fees</b> (As per the Management Agreement)	-	-
<b>Duxton Capital - Reimbursements</b> (On-charged Reimbursements)	\$32k	\$32k

## VALUATION METHODOLOGY

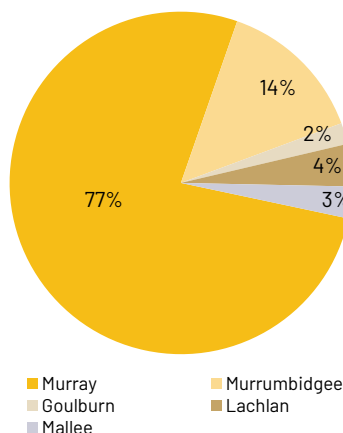
The Company uses an Independent Fair Market Unit Value for entitlement and allocation provided by Ricardo to undertake the NAV assessment. Ricardo acquired Aither Pty Ltd in 2024 and has subsequently changed name from Aither to Ricardo. Ricardo's definition of fair market value is consistent with the principles of the Australian Accounting Standards Board (AASB) 13 Fair Value Measurement. It is a non IFRS measure that is not reviewed or audited by the Company's auditor. Further information can be found at [www.duxtonwater.com.au](http://www.duxtonwater.com.au).



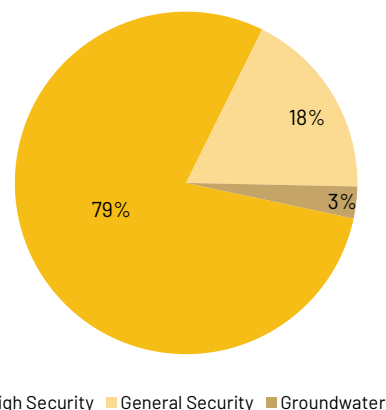
### WATER PORTFOLIO DIVERSIFICATION



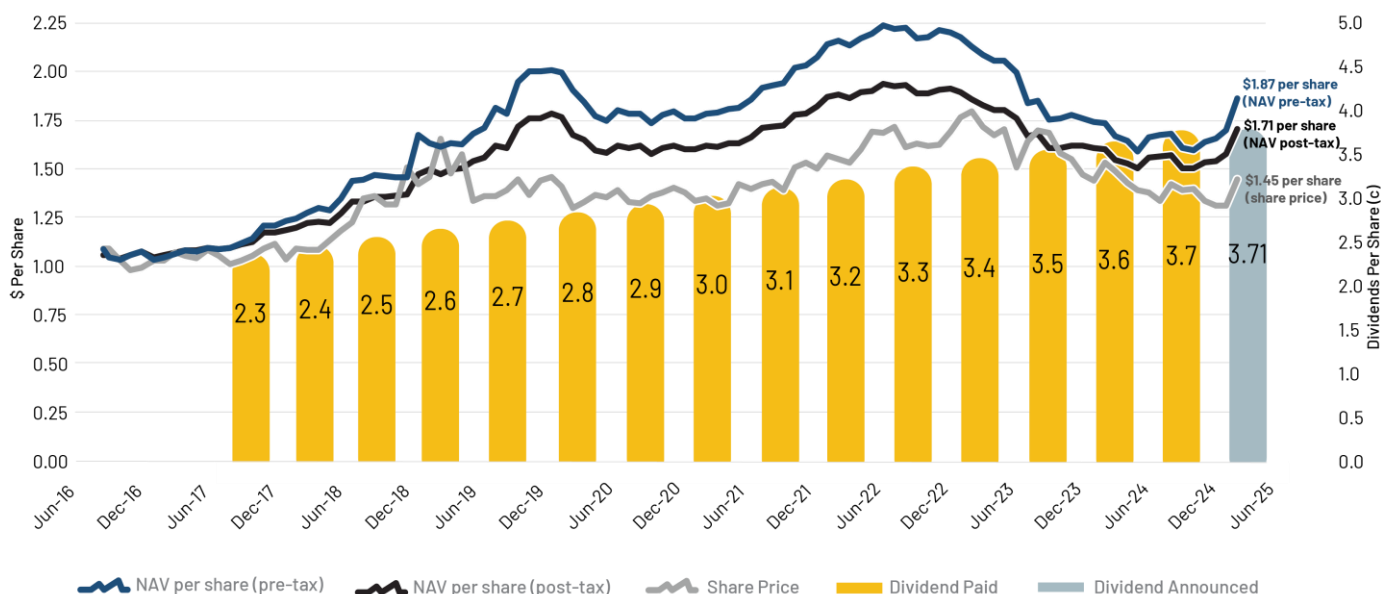
### ENTITLEMENT VALUE BY REGION



### WATER SECURITY BREAKDOWN



## HISTORICAL PERFORMANCE - SINCE INCEPTION



This announcement has been authorised for release by the Chairman of Duxton Water Limited.

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Duxton Water Limited

**ABN**

53 611 976 517

**Quarter ended ("current quarter")**

31 March 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	6,803	6,803
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(164)	(164)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(380)	(380)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1,672)	(1,672)
1.6 Income taxes paid	(2,967)	(2,967)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
- Management Fees	(414)	(414)
- Performance Fee	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1,206</b>	<b>1,206</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Bank Overdraft)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	-	-

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	825	825
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,206	1,206

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,031</b>	<b>2,031</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,031	825
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,031</b>	<b>825</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	540
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	130,000	116,000
7.2	Credit standby arrangements		
7.3	Other		
7.4	<b>Total financing facilities</b>	<b>130,000</b>	<b>116,000</b>
7.5	<b>Unused financing facilities available at quarter end</b>		14,000
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>On 27<sup>th</sup> March 2025, Duxton Water Ltd successfully renewed its debt facility with NAB as follows:</p> <p><b>Debt Facility A</b>  <b>Lender:</b> National Australia Bank  <b>Max Debt:</b> \$130,000,000  <b>Variable Interest Rate:</b> BBSY plus 0.65% p.a. + Facility Fee of 0.65%  <b>Maturity Date:</b> 31 March 2027  <b>Secured:</b> Yes</p>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	1,206
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,031
8.3	Unused finance facilities available at quarter end (item 7.5)	14,000
8.4	Total available funding (item 8.2 + item 8.3)	16,031
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: <b>N/A</b>	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: <b>N/A</b>	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: <b>N/A</b>	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025 .....

Authorised by: The Chairman of the Board of Directors  
.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.