

18 January 2019

Company Secretary

Duxton Water Ltd

7 Pomona Road

Stirling SA 5152

Dear Sir,

re: Notice of change of interests of substantial holder – Duxton Vineyards Pty Ltd & Duxton Vineyards Water Pty Ltd

Please find enclosed a form 604 – ‘Notice of change in interests of substantial holder’ for the above two associated companies required to bring their holder’s interest position up to date.

The Duxton Vineyards Group (**‘DV Group’**), including the two entities in these notices above, is in the process of restructuring and as part of the process, the DV group came under the Duxton Capital (Australia) Pty Ltd (**‘DCA’**) AFSL and following the appointment, DCA reviewed the DV Group’s submitted substantial interest notices in relation to Duxton Water Ltd (**‘the Company’**) and DCA has separately provided the required forms to update.

Further to the notices supplied separately, as previously disclosed to the market in the Company’s prospectus dated 11 August 2016, the DV Group indicated that it intended to distribute its shareholding in Duxton Water Ltd, to their own investors (as an in specie distribution).

The DV group has recently been restructured and as part of that restructure, the holdings held by Duxton Vineyards Pty Ltd have been transferred to Duxton Vineyards Water Pty Ltd to consolidate the holding, noting there is no change in the combined substantial interest. The Company holding is

to then be demerged in specie out to the underlying DV Group's investors, noting that there will be no change in underlying beneficial ownership.

This subsequent demerger will result in the shareholding and relevant interest's of Duxton Vineyards Pty Ltd and Duxton Vineyards Water Pty Ltd reducing to nil and the underlying investors separately holding Shares in the Company, none of which will have a relevant interest of more than 20% of the Shares on issue. It is expected the demerger will be completed within 3 months.

Should you have any queries please do not hesitate to contact the writer.

Yours Sincerely



Stephen Duerden

Director

Duxton Capital (Australia) Pty Ltd

Form 604

Corporations Act 2001

Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme DUXTON WATER LIMITED

ACN/ARSN A.C.N. 611 976 517

1. Details of substantial holder(1)

Name DUXTON VINEYARDS WATER PTY LTD AND DUXTON VINEYARDS PTY LTD

ACN/ARSN (if applicable) A.C.N 609 424 786 A.C.N. 608 763 515

There was a change in the interests of the substantial holder on

20 / 12 / 2018

The previous notice was given to the company on

18 / 01 / 2019

The previous notice was dated

18 / 01 / 2019

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORDINARY SHARES	34,413,856	31.70%	34,413,856	31.70%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
20/12/2018	DUXTON VINEYARDS WATER PTY LTD	Intergroup transfer as part of group restructure	NIL	10,786,371	10,786,371
20/12/2018	DUXTON VINEYARDS PTY LTD	Intergroup transfer as part of group restructure	NIL	(10,786,371)	(10,786,371)

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
DUXTON VINEYARDS WATER PTY LTD (REGISTERED HOLDER)		DUXTON VINEYARDS WATER PTY LTD	REGISTERED HOLDER	34,413,856 ORDINARY SHARES	34,413,856
DUXTON VINEYARDS PTY LTD (REGISTERED HOLDER)		DUXTON VINEYARDS PTY LTD	REGISTERED HOLDER	NIL	Nil

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
DUXTON VINEYARDS WATER PTY LTD AND DUXTON VINEYARDS PTY LTD	C/- TILBROOK RASHEED, 13 GREENHILL ROAD, WAYVILLE SA 5034

Signature

print name MARK ALLEN

COMPANY SECRETARY - DUXTON
VINEYARDS WATER PTY LTD AND
DUXTON VINEYARDS PTY LTD
capacity

sign here

date 18 / 01 / 2019

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.