



30 July 2020
ASX Announcement

Release of the ACCC Interim Water Market Report

Duxton Water Limited (“Duxton Water” or “The Company”) wishes to advise that the ACCC has this morning released the interim report into the Southern Murray Darling Basin Water Market. The ACCC has spent almost a year reviewing the markets operation and engaging with key stakeholders. The Commission has had an ongoing role in monitoring the Australian Water Markets, having issued reports on its operation since 2012.

Whilst the Company will review the in-depth report, on a first read we believe it is a thorough and well-balanced report. We note the ACCC has stated that:

“Water trading has brought substantial benefits to water users across the Basin. Water markets allow irrigators to increase their water supplies, to earn income by selling their water rights when they are more valuable to someone else, to expand production, or to release capital for investment in their businesses. The benefit of water markets is demonstrated by the fact that, despite tough and volatile climatic conditions, the value of production from irrigated agriculture in the Southern Basin has trended upwards in real terms since 2010-11.”

“Water investors, meanwhile, can help irrigators free up capital by buying and leasing out water; they can increase water market liquidity; and they can help irrigators manage water-supply risks, by providing water products such as leases and forward contracts.”

We note the report has identified opportunities to improve the governance, regulatory and operational frameworks that support the Australian water markets. We believe that a focus in these areas will benefit all stakeholders and Duxton will actively engage in that process.

Duxton Water is part of the Australian owned Duxton Group, which actively farms across Australia producing a variety of agricultural commodities, including wine grapes, dairy, walnuts, dried fruit, apples and grain. As an agricultural producer, irrigator and water product supplier, the Duxton Group understands the importance of water in the further development of the Australian agricultural sector. 100% of the Company’s water is actively used by Australian farmers.

The Company has actively participated in the ACCC Inquiry into the Southern Murray Darling Basin water market and will continue to work with the ACCC as they move to the final report in November.

The report can be found on the ACCC website via the URL below.

<https://www.accc.gov.au/focus-areas/inquiries-ongoing/murray-darling-basin-water-markets-inquiry/interim-report>

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

Contact: Duxton Water Ltd

+61 8 8130 9500

Duxton Water Limited
7 Pomona Road, Stirling SA 5152
www.duxtonwater.com.au