



DUXTON
BROADACRE FARMS

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DIVESTMENT UPDATE BOORALA

In identifying, acquiring and developing mispriced land, DBF is realising its core thesis.

DIVESTMENT SUMMARY

On the 24th of March 2021, the counterparty to the Boorala transaction received approval from the FIRB, triggering the settlement process for the transaction to be completed on Friday the 9th of April 2021.

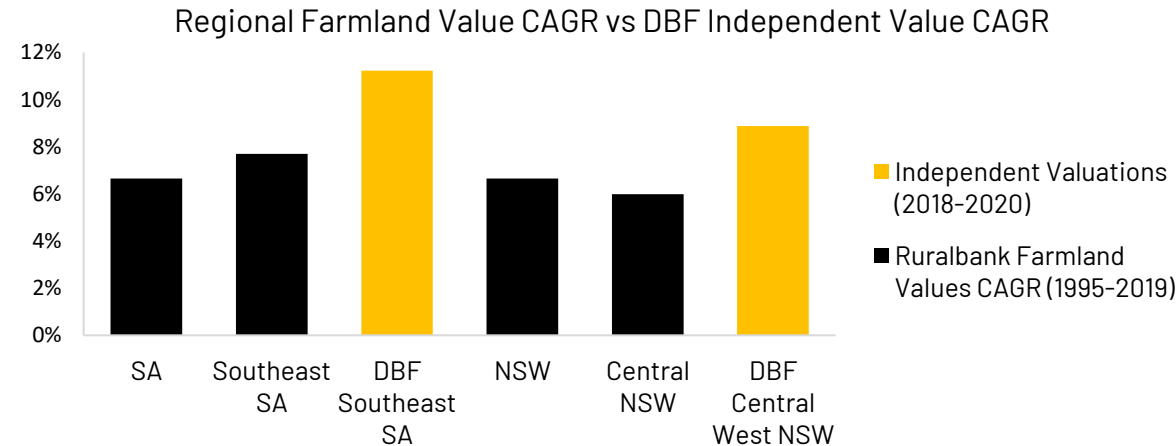
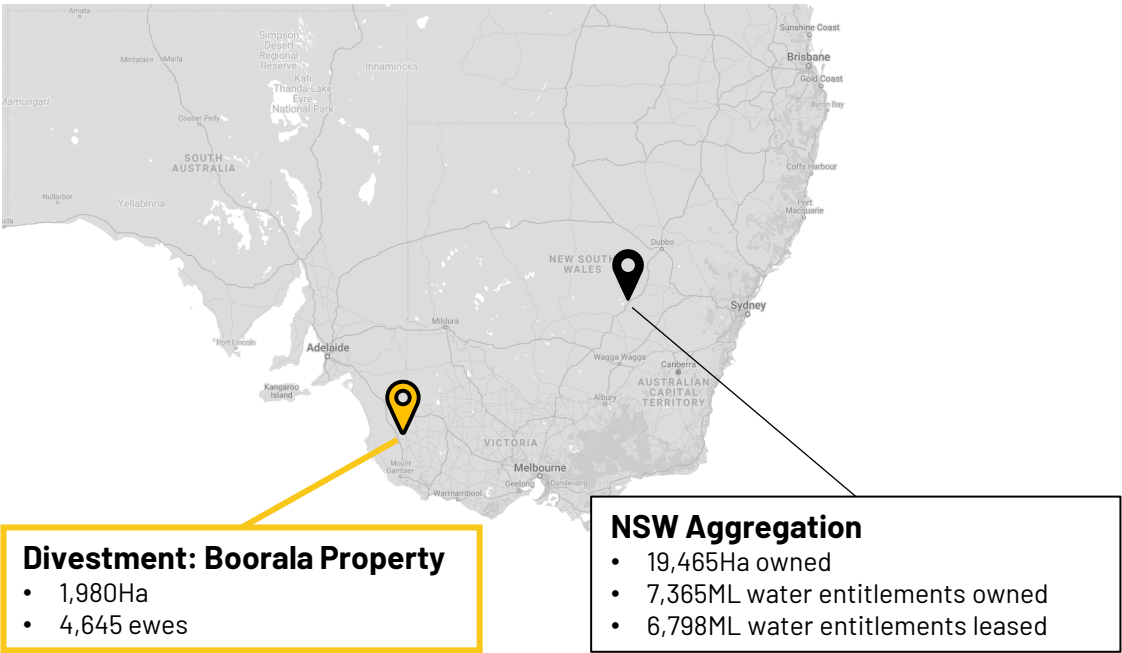
Boorala was originally acquired in March 2019 for AU\$15 million on a walk-in walk-out basis, which included land, improvements, plant, equipment and livestock. The land itself was valued at **AU\$13.6 million** at the time.

In December 2020, DBF accepted a **AU\$22 million** offer for the Boorala property, exclusive of plant, equipment and livestock. This offer was at a 37.5% premium to book value, with the **AU\$8.4 million profit** representing a 61.8% uplift from the 2019 acquisition cost for the land.

RATIONALE

DBF initially intended for the Boorala property to serve as the keystone acquisition around which a new South Australian aggregation would be built.

As shown in the adjacent graph, land and prices in the southeast of South Australia have risen faster than those in New South Wales. DBF has shifted its strategy accordingly, redirecting focus toward expanding its existing aggregation, which it feels is a more effective use of its capital.



By capturing the capital uplift of Boorala, DBF is able to take advantage of opportunities it has identified in NSW.

NSW ACQUISITION SUMMARY

On Thursday the 29th of April, DBF executed contracts to purchase the Lenborough and West Plains properties in New South Wales, located between DBF's Yarranlea and Kentucky properties.

The two properties are being acquired on a vacant possession basis for a total consideration of **AU\$13.9 million** subject to financing, expanding the NSW aggregation by 3,506 hectares.

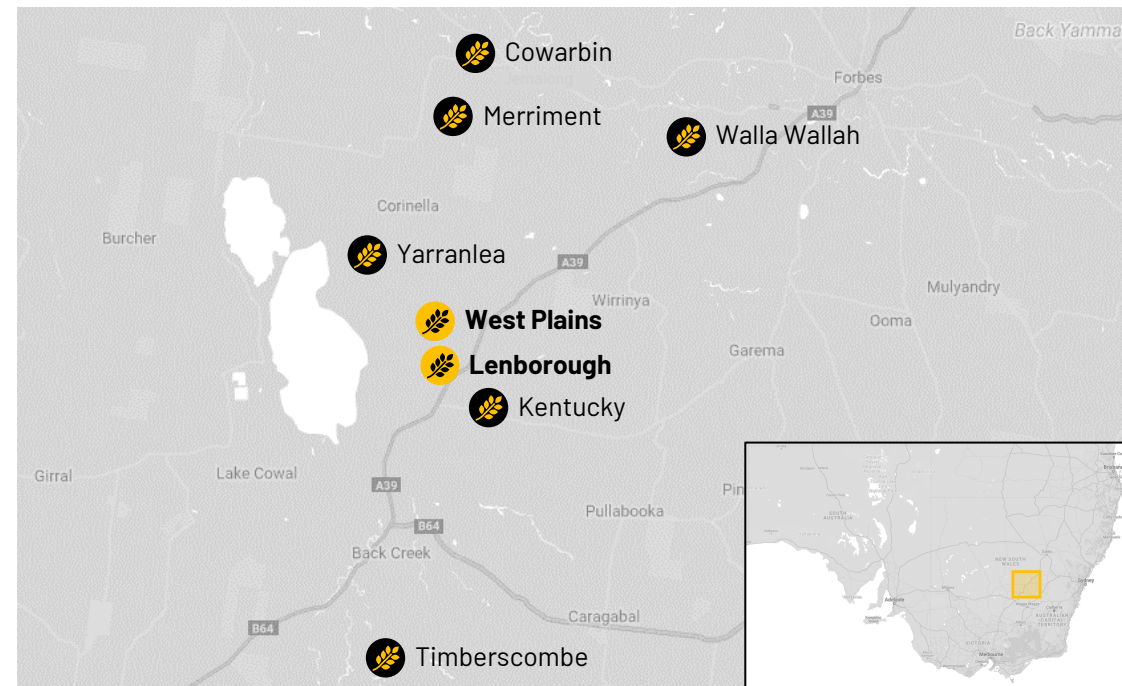
West Plains and Lenborough not only complement existing NSW properties geographically, but are anticipated to add further operational scale and efficiency by creating a larger, more comprehensive aggregation overall.

LIVESTOCK, PLANT AND EQUIPMENT

Duxton Broadacre Farms has relocated approximately 2,600 of Boorala's youngest sheep from South Australia to the New South Wales aggregation.

The remaining sheep, roughly 2,000 head, were progressively sold off between December and February. Boorala's plant, equipment, and remaining livestock were sold in a clearing sale last month, which itself raised a further **AU\$1.2 million**.

For more operational information and the most recent half-year report, please go to <https://www.duxtonbroadacre.com/>.



+1,526 hectares

Net land post-transactions



+AU\$8.1 million

Net cash post-transactions





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