

3 July 2023

Company Announcements Platform  
Australian Securities Exchange  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**Notice under section 708AA(2)(f) of the Corporations Act 2001**

This notice is given by Duxton Water Ltd (ACN 611 976 517) (**Company**) under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**).

The Company has announced its intention to undertake an equity raising of up to approximately \$44,230,806 via a non-renounceable entitlement offer. The raising comprises a non-renounceable pro-rata entitlement offer of fully paid ordinary shares (**Shares**), on the basis of one (1) new Share for every four (4) Shares held as at 7:00pm (AEST) on Thursday, 6 July 2023 to shareholders with a registered address in Australia, New Zealand, Austria, Canada (British Columbia and Alberta only), Hong Kong, Japan, Malaysia, Netherlands, Singapore, Switzerland, Thailand or the United Kingdom (**Eligible Shareholders**) (**Entitlement Offer**).

Based on the current capital structure a total of an additional 29,487,204 Shares will be issued if the Entitlement Offer is fully subscribed and the amount raised will be approximately \$44,230,806.

The Entitlement Offer is partially underwritten and lead managed by MST Financial Services Pty Ltd (ACN 617 475 180) (AFSL 500557) (**Underwriter**) to \$25,000,000 (**Underwritten Amount**). The Company will pay the Underwriter an underwriting fee of 3% (excluding GST) of the Underwritten Amount together with a management fee of 2% of the Underwritten Amount (excluding GST) as well as reimbursement of expenses and legal costs incurred by the Underwriter up to \$30,000.

Any shortfall under the Entitlement Offer will be dealt with by the Company at its discretion in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement. The Board presently intends to allocate Shortfall Shares as follows:

- a) up to an additional 100% of an Eligible Shareholder's full entitlement, to Eligible Shareholders who apply for an excess of their full entitlement, so long as the issue of Shortfall Shares to that Eligible Shareholder would not take their voting power to in excess of 19.99%;
- b) to parties identified by the Underwriter and any sub-underwriter appointed by the Underwriter, subject to the terms of the Underwriting Agreement; and
- c) to other parties identified by the Directors, which may include parties who are not currently Shareholders.

The Company hereby confirms that in respect of the Entitlement Offer (as per the requirements of paragraph 708AA(2)(f) of the Corporations Act):

- a) the Company will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Corporations Act;
- c) as at the date of this notice the Company has complied with:
  - i. the provisions of Chapter 2M of the Corporations Act as they apply to the Company;
  - ii. section 674 and section 674A of the Corporations Act;
- d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
- e) the potential effect that the issue of the new Shares pursuant to the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand. If all Eligible Shareholders take up their entitlements under the Entitlement Offer, the issue of Shares under the Entitlement Offer will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Entitlement Offer. In the more likely event that there is a shortfall, Eligible Shareholders who do not subscribe for their full entitlement of Shares under the Entitlement Offer and ineligible Shareholders unable to participate in the Entitlement Offer will be diluted relative to those Shareholders who subscribe for some or all of their entitlement.

Yours sincerely



**Katelyn Adams**  
**Company Secretary**  
**Duxton Water Limited**