



31 July 2023

Guidance Update

Given the seasonal nature of the Company's revenue profile, Duxton Farms Limited ("**Duxton Farms**" / "**Company**") has not traditionally published formal forward-looking guidance regarding its financial performance. The current financial year has been abnormal because it became clear early in the season that the irregular operating environment would have consequences that were known to be both significant and quantifiable.

The Company announced on the 16th of November 2022 in a release titled *2022 Flood Impact* that it expected full year FY2023 revenues of approximately \$8 million and a forecasted net loss of approximately \$6.2 million. This guidance was revised to a net loss after tax of \$7.8 million in an announcement released to the ASX on the 20th of April 2023 titled *Guidance Update – FY23*.

As a result of the wider decrease in cattle prices since October 2022, the Company's independent cattle valuations were materially lower than the previous reporting period, meaning that the Company has written down the value of the cattle at its New South Wales aggregation by \$1.8 million. In addition to other minor unbudgeted expenditures and some expenses associated with the 2024 winter crop having been brought forward into the 2023 Financial Year, this has meant that the Company now expects to make a net loss after tax of \$10.1 million. It should be noted that this figure is not an audited final number and that it is subject to change.

This development does not impact the Company's short-term cash position or gearing. Further to this, the general reduction in Australian cattle prices has created buying opportunities in the Northern Territory, which are expected to benefit the Company in its efforts to continue restocking Mountain Valley Station over the next few years, as Duxton Farms is currently a net buyer of livestock overall. There has been no other material change at an operational level, please see Duxton Farms' monthly updates for further information on the Company's ongoing activities.

Important Notice on Forward Looking Statements

This announcement contains certain forward-looking statements that include indications of, and guidance on, future earnings, financial positions, and performance. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties, assumptions, and other factors, many of which are beyond the control of the Company (for example, crop prices). Actual results, performance or achievements may differ materially from those expressed or implied in those statements and any projections and assumptions on which these statements are based.

This announcement has been authorised for release by the Chairman of Duxton Farms Ltd.

For all enquiries, please call Duxton Farms on +61 8 8130 9500.