



31 January 2024

Having recently completed the 2023/24 winter harvest, Duxton Farms Limited ("**Duxton Farms**" / "**Company**") is now in a position to announce the harvest figures for the season just concluded.

After two seasons in which the productive capacity of the New South Wales aggregation was severely limited by successive flooding events, the Company is pleased to announce the Operations Team has harvested the second-largest crop in the Company's history. The Board would like to commend Mr Bryan Goldsmith and his Team on successfully leading a successful recovery after the 2022/23 season.

### Harvest Result

The harvest was functionally completed at the end of December, with operating conditions generally conducive to the Company's activities, if somewhat wetter than would normally have been expected. The final harvest figure is 52,770 tonnes, up 539% from the previous season.

Commodity	Winter Crop Production (tonnes)		Difference (%)
	2022/23 Season	2023/24 Season	
Wheat	4,324	22,891	429%
Barley	2,517	21,585	758%
Canola	1,421	7,849	452%
Faba Beans	-	445	N/A
<b>Total</b>	<b>8,262</b>	<b>52,770</b>	<b>539%</b>

While a very positive result, the Board would like to stress that the year-on-year increase in production should be interpreted as indicative of the scale and severity of the 2022 flood events rather than any natural increase in the portfolio's long-term productive capacity. Over the agricultural cycle, the Company and the Investment Manager would expect the portfolio to reliably produce yields approximately within a 20% band of this year's figure.

The Company also performed well when it comes to the quality of the grain harvested; 74% of the wheat, 75% of the barley and 100% of the canola harvested at the New South Wales aggregation met or exceeded internal baseline standards.

As investors will be aware, Duxton Farms has been executing on a strategy to expand and broaden its exposure to the Australian agricultural sector, having recently added the Piambie and Mountain Valley Station properties to its portfolio. These are not included as part of this announcement, although it should be noted that the Company did produce some wheat and canola at Piambie, which although immaterial to the Company's overall earnings is nonetheless a positive movement given that the Company did not anticipate harvesting a winter crop at that property. Investors should also note that Duxton Farms is in the process of marketing its Timberscombe property, which if sold will reduce the Company's winter cropping programme by about half.



### **Earnings Outlook**

Given the seasonal nature of the Company's revenue profile, Duxton Farms has not traditionally published formal forward-looking guidance regarding its financial performance. It did so last year because it became clear early in the season that the abnormal operating environment would have consequences that were known to be both significant and quantifiable.

With consideration to the ASX's Guidance Note 8 on continuous disclosure requirements, the Company also wishes to provide guidance on the implications of the harvest for its earnings outlook for the financial year ending 30 June 2024, they are likely to differ materially from earnings for the prior corresponding period.

In its 2023 Annual Report to Shareholders, Duxton Farms reported a net loss after tax of \$10,089,000. The Company is expecting earnings for FY2024 to be materially higher than in FY2023, which can be attributed to the fact that the portfolio operated in regular conditions without any significant impediments. At this stage, the Company's revenue is expected to be between three and four times higher than in the previous corresponding period, and the Company expects to have positive earnings as a result.

### **Board Approval**

Duxton Farms confirms that this announcement has been authorised for release to the ASX by the Board of Directors.

### **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.*

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