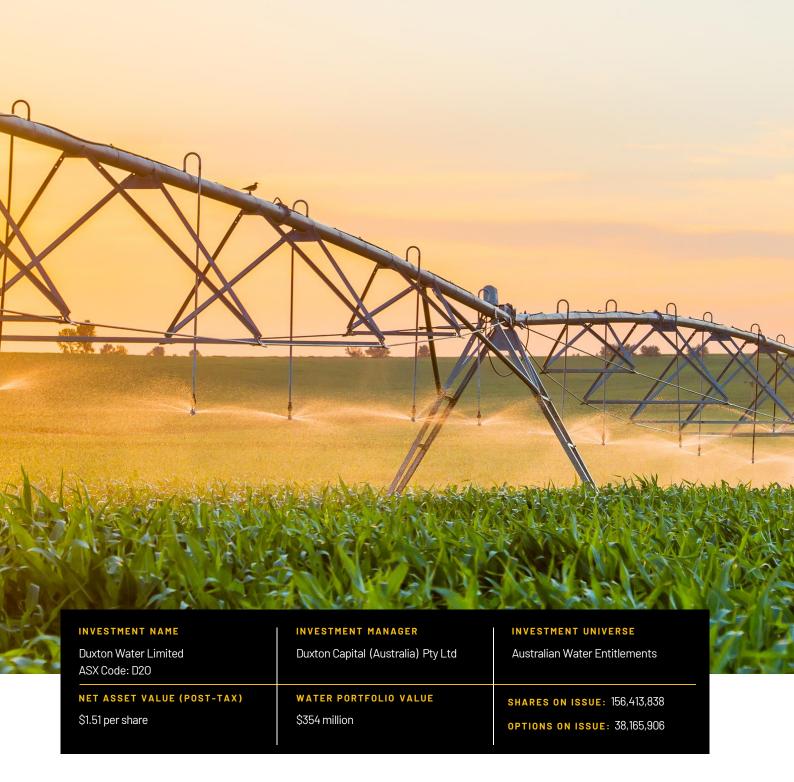


JUNE 2024



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The primary investment objective of Duxton Water ("the Company") is to build a portfolio of permanent water entitlements and utilise this portfolio to provide flexible water supply solutions to our Australian farming partners. The Company generates a return by offering irrigators a range of supply solutions including long-term entitlement leases, forward allocation contracts and spot allocation supply.



Portfolio Managers' Update

The 2023-2024 water year has ended. Duxton Water is pleased to have successfully fulfilled all of its lease and forward contract obligations. The Company has supplied water to irrigators growing various types of crops in different zones and valleys through its diverse portfolio.

In June, Duxton Water entered further forward contracts for the upcoming water year. Recent weather conditions have led to increased demand for these contracts among irrigators. For D20, forward contracts provide revenue visibility and serve as a hedge against volatility in the spot market. In addition, discussions with both existing and potential lessees are currently underway.

Allocation prices in June saw a slight increase compared to May. This was likely due to higher demand for water for carry-over purposes. In contrast, the values of permanent entitlements in the southern Murray Darling Basin ("sMDB") continued to decrease. This was mainly driven by high security entitlements, which reflect the ongoing economic challenges in certain sectors. General security entitlement values remained relatively flat during the month of June.

On 1 July 2024, the 2024-2025 water year commenced, and water authorities announced the opening of new season water allocations. In NSW, high security entitlements opened at their usual 97% in the Murray and 95% in the Murrumbidgee. SA Murray entitlements have started with a full allocation of 100%. In Victoria, the Murray opened at 63% and the Goulburn at 69%. These entitlements are expected to increase based on inflow conditions in the coming months.

General security entitlements in NSW started at 35% and 28% in the Murray and Murrumbidgee, respectively. Victoria's low reliability entitlements opened with nil allocation. Current dam storage levels have resulted in a high initial allocation for major entitlements, although for several entitlements, it has been lower when compared to the same time last year.

In early July 2024, the first spot allocation trades were recorded at prices of \$140-\$150/ML in the lower Murray, which is higher than the \$80-\$90/ML observed in July 2023. The allocation market tends to be less active at this time of year, with activity typically increasing in the coming months.

On 4 July 2024, there was an update on the upcoming water buyback program. The Government has announced that it will purchase 70 GL of water entitlements through an open tender, which will commence the week of 15 July 2024. The tender will be restricted to the southern connected Basin covering the lower Murray, the Murrumbidgee, and Ovens catchments. Most of these regions are known for their high concentration of permanent horticulture.

This tender is part of the voluntary water purchases program for the delivery of 450 GL of environmental water by 31 December 2027. As of June 2024, only 27.5 GL of progress has been made towards this target. Future water purchase programs will be announced after evaluating the results of the current initiatives.

Looking to the upcoming water year, Duxton Water is pleased to continue supporting irrigation needs in 2024-2025. The Company looks forward to reporting on its half-year results in the coming months.



Lachlan CampbellPortfolio Manager



Lachlan BeechPortfolio Manager

COMPANY PERFORMANCE

1 Month	3 Months	6 Months	12 Months	Inception
-1.63%	-3.01%	-3.88%	-10.63%	95.06%

[^]These figures are based on NAV movements and include franked dividends for the period

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Water Lease & Forward Update

At 30 June 2024, Duxton Water had 61% of its permanent water portfolio (by value) leased to Australian farming businesses. This accounts for approximately 79% of the Company's high security portfolio (by value). The Company's WALE is 2.6 years, or 4.6 years, including renewal options.

In June, the Company contracted several forward contracts for delivery in the 2024-2025 water year. This strategy allows D20 to hedge against lower spot prices should they present in the year ahead.

In response to high demand, Duxton Water has also entered into several carry-over contracts. Through carry-over, irrigators are looking to transfer allocation holdings from one season to the next. For the Company, this is another way to diversify the income stream and generate additional revenue.

The lease market continues to be less active than usual, primarily due to uncertainty around weather conditions. Duxton Water is currently in the process of negotiating lease renewals and securing leases with new customers.

Duxton Water continues to offer its range of water supply solutions to the market. These products are intended to provide farmers with choice and flexibility to manage their annual water requirements. Duxton Water highlights the importance for Australian irrigators to have a well-defined water strategy.



Irrigated Cotton Field in NSW

OUICK FACTS SUMMARY

	May 2024	June 2024
Water Entitlements	87.3GL	87.3GL
Portfolio Diversification (types)	19	19
Leased % of Portfolio	60%	61%
Weighted Average Lease Expiry (WALE)	2.7 years	2.6 years
WALE (incl. renewal options)	4.7 years	4.6 years

Entitlement Market Update

At 30 June 2024, Duxton Water held 87.3 GL of water entitlements across 19 different types and classes. There have been no changes in portfolio composition over the month.

The entitlement market in the sMDB decreased by approximately 2% (in value) in June. The fall was primarily driven by high security entitlements in the Murray. General security and low reliability entitlements remained relatively stable compared to the previous month.

In June, market transaction volumes were low, with only a few trades recorded in some markets. The market continues to reflect economic challenges that have been seen across several sectors. This has led to an increase in the supply of water entitlements available for sale on-market.

Allocation Market Update

Allocation prices increased in most water zones in June. The increase in demand for allocation is likely due to irrigators looking to carry over water to the new year.

At the end of June, spot water was trading between \$5-\$6/ML in the Murrumbidgee, 20-35/ML in the Goulburn, 20-40/ML in the lower Murray, and 10-40/ML in the upper Murray

Opening allocations to entitlements (1 July 2024):

Entitlement Region	High Security	General Security
NSW Murray	97%	35%
VIC Murray	63%	0%
SA Murray	100%	n/a
Murrumbidgee	95%	28%
Goulburn	69%	0%

FORWARD CONTRACT CASE STUDY:

A forward contract allows an irrigator to agree on the volume, price, and future delivery date of water. This provides farmers with visibility over water costs for the season and protects against volatility in spot water prices. These contracts become particularly valuable during volatile weather conditions. Additionally, forward contracts also guarantee a reliable water supply, as the vendor is obligated to deliver the agreed quantity on the specified date.

Through this type of partnership, Duxton Water offers Australian farming businesses additional security when it comes to managing their annual water requirements.



JUNE 2024

Finance Update

At 30 June 2024, Duxton Water's post-tax NAV closed at \$1.51 per share. This represents a 2-cent decrease from the previous month.

The Company's pre-tax NAV, which excludes tax provisions, closed at \$1.60 per share, decreasing by 5 cents during the month.

The decrease in both the Company's post and pre-tax NAV was primarily due to a further decrease in the value of high security entitlements in the Company's portfolio during the month.

At 30 June 2024, the net debt to water assets ratio ("LVR") was 29%. This is well below the Company's maximum LVR covenant of 40%.

\$1.51 per Share	\$1.60 per Share
NAV (post-tax)	NAV (pre-tax)

On Market Share Buyback

On 4 June 2024, Duxton Water was pleased to announce that it would commence an on-market share buyback program. The Board believes the current share price does not accurately reflect the underlying value of the Company's assets and considers the share buyback program to be in the interests of all existing Shareholders.

As of 30 June 2024, the Company has bought back a total of 40,000 shares at an average price of \$1.39 per share since the beginning of June 2024.

Dividends

Duxton Water paid a Final 2023 dividend of 3.6 cents per share, fully franked, on Friday, 26 April 2024. This dividend was in line with the previously stated target.

The Company has now paid 14 consecutive and increasing dividends to shareholders since its maiden dividend in November 2017.

Looking ahead, the Board of Duxton Water is pleased to reaffirm dividend guidance for the remainder of FY2024:

	Cents Per Share	Franking Target
Interim 2024	3.7 cps	Fully Franked

Bonus Options

At the end of June 2024, there were 38,165,906 options on issue on the ASX under the ticker code D200A.

These options were issued by the Company to existing eligible shareholders at zero cost, on 9 November 2023.

These options give holders the right, but not the obligation, to purchase additional D20 shares at the strike price of \$1.92 per share. These can be exercised on or before 10 May 2026.

Further information about the Company's bonus option issue can be found in the Company's bonus option prospectus, released on the ASX on 30 October 2023.

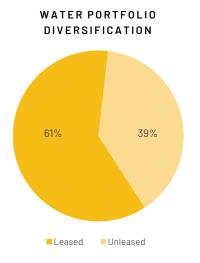
HISTORICAL PERFORMANCE - SINCE INCEPTION

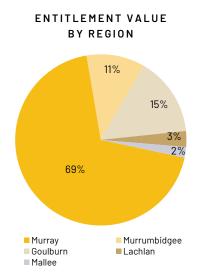


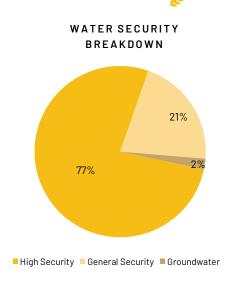
VALUATION METHODOLOGY

The Company uses an independent Fair Market Unit Value for entitlement and allocation provided by Aither Pty Ltd ('Aither') to undertake the NAV assessment. Aither's definition of fair market value is consistent with the principles of the Australian Accounting Standards Board (AASB) 13 Fair Value Measurement. It is a non IFRS measure that is not reviewed or audited by the Company's auditor. Further information can be found at www.distroomsetc.com.au

JUNE 2024







Weather Update

In June 2024, the national average rainfall was 9.2% above the long-term average. Most of this rainfall was observed in WA, as well as in parts of QLD and NSW. However, the southern regions of Australia experienced below-average rainfall. The remaining areas received rainfall close to the average for this time of the year.¹

In the Murray Darling Basin ("MDB"), May rainfall was 6% below the long-term average. Dry conditions were experienced in parts of NSW and Victoria, including the Murrumbidgee and the Goulburn-Broken catchments. Reduced rainfall over the past months has led to soil moisture being below average for much of the sMDB in June.

The national average temperature in June 2024 was 0.90°C above the long-term average. Both maximum and minimum temperatures were also above the long-term average.

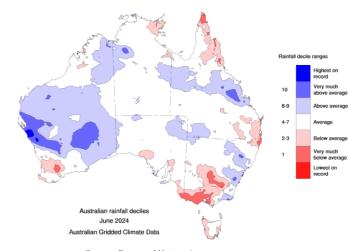
The El Niño-Southern Oscillation ("ENSO") and the Indian Ocean Dipole ("IOD") are currently neutral. The ENSO outlook from the Bureau of Meteorology is at "La Niña Watch". This indicates a 50% chance of a La Niña event developing later in the year.²

As of early July, the Southern Annular Mode ("SAM") is also neutral. Forecasts indicate that the index is expected to move towards positive values by mid-July. In winter, a positive SAM typically decreases rainfall for some parts of southern Australia and increases rainfall in parts of the east.

As of 7 July 2024, the Madden-Julian Oscillation ("MJO") is weak to moderate in strength in the eastern Indian Ocean. Model forecasts predict it will remain weak for the next two weeks, with little impact on Australian rainfall.

RAINFALL DECILE CHART (WINTER)

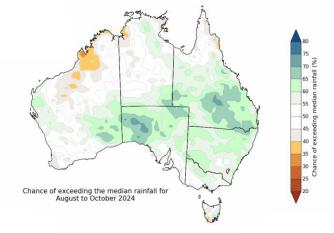
JUNE 2024



Source: Bureau of Meteorology

CHANCE OF ABOVE-AVERAGE RAINFALL

AUGUST 2024 - OCTOBER 2024



Source: Bureau of Meteorology - 11 July 2024

Duxton Water Limited (ASX:D20)

Bureau of Meteorology. Australia in June 2024 – 1 July 2024
Bureau of Meteorology. Climate Driver Update – 9 July 2024

JUNE 2024

Outlook & Storages

The weather forecast for August to October indicates that large areas of eastern and central Australia are expected to have above-average rainfall. This includes NSW, SA, and most of Queensland. The rest of Australia is likely to receive average rainfall for the season. Only small areas in the northwest of the country are expected to have below-average rainfall between August and October.

During the same period, most of Australia is expected to have temperatures that are warmer than usual. Both maximum and minimum temperatures are likely to be above average.1

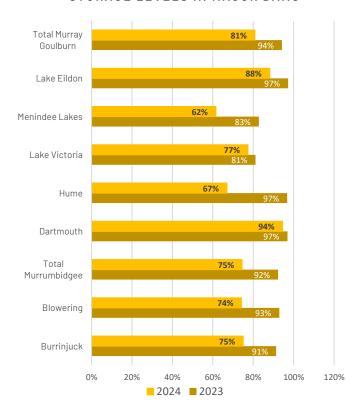
Climate models indicate that sea surface temperatures ("SSTs") in the central Pacific will likely continue to cool over the next two months. Four of seven international models indicate that SSTs will remain at neutral ENSO levels, while three suggest that SSTs will reach La Niña levels around September.

The latest climate models also indicate that the IOD is expected to remain neutral until at least early spring.

In June 2024, river inflows into the Murray system were below the long-term average. Low to near median streamflow is likely for July to September 2024.

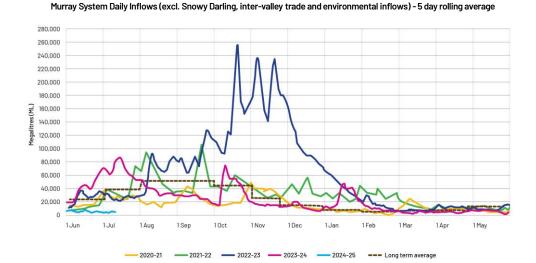
By the end of June, MDB storage levels were at 78%. Storages in the northern and southern basins were at 68% and 79%, respectively. At the same time last year, the northern and southern basins were at 93% and 94%, respectively.

STORAGE LEVELS IN MAJOR DAMS



- Bureau of Meteorology. Long-range forecast overview 11 July 2024 Bureau of Meteorology. Climate Driver Update 9 July 2024

DAILY INFLOWS TO THE MURRAY DARLING BASIN



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

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