

DUXTON FARMS

Q1 FY2026

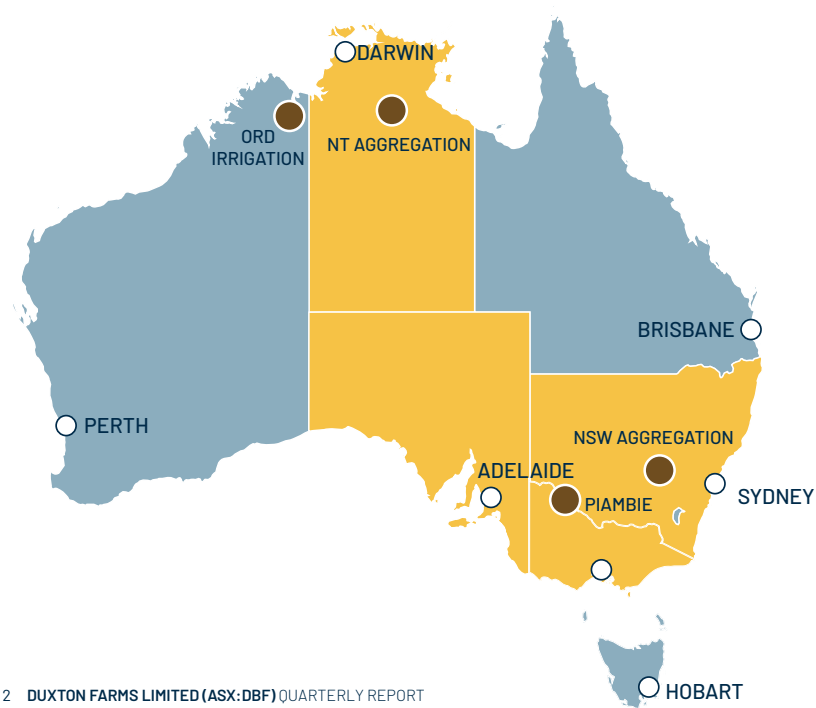
ACTIVITIES REPORT FOR QUARTER
ENDING 30 SEPTEMBER 2025



Duxton Farms Limited (“Duxton Farms” / “Company”) is an Australian agricultural enterprise that directly invests in and operates a diversified portfolio of efficient, high-quality farmland assets. As a significant landowner and an active producer of key agricultural commodities, the Company seeks to provide investors with returns through ongoing operational yields and sustainable long-term capital appreciation. Duxton Farms aims to achieve this objective by implementing best-in-class farm management techniques at scale, to produce a diverse range of commodities in an efficient manner, all with the goal of satisfying the increasing global demand for key agricultural staples.

COMPANY SNAPSHOT

Duxton Farms manages a diversified portfolio of agricultural assets spanning 177,491 hectares across New South Wales, Victoria, the Northern Territory and Western Australia. The Company operates a variety of production systems producing a wide range of food, feed, and fibre products, including wheat, barley, canola, cotton, wool, and livestock. A visual overview of Duxton Farms’ property portfolio is pictured below:



PORTFOLIO

8 PROPERTIES IN 4 LOCALITIES

LOCATIONS

FORBES AND WYALONG, NSW
NATYA, VIC
KATHERINE, NT
POINT STUART, NT

HECTARES

12,530 OWNED
164,961 LEASED

WATER ENTITLEMENTS (ML)

18,195 OWNED
6,798 LEASED

PROPOSED MERGER

OVERVIEW

Duxton Farms recently announced the proposed acquisition of four private companies in the Australian agricultural sector: Duxton Dried Fruits Ltd, Duxton Orchards Pty Ltd, Duxton Bees Pty Ltd, and Duxton Dairies (Cobram) Pty Ltd (referred to from here as Duxton Walnuts). It has been proposed that Duxton Farms will acquire each Merger Company by means of separate schemes of arrangement. The Merger is to be effected by Duxton Farms acquiring all the shares in the Merger Companies which are not already owned by Duxton Farms via separate schemes of arrangement and share purchase agreements in consideration for Duxton Farms shares and cash.

The Merger is expected to create a larger, more investable business with a greater visibility on the ASX than Duxton Farms currently has. It would also form a less concentrated, more diverse share register, which may open a pathway for greater liquidity for Duxton Farms Shareholders and potentially greater access to capital for the Merged Group.

The Company's shareholders voted in favour of all resolutions relating to the Merger at an Extraordinary General Meeting held on 10 October 2025, just after the conclusion of the period referenced in this report. Key terms of the Merger and an overview of each Merger Company are summarised in the Notice of Meeting and Explanatory Memorandum, and in the Merger Company Scheme Books released to the ASX on 4 September 2025.

MERGER COMPANIES

Duxton Dried Fruits Ltd

Duxton Dried Fruits is one of Australia's largest producers of dried fruits, with a total of approximately 603 ha of vineyard plantings in the Sunraysia region of Victoria and New South Wales. The company produced 2,199 tonnes of dried grapes in FY24, representing approximately 18% of national production. This is expected to increase in future years as greenfield vineyard plantings reach maturity.

The Australian dried fruit industry is in a significant supply and demand imbalance, with up to 20,000 tonnes of product being imported each year. Already being one of Australia's largest dried fruit producers with a nationally significant footprint, Duxton Dried Fruits is well positioned to capitalise on this imbalance and further consolidate its position in the industry.



Duxton Orchards Pty Ltd

Established in 2016, Duxton Orchards is the second-largest producer of apples in South Australia and one of the largest independent growers in Australia. Duxton Orchards' core business involves production storage and sale of apples to packing and distribution businesses.

Duxton Orchards operates two sites, a freehold orchard in Loxton and a leased orchard in Nangwarry (leased through to 2040), as well as a leased controlled atmosphere storage facility in Monarto. The company has seen significant yield growth since 2016, driven by improvements in orchard management, logistics optimisation, and cost control. Despite challenging market conditions, including declining prices and a consolidation of production in Victoria, Duxton Orchards has adapted under new management and continues to build on its strong asset base and market position to support future growth.

Duxton Bees Pty Ltd

Duxton Bees is a vertically integrated apiary business which owns and manages over 8,000 beehives in Australia. Founded in 2020, the company has grown to become one of the largest apiary businesses in Australia, with primary operations in honey production and sales, pollination services, and varroa mite management.

Duxton Bees manages its beehives on strategically located apiaries across South Australia, Victoria, New South Wales and Queensland, through licenses on government owned sites and by informal agreement with private landholders. Duxton Bees owns a property in Wentworth, New South Wales, where hives are stored and rested, and a property in Pallamana, South Australia, where the business has a honey extraction and processing facility.

Duxton Walnuts

Duxton Walnuts is a developing walnut orchard based in the Southern Riverina area of New South Wales. The property covers 1,126.16 ha, with approximately 600 ha of land suitable for conversion to walnut orchards.

Duxton Walnuts owns 4,009 ML of groundwater entitlements and 699.4 ML of surface water via a long-term lease, with access to approximately 175 ML of supplementary water via dam capture. Duxton Walnuts' objective is to capitalise on its abundant water resources and suitable climate for walnut production by fully converting the land to its most productive use.

STRATEGIC RATIONALE

The objective of the Merger is to create a large and diversified agricultural investment platform with exposure to a range of geographies, commodities and production systems, and is expected to result in the Merged Group that carries less risk with higher long-term earnings and capital growth potential than any of the Merger Companies individually. That is, the Merger is expected to create value for key stakeholders beyond than the sum of its parts by allowing operating and market risks to be managed across the Merged Group while facilitating operational synergies to create a platform for future growth with higher potential for earnings growth and capital appreciation.

The Merger is a compelling transaction for Duxton Farms and the Merger Companies, furthering the Duxton Farms' strategic objectives through enhancing diversification and scale across permanent horticulture, viticulture and apiary, and providing exposure to an alternate asset class with a track record of strong returns. The potential advantages and disadvantages of the proposed Merger were detailed in the Notice of Meeting and Explanatory Memorandum, including:

- The Merger will have the potential to unlock synergies and efficiencies that may create additional value and deliver stronger returns for Duxton Farms shareholders compared to operating independently.
- The Merger will create exposure to higher-yield agricultural assets in permanent horticulture, viticulture, and apiary, which is expected to elevate earnings potential and create more predictable cash flows over time.
- Post-Merger, Duxton Farms will have a diversified, high-quality portfolio of agricultural land and water assets across new geographies, production systems, and commodities, with the potential to reduce earnings risk.
- The Merger is expected to facilitate a more diverse share register and a larger investment platform and provide exposure to an alternative asset class with low correlation to traditional markets and a track record of strong returns.
- The Merger will increase the size and scale of Duxton Farms' balance sheet, facilitating the internalisation into Duxton Farms of certain corporate functions currently arranged by its Investment Manager.



SHARE BUYBACK

The Company did not buy back any shares in Q1 FY2026.

NSW FORBES AGGREGATION

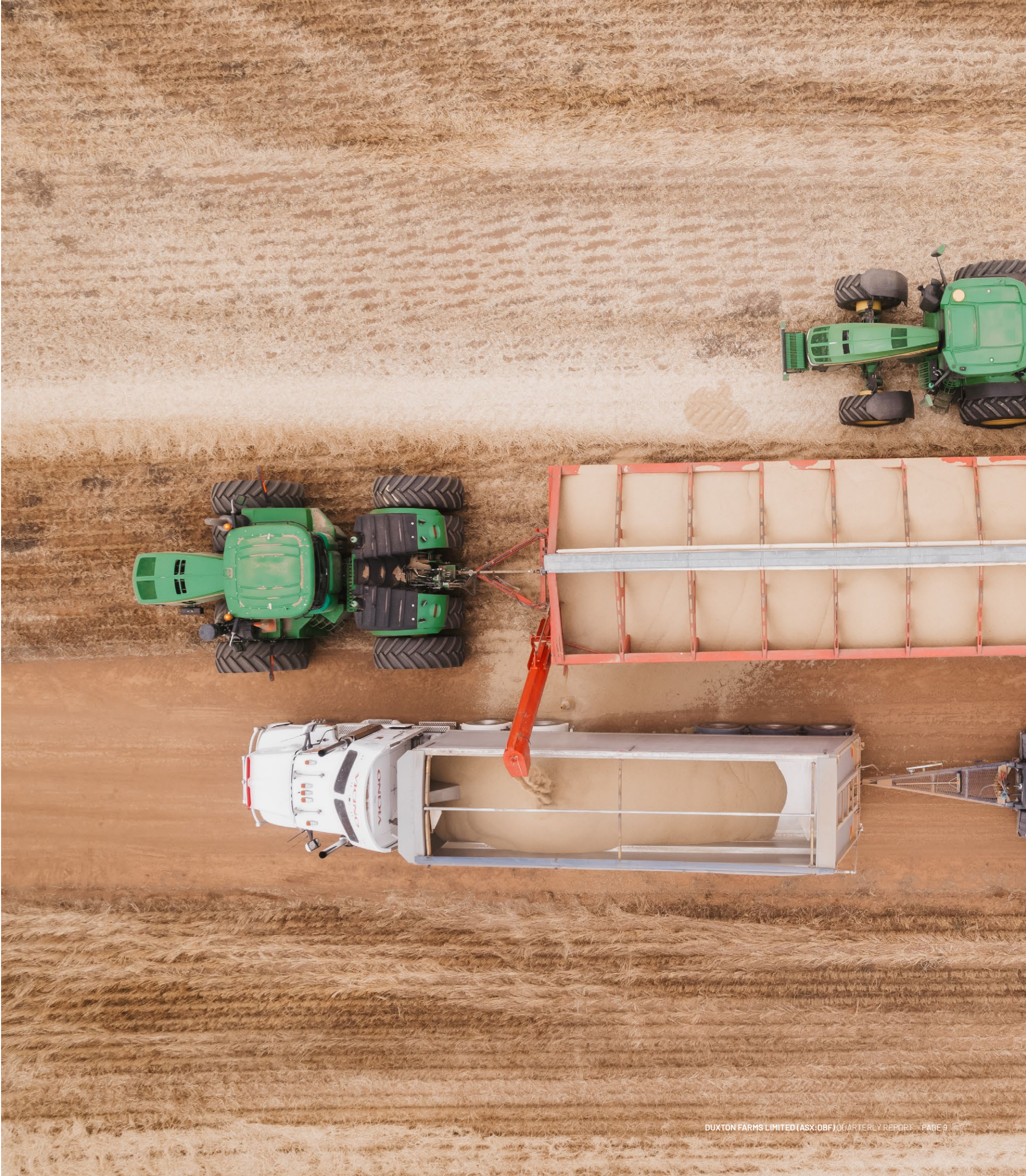
CROP UPDATE

The winter crop at Forbes was established well early in the season but has been placed under pressure by dry spring conditions, which has impacted the wheat crop in particular. The Company's barley crop is performing relatively well given its hardier nature but yield estimates have been reduced across the aggregation. The Company has been irrigating as required, though have been unable to apply water to some areas due as planting for the summer crop is about to begin.

While hot and dry conditions are suboptimal for the winter crop, they are expected to benefit the establishment of the FY2026 cotton crop; land preparation was completed in good time, and planting is expected to begin early in Q2 FY2026. The Company has sufficient water in its system to maintain a fully irrigated cotton crop in dry conditions, and hot weather is positive for early plant growth.

IRRIGATION

The cotton fields at Yarranlea have been re-lasered to restore the required slope and gradient following the floods of 2022. Smaller maintenance irrigation works were also completed over the quarter, including repairs, maintenance and efficiency upgrades on the pump infrastructure at Yarranlea and Walla Wallah.



PIAMBIE PISTACHIO DEVELOPMENT

Stage 3 of the pistachio development project was completed in Q1 FY2026, and the Company now has 482 hectares planted to pistachios, making Piambie one of the largest pistachio developments in the country. Growth has been strong, with trees from Stages 1 and 2 having begun to exit winter dormancy at the end of the quarter. Infield budding has begun for those trees which were not budded in nursery for Stage 3; generally speaking, those trees which were budded in nursery are approximately 12 months ahead of those which require infield budding growth-wise. Additional work continues to refine and further develop the irrigation system at Piambie.

NORTHERN AUSTRALIA DEVELOPMENT

CROP UPDATE

Pasture has been established in the blocks around the Mountain Valley homestead, and the Company continues to work through mapping and surveying for further cropping development with the objective of establishing a working annual cropping system at scale. The Company's first cotton crop at the leased block in the Ord has been picked, marking a major milestone for the Northern Australia cropping strategy. Yields came in slightly above expectations, being broadly in line with cotton yields in more traditional cropping areas in the southeast of Australia.

LIVESTOCK UPDATE

Muster continues at Mountain Valley Station, and the team is pleased with what has been processed so far. The cattle remain in good condition, and the lick program has been altered to assess whether results can be improved. Livestock that meets market specifications are ready to be moved once export boats are ready to do so. Buffalo has also been sold using outside contractors to catch and process.



COMPANY QUARTERLY CASH FLOW COMMENTARY

The Group recorded an operating cashflow deficit for the quarter ending 30 September 2025 of \$5,744,000 which can be primarily attributed to commencement of spend on tillage, spreading, seed, fertiliser, and other consumables associated with the 2026 winter crop, land preparation for the 2026 summer crop, and costs associated with further development of the pistachio plantation at Piambie.

On 1 August 2025 the Group paid an 85% franked dividend of 24.0 cents per share.

Related party transactions of \$857,000 in item 6.1 of the quarterly cashflow report represent \$438,000 paid to Duxton Capital (Australia) Pty Ltd for financial services and management fees for acting as Investment Manager. Amounts totaling \$212,000 were paid to Duxton Water Ltd for water charges, \$13,000 to Duxton Walnuts for agriculture services and advice in relation to the pistachio project at Piambie Farm, \$155,000 to Mountain Valley Station (of which Edouard Peter is a director) for property lease and \$39,000 to MG Corporation (of which Paul Burke is a director) for property lease.

DISCLAIMER

This quarterly update is prepared by Duxton Capital (Australia) Pty Ltd [ACN: 164 225 647; AFSL no. 450218] (“Duxton Capital (Australia)”). Duxton Capital (Australia) is the Investment Manager of Duxton Farms Limited [ACN 129 249 243] (“Duxton Farms”). This monthly update has been prepared for the purposes of providing general information only and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in Duxton Farms.

Information from this monthly update must not be issued in any jurisdiction where prohibited by law and must not be used in any way that would be contrary to local law or regulation. The forecasts provided are based upon our opinion of the market as at this date and are subject to change, dependent on future changes in the market. Any prediction, projection or forecast on the economy, stock market, bond market or the economic trends of the markets is not necessarily indicative of the future or likely performance. Investments are subject to risks, including possible loss of principal amount invested. The value of shares/ units and their derived income may fall as well as rise. Past performance or any prediction or forecast is not necessarily indicative of future performance. No assurance is given that the investment objective or the targets will be met. This document does not constitute investment, tax, legal or any other form of advice or recommendation and was prepared without regard to the specific objectives, financial situation or needs of any particular person who may receive it.

Investors should study all relevant information and consider whether the investment is appropriate for them. If you require investment or financial advice please contact a regulated financial adviser. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein, nor is it intended to be a complete statement or summary of the securities, markets or developments referred to in this presentation. The Duxton Group or its affiliates may hold positions in the securities referred. Where securities are mentioned, it should not be construed that these are recommendations to buy or sell those securities. You are not authorised to redistribute this document nor qualified to make any offer, representation or contract on behalf of Duxton Capital (Australia) or its affiliates. Photographs and other graphics are included for illustrative purposes only and do not necessarily represent the assets of any particular company or fund under Duxton Capital (Australia) management and do not form part of the substantive information upon which any investment decisions should be based. Although the information was compiled from sources believed to be reliable, no liability for any error or omission is accepted by Duxton Capital (Australia) or its affiliates or any of their directors or employees.

The information and opinions contained may also change. Copyright protection exists in this presentation. To the extent permitted by applicable law, none of the Duxton Group, their affiliates, or any officer or employee of the Duxton Group accepts any liability whatsoever for any direct or consequential loss arising from any use of this monthly update or its contents, including for negligence.

Disclaimer for use of ratings only:

The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person’s particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

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



APPENDIX 4C

QUARTERLY CASH FLOW REPORT FOR ENTITIES SUBJECT TO LISTING RULE 4.7B

Name of entity

Duxton Farms Ltd

ABN

45 129 249 243

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers	5,744	5,744	
1.2 Payments for			
research and development	-	-	
product manufacturing and operating costs	(7,143)	(7,143)	
advertising and marketing	-	-	
leased assets	(197)	(197)	
staff costs	(775)	(775)	
administration and corporate costs	(895)	(895)	
1.3 Dividends received(see note 3)	-	-	
1.4 Interest received	133	133	
1.5 Interest and other costs of finance paid	(442)	(442)	
1.6 Income taxes paid	(2,500)	(2,500)	
1.7 Government grants and tax incentives	129	129	
1.8 Other (provide details if material)	169	169	
1.9 Net cash from / (used in) operating activities	(5,777)	(5,777)	

2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities	-	-	
businesses	(909)	(909)	
property, plant and equipment	(3,557)	(3,557)	
investments	-	-	
intellectual property	-	-	
other non-current assets			
2.2 Proceeds from disposal of:			
(a) entities	-	-	

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	businesses	-	-
	property, plant and equipment	-	-
	investments	-	-
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(4,466)	(4,466)

3. Cash flows from financing activities			
3.1 Proceeds from issues of equity securities (excluding convertible debt securities) – share buyback	-	-	
3.2 Proceeds from issue of convertible debt securities	-	-	
3.3 Proceeds from exercise of options	-	-	
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-	
3.5 Proceeds from borrowings	-	-	
3.6 Repayment of borrowings	(183)	(183)	
3.7 Transaction costs related to loans and borrowings	-	-	
3.8 Dividends paid	(4,692)	(4,692)	
3.9 Other (provide details if material)	-	-	
3.10	Net cash from / (used in) financing activities	(4,875)	(4,875)

4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1 Cash and cash equivalents at beginning of period	21,953	21,953	
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(5,777)	(5,777)	
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(4,466)	(4,466)	
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(4,875)	(4,875)	

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,835	6,835

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	290	155
5.2	Call deposits	9,757	23,124
5.3	Bank overdrafts	(3,212)	(1,326)
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,835	21,953

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	857
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	40,000	34,000
7.2	Credit standby arrangements	7,800	3,212
7.3	Other (please specify)	3,000	1,334
7.4	Total financing facilities	50,800	38,546
7.5	Unused financing facilities available at quarter end	12,254	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
CBA Overdraft \$7,800,000: Rate 6.47% maturity at call			
CBA Term Debt Facility \$40,000,000: Variable Rates of 4.55% to 4.63%% maturing 31/08/26			
CBA Asset Finance Facility \$3,000,000: Variable Rates of 3.38% to 7.50% maturing 31/08/26			
All facilities are secured by mortgages over property and water entitlements.			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,777)
8.2	Cash and cash equivalents at quarter end (item 4.6)	6,835
8.3	Unused finance facilities available at quarter end (item 7.5)	12,254
8.4	Total available funding (item 8.2 + item 8.3)	19,089
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.30
Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:		
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:		
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:		
Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.		

COMPLIANCE STATEMENT

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 14 October 2025

Authorised by: By the Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

- 1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.



