



<b>Company</b>	Duxton Water Limited
<b>Code</b>	D20
<b>Meeting</b>	AGM
<b>Date</b>	28 May 2021
<b>Venue</b>	Uraidla Hotel
<b>Monitor</b>	Brad Martin assisted by Greg O'Connell

<b>Number attendees at meeting</b>	40 with 10 known ASA members.
<b>Number of holdings represented by ASA</b>	6
<b>Value of proxies</b>	\$64,200
<b>Number of shares represented by ASA</b>	48,635
<b>Market capitalisation</b>	\$163m – on day of meeting
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes, with Ed Peter and other staff

### **Water, water everywhere but not a drop in WA yet.**

Ed Peter delivered an articulate Chairman's address followed by presentations from staff members on expected weather conditions and market price expectations for water rights. Western Australia was mentioned as a market that offered opportunities for the company to expand its operations, that could be seen as spreading risk but not diversification as they would still be a managing a single commodity.

While all motions were passed with a high majority, but we did have 700 no votes on the additional placement of shares so we asked “What benefit is it to retail shareholders?” with an answer that it would only be used at NAV and an increase in market capitalisation would be good for all shareholders especially if fund managers need to add the company to their holdings.

Ed Peter followed up after voting with an informal chat about his views on life and the economy. The current low interest rate environment has allowed Duxton to borrow economically at fixed play with asset values with “Everyone makes money and is happy” that took the person sitting next to me from being in a bodhisattva state to listening intently, to “Once inflation bites there will be a shift to real assets such as agriculture, metals and mining. Duxton is in a good position if it can be in the ASX 300 index when (if) interest rates hit 5% and 60% of the ASX 200 will suffer debt stress that could have see Duxton move...” At the time of this report Duxton is ranked at 752

by market capitalisation after having exited the All Ords index this year. As a value not growth company in their own words, that is going to be a big ask to reach the top 300.

After the meeting the new Director (Dr Vivienne Brand) was asked by a shareholder "I bought into the capital raising two years ago and the share price has fallen and I have lost money!, what are you going to do about it?" "I will have to bring it up at a board meeting" A \$1.32 share price on a post tax NAV of \$1.61 is close to a 22% discount on what the company says is a conservative NAV. A question next year if the discount remains as is or increase what steps will the company take to close the gap? The catering was well above average for an AGM.

Thanks to Mrs Wang who was designated driver.