DUXTON BROADACRE FARMS LTD

ACN 129 249 243

2021 JUNE ANNUAL REPORT

CORPORATE **DIRECTORY**

Executive Chairman
Edouard Peter

Non-Executive Director
Stephen Duerden

Independent Non-Executive Directors
Mark Harvey
Wade Dabinett
Dr Amanda Rischbieth

Company Secretary
Katelyn Adams

Principal and Registered Office
7 Pomona Road
Stirling SA 5152
Telephone: (08) 8130 9500
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Legal Advisors
Cowell Clarke
63 Pirie Street
Adelaide SA 5000

Share Registry
Computershare

Auditors
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17 Waymouth Street
Adelaide SA 5000

Computershare Investor Services
Level 5, 115 Grenfell Street
Adelaide SA 5000

Stock Exchange Listing
Australian Securities Exchange
Share Code: DBF

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CHAIRMAN'S **LETTER** TO **SHAREHOLDERS**

Friday 27 August 2021

Dear Shareholder,

It gives me pleasure to present the 2021 Annual Report for Duxton Broadacre Farms Limited. ("DBF" or the "Company".)

The past year has presented a unique mix of opportunities and challenges for Australian agriculture, which have seen DBF continue to grow and mature as a business. There is an adage that it takes an optimist to make a farmer, and I believe this past year proves that notion as well as any.

The 2020/21 season saw the Murray-Darling Basin exit the worst drought in its recorded history, with high rainfall throughout the year bringing exceptional growing conditions and a bumper crop which exceeded initial expectations. The Company harvested a record 60,470 tonnes of winter crop compared with 15,082 tonnes in the previous season, which demonstrates the immense productive capacity of the New South Wales aggregation when conditions are favourable.

In terms of raw value creation, the New South Wales properties which were managed across both years experienced an uplift of $11,795,777, while the fair value of the Company's water entitlements increased by $1,962,024 in the same period. When combined with the annual net profit, the aggregate value created during the year for the shareholder was $21,163,685, increasing the overall cumulative value created since listing to $35,620,256.

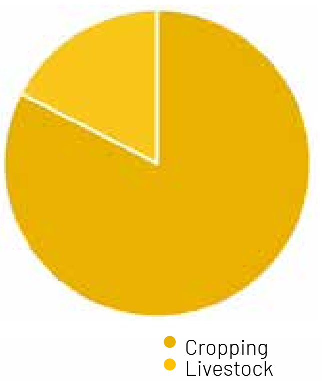
Value creation since listing ($'000)	2018	2019	2020	2021
Appreciation of land value	7,084	2,193	5,096	17,796
Appreciation of water value	389	1,755	940	1,962
Net profit after tax	(420)	(1,115)	(1,466)	1,406
Aggregate value creation	**7,053**	**2,833**	**4,570**	**21,164**
Cumulative value creation	**7,053**	**9,886**	**14,456**	**35,620**

Financial Performance

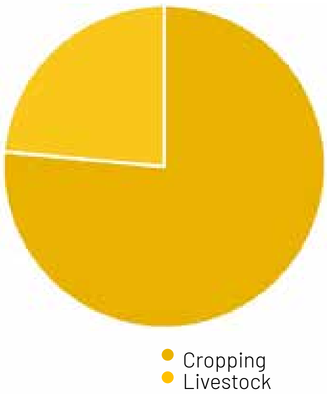
For the full year ended 30 June 2021 DBF reported a statutory profit after tax of $1,405,884 (2020: loss of $1,465,768). After revaluations for gains on property we recorded total comprehensive income of $14,435,678 (2020: $1,700,397) for the period.

Operational profits driven by the harvest across the year were impacted by several irregular expenses, including an impairment expense of $899,864 on the acquisition of the West Plains and Lenborough properties arising from transaction costs. Based on the land values in the acquired properties the Company is optimistic this impairment can be reversed in future years as the farms are improved to the standards of the existing portfolio.

FY21 Segment Contribution to Total Revenue



FY20 Segment Contribution to Total Revenue



The Company has accumulated losses carried forward from drought affected results in prior years that were able to be applied against the tax payable on both the statutory profit for the year and the capital gain on the sale of Boorala. Further to this, the non-cash nature of impairment expenses in the statutory result allowed the Company to declare its maiden dividend of 6.2 cents per share on 30 June 2021.

Operations and Land Strategy

The contrast between the excellent operational results and the wider business environment would have been difficult to make up in any previous year; the largest crop in DBF's history coincided with the onset of the COVID-19 pandemic in Australia, the easing of drought conditions occurred against the backdrop of worsening trade relations with major markets and the levying of trade barriers against agricultural staples like barley, cotton, and beef, logistics issues both domestically and abroad caused increased competition for key crop inputs and the emergence of the worst mouse plague in recent memory. It is a testament to the foresight, skill, perseverance, and optimism of our incredible operations team that we were able to navigate these conditions to end the year as a business that is larger, more valuable, and more financially stable than the year before.

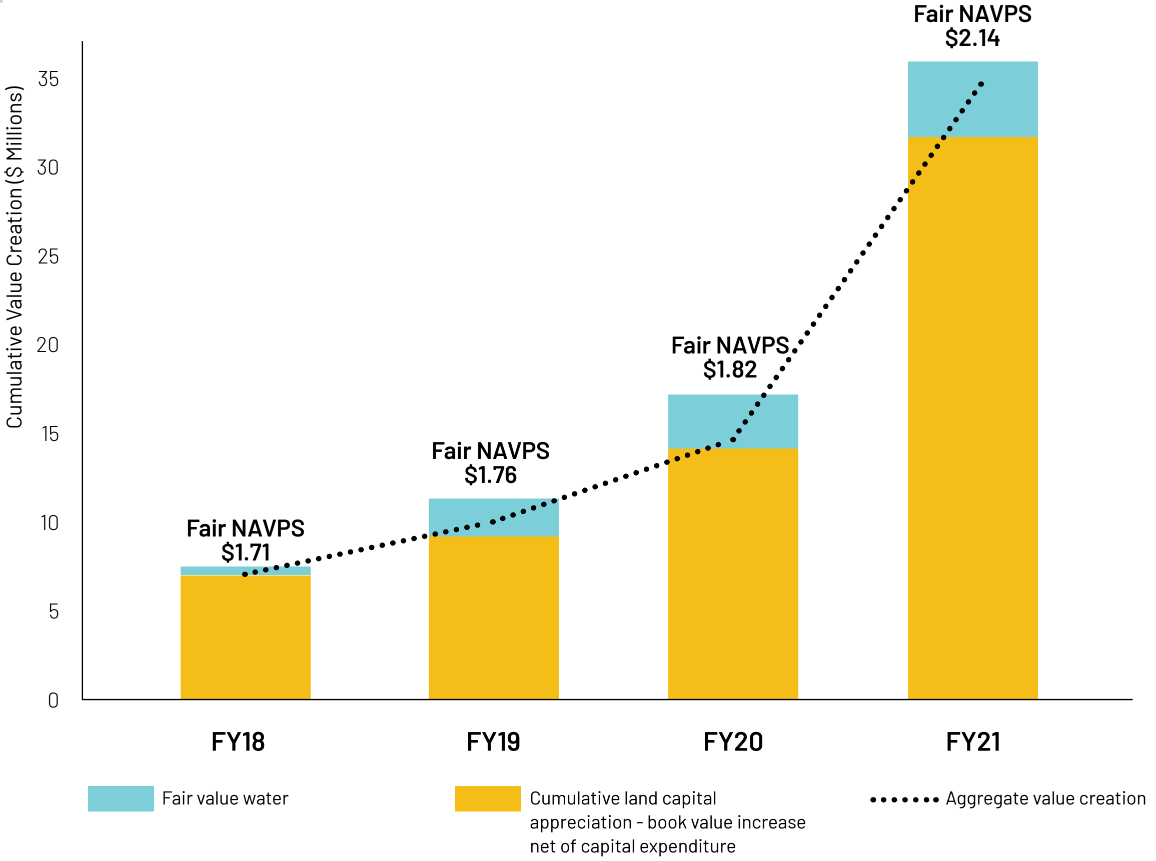
The cropping strategy this year was focused around optimising our cropping mix in order to capitalise on the season's excellent climatic conditions and to accommodate developments in the global grain industry. The season saw barley prices fall from $320 per tonne in 2020 to $180 per tonne in 2021, which was primarily driven by the decision by China to levy a tariff on Australian barley. The impact of this was largely mitigated by reducing the area planted to barley by about 60% and by expanding significantly the areas planted to wheat and chickpeas.

The past year is also notable because it provided the clearest vindication of the Company's land acquisition strategy to date. Since listing, DBF has emphasised that it seeks to identify, acquire, develop, and operate assets which it believes to be mispriced. This was demonstrated by the sale of the Boorala property on a vacant possession basis in April for $6,000,000 above its most recent independent valuation at the end of FY2020, representing a 37.5% premium to book value. The capital from Boorala was subsequently redeployed in New South Wales, allowing us to end FY2021 with a portfolio that is larger in size, more consolidated in nature, and more valuable than it was at the end of FY2020.

Net Asset Value

I am very pleased to report that due in part to the developments outlined above, DBF's statutory Net Asset Value per share increased to $2.0321 as at 30 June 2021 (2020: $1.7569), and that fair value Net Asset Value per share (that is, NAV accounting for water entitlements at fair value as determined by independent valuer LAWD) increased to $2.1403 as at 30 June 2021 (2020: $1.8200). I would like to take this chance to highlight that 2021 marks the fourth consecutive year of growth in the Company's Net Assets, which I would again attribute to our outstanding operations team and the ability of management to fulfill the core investment thesis of DBF.

DBF Historic Value Creation



Sustainability

The term 'sustainability' has become incredibly important in today's corporate context. The Company has established the Environment, Social and Governance (ESG) Subcommittee as a working group composed of Directors and staff from both the Company and the Investment Manager. The Subcommittee is chaired by Dr Amanda Rischbieth, who joined the Board in November 2020, and who has brought to her role not only a wealth of knowledge and experience, but a drive to see the Company explore meaningful strategies to reduce or sequester atmospheric carbon, implement technologies for improved environmental management, expand the scope of reporting, and seek opportunities to support the local communities in which the Company operates.

COVID-19

The COVID-19 pandemic continues to be a disruptive force as a second major wave of cases spreads across the eastern states of Australia. Our operations team have done a commendable job of remaining flexible and adaptable in their approach to the work which needs to be done in order to ensure business continuity. It is because of their diligence, caution, and safety-first approach that the Company has experienced only minor impacts to day-to-day operations over the past year. After recent lockdowns in neighbouring shires, additional risk management processes have been put in place to control any potential impacts to individual farms. We will continue to remain conscious of the threat posed by the virus and pro-active in our response in order to minimise its impact on our operations.

Outlook

The Board recognises the current gap between share price and fair value of net assets and plans to increase marketing activity and face to face meetings with potential investors to the degree that COVID allows. The closing of this gap is a high priority for the company to facilitate further growth.

Although heavy rain and the potential for flooding do currently threaten some elements of our operation, our management team have proven themselves more than capable of withstanding the short-term challenges the industry can present, and I am confident that they will continue to navigate the Company toward growth.

They say it takes an optimist to make a farmer; with nearly 23,000 hectares under management, an expanded livestock and cropping programme, full soil moisture, high commodity prices, and a significantly stronger balance sheet, the outlook for the Company is very optimistic at this point.

On behalf of my fellow Directors, I would like to thank you for investing with us.

Kind Regards,
Ed Peter

DIRECTORS' **REPORT**
FOR THE YEAR ENDED **30 JUNE 2021**

The Directors of Duxton Broadacre Farms Limited submit herewith their report, together with the financial report of Duxton Broadacre Farms Limited (the Company) for the year ended 30 June 2021. In order to comply with the provisions of the Corporations Act 2001, the directors report is as follows:

Directors

The names of the Directors of the Company that held office during or since the end of the financial year are:

Mr Stephen Duerden
Mr Edouard Peter
Mr Mark Harvey
Mr Wade Dabinett
Dr Amanda Rischbieth

The above named directors held office during the whole of the financial year and since the end of the financial year, with the exception of Dr Amanda Rischbieth who was appointed effective 26 November 2020.

The office of company secretary is held by Mrs Katelyn Adams.

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this directors' report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Principal activities

The principal activities of the Company during the financial year were the sowing and harvesting of dryland and irrigated crops, infrastructure maintenance and upgrades, trading and breeding of livestock and sale of grains, pulses and lucerne.

Review of operations

Supported by the breaking of the drought, the 2021 winter crop delivered yields in excess of historical averages. The Company achieved a total yield of 60,470 tonnes compared to 15,082 in 2020. Additionally the Company produced 6,000 bales of barley and wheat straw along with 3,600 tonnes of silage that will be used internally to feed livestock.

Due to the availability of water, expectations around cotton pricing and allowing land rejuvenation, the area of cotton planted for the summer 2021 crop declined to 165 hectares from 390 hectares planted in 2020. The crop was harvested in May and is currently being ginned with the Company expecting to acheive yields of 10 to 10.5 bales per hectare contracted to sell at an average of $600 per bale.

Livestock numbers remained relatively flat across the year and numbers consolidated to the NSW aggregation following the sale of Boorala. Livestock revenue grew 24% on 2020 due to elevated pricing. Feed costs are declining materially due to the amount of pasture available on the new properties. The demand from restockers doesn't show any signs of slowing and as a result the Company will continue to sell livestock where it can to realise profits.

Financial overview

The Company's net profit after tax for the year per the Financial Statements amounted to $1.406 million (2020 loss: $1.466 million). The net asset value (NAV) of the Company as at 30 June 2021 is $87.254 million or $2.0321 per share (2020: $75.381 million or $1.7569 per share).

The strong operational profits for the year driven by the breaking of the drought were offset at a net profit before tax level from the impact of impairment costs of $899,864 on the newly acquired West Plains and Lenborough properties. The Company is optimistic the impairment costs can be reversed in the next financial year after the newly acquired farms are improved to the standard of the other farms in the portfolio.

Key metrics	2021	2020
Profit/(Loss) attributable to owners of the company	$1.406m	($1.466m)
Basic earnings per share	$0.0328	($0.0342)
Dividends paid	$2.660m	-
Dividends per share	$0.0620	-
Share price (at 30 June)	$1.37	$1.05
Return on capital employed	$0.0388	($0.0059)

TOTAL
COMPREHENSIVE INCOME
(Net profit & land valuation uplift net of tax)
$14,435,678

STATUTORY NAV
$2.0321

FAIR VALUE NAV
$2.1403

Value of land not sold or aquired during the year
increased by
16.1%

Value of existing water
increased by
16.3%

ROBUST
BALANCE SHEET
77% of total assets
comprised of
land and water assets

30 June 2021	Per Company Statement of Financial Position $'000	Per Fair Market Value (1) $'000	Variance $'000
Assets			
Permanent water entitlments	8,215	12,861	4,646
Net other assets	79,039	79,039	-
Total net assets	**87,254**	**91,900**	**4,646**
Net asset value per share*	**$2.0321**	**$2.1403**	**$0.1082**

(1) The independent valuer employs a market valuation approach to determine a Fair Market Value which draws on publicly available water trade data from the relevant state water registers as well as analysis of trade data obtained from market intermediaries to calculate a dollar per ML volume weighted average price for each entitlement and allocation type. The Fair Market Value is not in accordance with the recognition and measurement requirements of the Australian Accounting Standards in relation to the Company's water assets. Therefore, increases in the Fair Market Value of water assets are not reported in the statutory accounts.

** 82,999 shares bought back during the year of which 69,041 were cancelled.*

30 June 2020	Per Company Statement of Financial Position $'000	Per Fair Market Value $'000	Variance $'000
Assets			
Permanent water entitlments	7,090	9,797	2,707
Net other assets	68,291	68,291	-
Total net assets	**75,381**	**78,088**	**2,707**
Net asset value per share	**$1.7569**	**$1.8200**	**$0.0631**

Market overview

The combination of unfavourable global cropping conditions holding crop prices stable despite increased domestic production, along with historically strong livestock prices driven by restocking demand put the Company in a strong position heading into the next financial year.

Demand out of China to support its recovering hog herd is driving canola prices up and as a result slightly over 1,000 hectares was planted in the upcoming winter crop to take advantage of this pricing.

Chinese barley tariffs remain in place and as a result the barley price still sits almost $40 per tonne below wheat. For this reason our planting areas still favour wheat heavily over barley.

The company intends to trade cattle following the Eastern Young Cattle Indicator approching ten dollars per kilogram at the end of the year but is also montioring the market for opportunities where purchases are economically viable due to the plentiful pasture on both existing land and the newly purchased Lenborough.

Interest rates remain low supporting the Company to review further opportunities for expansion due to a gearing position of 26.35% at year end.

Future developments

There are no future developments to report on that aren't covered elsewhere in this report.

Changes in state of affairs

Other than the sale of Boorala and acquisition of West Plains and Lenborough in NSW as mentioned in the Chairman's letter there were no significant changes in the state of affairs of the Company during the financial year.

Subsequent events

There were no subsequent events occurring post financial year end.

Environmental regulation

The operations of the company are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. Water usage for irrigation and domestic purposes are regulated by the Water Management Act 2000. There have been no known breaches of any environmental requirements applicable to the Company.

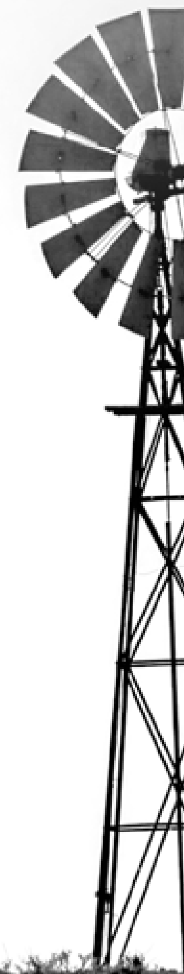
Climate change risk

Duxton Broadacre Farms is a publicly listed company supported by a very long dated investment thesis and a theoretically infinite investment horizon. Our ability to reliably generate value for our stakeholders over the long term is a function of the productivity and risk management of the portfolio.

We perceive our stewardship over the land constituting our portfolio as not just conferring the right to use it to grow crops and manage livestock for years or decades, but as a responsibility to maintain it into perpetuity. We believe it is our responsibility to ensure that we are directly maintaining or improving factors such as soil health, ecological diversity, water security and water quality, and that in doing so we aim to improve productivity and also transition to a lower carbon operation.

The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change. It's most recent "Sixth Assessment Report" provides an understanding of the current state of the climate, including how it is changing and the role of human influence, and the state of knowledge about possible climate futures, climate information relevant to regions and sectors, and limiting human-induced climate change.

We understand that climate change impacts are anticipated to significantly escalate over coming decades despite mitigation efforts, and that ongoing changes in the climate system complicate assessing risks. The World Economic Forum Global Risk Report 2021, 16th Edition identifies "Climate action failure" as the most impactful and second most likely long-term risk. We also understand that science-based targets (SBTs) can provide companies with a defined path to reduce emissions in line with the Paris Agreement goals



for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and to future-proof business growth. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement- limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

The Company established an Environment, Social and Governance (ESG) Committee during the year, leveraging Dr Amanda Rischbieth's considerable expertise and international networks in the field. The initial meeting of the committee held on the 17th of May sought to establish the purpose and climate ambition of the Company and to consider potential targets and manage potential ESG related risks. The Committee continues to explore additional research and opportunities.

While the Company believes transitional climate related risks such as policy, legal and reputational risk deserve attention to be minimised, the production-based nature of our enterprise drives the importance of minimising future physical impacts of climate change. Key physical risks identified include chronic shifts in climate patterns and resulting impacts on water availability and security along with the impact of this on both our supply chain and employee safety.

The extreme conditions faced on farm over the past 3 years ranging from long-term drought to more recent flood events highlight that these risks aren't theoretical and are now valid considerations to everyday operations on our farms. As operators in the agricultural industry, we recognise the importance of acknowledging the material risk climate change poses to the sector, taking a strategic approach to managing climate risks and identifying climate-related opportunities.

The annual timeline of dryland cropping allows the Company to take a dynamic approach; the crop mix is chosen with consideration of factors such as water availability and demand. Planting dates have been strategically and gradually brought forward in response to the longer growing season. The Company has illustrated its ability to pivot crop rotations at short notice, switching from barley to wheat due to market factors impacting prices this year. It is likely some area of the current winter chickpea crop will be replanted for harvest later in the season following large amounts of rainfall. This will allow us to still generate a yield off the land instead of just writing down the crop for no return.

Over the long-term, annual rainfall distribution in New South Wales is becoming more uniform; decreasing in spring and winter months and increasing in summer and autumn months. The trend for a drier winter season is continuing to reduce the threat we are currently experiencing of water logging crops. More generally, dry conditions constrain supply of commodities and contribute to upward pressure on prices. Increasing the irrigated proportion of the portfolio has been a strategic response to seek greater security of production in dry conditions. The Company has been shoring up water allocations to achieve the development of irrigated land. The increase in rainfall and temperatures over summer, as well as the development of irrigated land, has allowed the Company to grow irrigated cotton in New South Wales.

Annual allocation rates against water entitlements are determined by state and territory governments with consideration to water supply. Zero water allocations can occur in extreme dry seasons and drought. The Company has prioritised water security for strategic resilience. A diversified approach is taken for the sources of water entitlements; the majority of water is drawn from allocation received on owned and long-term leased permanent entitlements and is supplemented with temporary allocation purchased on the spot market. Within the Company's permanent entitlements, groundwater represents the base due to the historic reliability of supply compared to general security surface water entitlements. To illustrate groundwater's reliability, the average historical allocation of groundwater entitlements in the Lachlan River region are 100% compared to surface water general security entitlements which have averaged 16% over the past 15 years.

Previous dry and drought conditions also increase the severity of soil erosion. To suppress soil erosion, the Company employs reduced tillage practices. Primarily, reduced tillage practices include the direct drilling into crop stubble and maintaining soil cover.

An initial ambition of the ESG Committee is to pursue methods to ensure the business has net zero emissions with the preference that this is done through internal methods over the long-term, but consideration may be given to purchasing offsets to achieve this goal in the short term.

The Company is using resources of the investment manager with dedicated expertise on the subject under the existing investment management agreement in addition to existing relationships with Adelaide University to best understand the potential opportunities of carbon sequestration from improved soil.

The Committee intends to establish the full carbon base rate across all farms in 2022 to support the ambition of carbon neutrality. Opportunities to improve soil carbon on the current base rate will be somewhat limited due to the best practice farming techniques already implemented on farm to counter climate related risks. Even with this being the case the initial (SCOR) report provided some initial considerations in addition to processes already occurring on farm such as allocations in the CAPEX budget to solar conversion.

The Task Force on Climate-related Financial Disclosures (TCFD) provided a listing of 11 recommendations for climate-related financial disclosures for all organisations. The responses by the Company to these recommendations can be seen in the table on page 17 of this report.

Given the preliminary work of the ESG Committee in the identification, scoping and response to climate-related risks and opportunities is still at an early stage, both the ESG Committee and the Board look forward to developing a more comprehensive approach to addressing climate-related risks in the next financial year.

Task Force on Climate-Related Financial Disclosures ('TCFD') Recommendations

Governance	
Describe the Board's oversight of climate related risks and opportunities. Describe management's role in assessing and managing climate-related risks and opportunities.	Climate related risks and opportunities are identified by the Enivronment, Social and Governance (ESG) Committee. Risks identified by this committee are escalated to the Audit and Risk Committee for consideration. Recommendations of actions are escalated to the Board for consideration and approval in acheiving the Company's overall climate ambition.
Strategy	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. Describe the impact of climate risks and opportunities on the organisation's business, strategy and planning. Describe the resilience of the organisation's strategy taking into consideration different climate related scenarios.	The Company is aware of the potential for both legal and reputational transitional risks and proposes to address these through best practice farming and reducing the effects of physical threats, primarily the effects of chronic shifts in climate patterns as much as possible. Given the nature of the Company as a price taker from the market, the Company adheres to best practice farming techniques such as reduced tillage and direct drilling to ensure soil is at it's most productive. Maximising soil health has aligned results of increasing carbon sequestration while also improving yields and is a key part of the strategy to offset the Company's reliance on market prices that will be impacted by climatic conditions. Given the early age of the ESG committee resilience testing of the Company's strategy will be performed in the new financial year once approved by the Board.
Risk Management	
Describe the organisation's processes for identifying and assessing climate related risks. Describe the organisation's processes for managing climate related risks. Describe how processes for identify-ing, assessing and managing climate related risks are integrated into the organisation's overall risk management.	The responsibility for identifying and assessing climate related risks sits with the ESG Committee which meets periodically throughout the year. Risks and opportunities are investigated by resources with specific experience from the Investment Manager along with advice from external consultants. The Company has a responsibility to manage climate-related risks in line with it's fiduciary responsibility to it's shareholders to protect and grow the assets of the Company. The ESG Committee will propose a strategy for acheiving it's climate-related goals to the board, once approved the risks associated with acheiving this strategy will be made an action item for routine review in the Audit and Risk Committee.
Metrics and Targets	
Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process. Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets. Disclose scope 1, scope 2 and if appropriate, scope 3 greenhouse gas emissions an the related risks.	The primary metrics used by the ESG Committee to date have been the results of a soil carbon offset report to identify an opportunity to increase soil carbon at our largest farm Timber-scombe. At this early stage the ambition of the ESG Committee is to reach net carbon neutrality to align to the Paris Agreement of reducing greenhouse gas emissions to limit the global temperature increase to 2 degrees above preindustrial levels. Other material reporting standards and met-rics will also be considered by the ESG Committee. The ESG Committee will raise strategies of how to acheive this in both the long and short term. The measurement and publication of scope 1 and 2 greenhouse gas emissions will be pursued by the ESG Committee for release in the 2022 Annual Report.

Diversity policy

The Company is committed to a workplace that encourages a varied mix of people and skillsets. As such, a Diversity Policy was implemented in 2017 demonstrating diversity at the Company goes beyond gender and also includes (but not limited to) issues of age, marital or family status, religious or cultural background.

During the year, the Company added it's first female director to the Board in Dr Amanda Rischbieth. Female representation across the organisation is 20% up from 18.2% in 2020. Additionally Katelyn Adams performs the role of Company Secretary.

The following initiatives support the Company's commitment to diversity:

- A recruitment policy has been implemented outlining the requirement for equal opportunity for employment throughout attraction and selection processes.
- Where available, a culture of flexible work is fostered to support employee families and their family commitments, demonstrated by flexible working arrangements implemented.
- A board member skills matrix has been completed to identify any potential skill gaps that exist on the board in anticipation for future company growth, which hopes to present opportunity for greater female representation at board level.

As part of the Environment, Social and Governance (ESG) Committee's committment to local communities, a scholarship program for local university students has been researched. The challenge in increasing female representation on-farm continues to be in the female representation of applicants. We believe the identification of opportunites for females within the company through this scholarship programs aligns to the social ambitions of the ESG Committee.

Dividends

The company declared a 6.2 cent dividend on 30 June 2021 which was paid on 30 July 2021.

Indemnities and insurance of officers

The Company has agreed to indemnify all of the Directors of the Company against all liabilities to another person that may arise from their position as Directors of the Company except where the liability arises out of conduct involving lack of good faith.

The agreement stipulates that the Company will meet the future amount of any such liabilities, including costs and expenses.

The Company has insurance premiums relating to the following:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The Investment Manager is responsible for effecting and maintaining professional indemnity insurance, fraud and other insurance as are reasonable having regard to the nature and extent of the Investment Manager's obligations under the Investment Management Agreement.

Provided that the Investment Manager has complied with the Investment Management Agreement, it will not be liable for any loss incurred by the Company in relation to the investment portfolio. The Investment Manager has agreed to indemnify the Company for all liabilities and losses incurred by the Company by reason of the Investment Manager's wilful default, bad faith, negligence, fraud in performance of its obligations under the Investment Management Agreement or a material breach of the Investment Management Agreement.

Provided that the Investment Manager has complied with the Investment Management Agreement in all material respects, it is entitled to be indemnified by the Company in carrying out its obligations and performing its services under the Investment Management Agreement.

For personal use only

Directors' meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member). During the financial year, 6 Board meetings, 3 Audit and Risk Committee meetings and 1 Nomination and Remuneration Committee meeting were held.

Director	Board Meetings		Audit & Risk Committee Meetings		Nomination & Remuneration Committee	
	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended	Meetings held
Mr Edouard Peter	6	6	-	-	1	1
Mr Stephen Duerden	6	6	3	3	1	1
Mr Mark Harvey	6	6	3	3	1	1
Mr Wade Dabinett	6	6	3	3	1	1
Dr Amanda Rischbieth	5	5	2	2	1	1

Dr Amanda Rischbieth was appointed effective 26 November 2020

COVID-19

The threat of impacts from COVID-19 remains ongoing on farm as parts of NSW face lockdowns due to increasing cases. Whilst the Forbes Shire in which the farms are located is yet to be required to lockdown, neighbouring Shires have been required to go into lockdown requiring some staff to isolate and be tested as a precaution due to temporarily being in those Shires.

The effect on crops and livestock has remained at a minimal level, the isolated nature of the farms and limited amount of people required to be on what are large amounts of land provides natural distancing.

The stong relationships with both our farm contractors and our suppliers of crop inputs, in addition to prudent planning by our farm managers, has supported minimising impacts to our farms although supply side pressure from China is driving higher fertiliser costs for the next winter crop.

The concern on farm remains at an elevated level with procedures for the sanitisation of equipment remaining in place despite the likelihood of the equipment only being used by certain individuals for a lengthy period. Additionally, individual QR codes at each of the farms have been put in place and are being used to attempt to limit potential impacts from an exposure to one farm instead of the whole aggregation.

Research and development

The Company did not undertake any research or development during the Period.

Non-audit services

There were no non-audit services provided by Deloitte during the year.

Corporate governance

The Company's Corporate Governance Statement and ASX Appendix 4G (Key to Disclosures – Corporate Governance Council Principles and Recommendations) is available in the Corporate Governance section of the Duxton Broadacre Farms website at www.duxtonbroadacrefarms.com.au.

As at the date of the Corporate Governance Statement, the Company complies with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition – February 2019 (unless otherwise stated).

Rounding

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollar, unless otherwise indicated.

INFORMATION ON **DIRECTORS & COMPANY SECRETARY**

QUALIFICATIONS
- Bachelor English Literature

OTHER DIRECTORSHIPS
- Duxton Water Ltd

CHAIRMAN OF THE BOARD & EXECUTIVE DIRECTOR
EDOUARD PETER

Edouard Peter, is the co-founder and Chairman of Duxton Asset Management Pte Ltd ("Duxton"). Prior to forming Duxton in 2009, Ed was Head of Deutsche Asset Management Asia Pacific ("DeAM Asia"), Middle East & North Africa. He was also a member of Deutsche Bank's Group Equity Operating Committee and Asset Management Operating Committee. Ed joined Deutsche Bank in 1999 as Head of Equities and Branch Manager of DB Switzerland. In March 2001, Ed moved to Hong Kong with Deutsche Bank and was appointed Head of Global Equities for Asia and Australia, becoming responsible for all of Global Emerging Market Equities in the beginning of 2003. In November 2004, Ed became Head of Asian and Emerging Market Equities for the new Global Markets Division.

Ed holds a Bachelor's Degree in English Literature from Carleton College in Northfield, Minnesota. Ed's first foray into agricultural investing was in 1999 and he remains passionately interested in agriculture today.

Ed is appointed to the Board of the Company as a representative of the Investment Manager.

Interest in Securities

Fully paid ordinary shares	11,150,810

Committees

Member – Nomination and Remuneration Committee

NON-EXECUTIVE DIRECTOR
STEPHEN DUERDEN

QUALIFICATIONS

- Bachelor of Commerce Accounting (Finance and Systems)
- Graduate Diploma of Applied Finance
- Member of Certified Practising Accountants
- Fellow of Financial Services Institute of Australia

OTHER DIRECTORSHIPS

- Duxton Water Ltd

Stephen Duerden is currently the CEO of Duxton Capital (Australia) Pty Ltd. Stephen has over 25 years of experience in investment management, the last 14 of which have been focused on agriculture operations and investments, and joined Duxton in May 2009, as the CEO of Duxton in Singapore. Before joining Duxton, Stephen was the COO and Director for both the Complex Assets Investments Team and the Singapore operation of Deutsche Bank Asset Management Asia. Prior to this Stephen worked with Deutsche in Australia where he was a member of the Australian Executive Committee responsible for the management of the Australian business, with assets under management of approximately AUD $20 billion, and a member of the Private Equity Investment Committee overseeing the management of over AUD $2.5 billion in Private Equity and Infrastructure assets. Stephen has had exposure to a broad range of financial products and services during his career. He has been involved in direct property development and management, the listing and administration of REITS, as well as the operation and investment of more traditional asset portfolios.

Stephen holds a Bachelor of Commerce in Accounting Finance and Systems with merit from the University of NSW Australia and a Graduate Diploma in Applied Finance and Investments from the Financial Services Institute of Australasia. Stephen is a Fellow of the Financial Services Institute of Australasia and a Certified Practicing Accountant.

Stephen is appointed to the Board of the Company as a representative of the Investment Manager.

Interest in Securities

Fully paid ordinary shares 149,638

Committees

Member - Audit and Risk Committee

OTHER DIRECTORSHIPS
• S&W Seed Company

INDEPENDENT NON-EXECUTIVE DIRECTOR and DEPUTY CHAIRMAN
MARK HARVEY

Mark Harvey has more than 40 years of experience in agriculture and agribusiness. He started his agribusiness journey managing a 10,000 acre family farm producing seed, grain crops, wool, lamb and beef, from 1976 until 1991.

He was one of the founders of Paramount Seeds which specialised in research, development and marketing of new field crops until sold to Elders Ltd in 1996. While with Elders, Mr Harvey was manager of their national and international seed business from 1996 until 2001. In 2002, he was one of the founding partners of Seed Genetics International which is currently a leading researcher, producer and marketer of genetics and seed worldwide from Australia.

In April 2013, Seed Genetics was sold to S&W Seed Co, a NASDAQ listed company based in Sacramento California which is a leading US genetics and specialty seed company. Mark was elected as a director at this time. On December 9, 2014 Mr Harvey was elected Chairman of the Board of Directors of S&W Seed Company, a position he still holds.

Mr Harvey is a director and shareholder of a company that holds seed and agricultural research production, milling and marketing assets in California, Idaho, Wisconsin and South Australia. He sits on the University of Adelaide, Waite Institute Advisory Board and is involved in various community activities. Mr Harvey has been married to Helen Harvey for 37 years and they have 3 daughters together. Mr Harvey was educated at Cunderdin Agricultural College in Western Australia.

Interest in Securities

Fully paid ordinary shares	123,163

Committees
Member - Audit and Risk Committee
Chairman – Nomination and Remuneration Committee

QUALIFICATIONS
Member of the Institute of Company Directors

INDEPENDENT NON-EXECUTIVE DIRECTOR
WADE DABINETT

Wade Dabinett has over 14 years of experience in the Australian grain industry, encompassing grain trading, storage, handling and production. Wade is a partner in Longtrail Farms, a 7,500 hectare irrigated and dryland broadacre generational farming business based at Parilla in the Southern Mallee of SA which produces a mix of grain, potatoes, sheep and cattle. Wade previously held the position of Chairman of Grain Producers SA, the state's peak industry body representing the states 3,000 grain growers, for four years after previously serving as Vice Chair for a further two years.

He was also the Chair of GPSA's sub-committees for Transport & Supply Chain, Agricultural Security & Priority and was also a member of the Audit & Finance Committee. Wade was previously a member on Primary Producers SA representing the grains industry and a member of the National Policy Council for Grain Producers Australia. He was also appointed in 2015 to the ABC Advisory Committee representing Rural and Regional Australia and reporting to the board on programming and content unitl 2019.

Interest in Securities

Fully paid ordinary shares	61,759

Committees
Chairman - Audit and Risk Committee
Member – Nomination and Remuneration Committee

INDEPENDENT NON-EXECUTIVE DIRECTOR
AMANDA RISCHBIETH

Amanda has over 35 years' experience in health and academia including CEO and non-executive directorship roles across health care delivery, clinical (critical care), public health, research, ethics, and corporate governance advisory.

Amanda is current chairman of the National Blood Authority Australia and a non-executive director of Camp Quality. Following her twelve month Harvard Advanced Leadership Fellowship in 2017, she was invited back as a Visiting Scientist to join a partnership project between Harvard Chan School of Public Health and Harvard Business School (HBS). She is also an advisory council member of the HBS-led Impact-Weighted Accounts Initiative to which she brings her experience in business and academia to environmental, social, governance (ESG) measurement and long-term value creation.

Amanda is a Fellow of the Australian Institute of Company Directors, and Associate Professor at the University of Adelaide, a Governor's Leadership Foundation Fellow and a former Telstra Business Women Awards Finalist in two categories.

OTHER DIRECTORSHIPS
- National Blood Authority Australia
- Camp Quality

Committees
Member - Audit and Risk Committee
Chairman - Environmental, Social and Governance (ESG) Committee
Member – Nomination and Remuneration Committee

COMPANY SECRETARY
KATELYN ADAMS

Katelyn Adams has over 15 years of accounting and board experience, servicing predominantly ASX listed companies. Katelyn is a Chartered Accountant and Partner of the Corporate Advisory division of HLB Mann Judd in Adelaide, as well as the Company Secretary of various listed and private companies. Katelyn has extensive knowledge in corporate governance, ASX Listing Rule requirements, IPO and capital raising processes, as well as a strong technical accounting background.

Katelyn is a Non-Executive Director of Clean Seas Seafood Limited, and Company Secretary of Duxton Water Limited, Highfield Resources Limited and Petratherm Limited.

QUALIFICATIONS
- Bachelor of Commerce
- Member of Chartered Accountants Australia and New Zealand

Remuneration report (audited)

The Nomination and Remuneration Committee is responsible for reviewing the compensation arrangements for all key management personnel and Directors. The review is conducted annually, having regard to management performance and comparative, external compensation levels. Independent advice may be sought on compensation packages and Director's fees. The compensation of key management personnel includes salary/fees, movements in accrued annual and long service leave, benefits including the provision of motor vehicles and superannuation.

Key Management Personnel

The directors and other key management personnel of the company during or since the end of the financial year were:

Executive directors	**Position**
E Peter	Chairman, Executive director
Non-executive directors	
M Harvey	Non-executive director, Deputy Chairman
S Duerden	Non-executive director
W Dabinett	Non-executive director
A Rischbieth (appointed 26 November 2020)	Non-executive director
Other key management personnel	
B Goldsmith	General Manager

Remuneration of Non-Executive Directors

The Board policy is to remunerate Independent Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the Company.

In determining competitive remuneration rates, the Board review local and international trends among comparative companies and industry generally. Typically, the Company will compare Non-Executive Remuneration to companies with similar market capitalisations. These reviews are performed to confirm that non-executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Further to ongoing reviews, the maximum aggregate amount of fees that can be paid to Non-executive Directors is $300,000 and any change is subject to approval by shareholders at a General Meeting.

Remuneration of key management personnel

Details of the remuneration of the key management personnel of the Company for the reported period, are set out in the following table. Independent Directors are remunerated in shares subject to shareholder approval.

	SHORT-TERM EMPLOYEE BENEFITS			POST EMPLOYMENT BENEFITS	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS	
2021	**\$ Salary and Fees**	**\$ Cash Bonus**	**\$ Non-Monetary**	**\$ Superannuation**	**\$ Long Service Leave**	**\$ Shares**	**\$ Total**
Executive Directors							
Mr Edouard Peter (1)	-	-	-	-	-	-	-
Non-executive Directors							-
Mr Stephen Duerden (1)	-	-	-	-	-	-	-
Mr Mark Harvey (2)	-	-	-	2,854	-	29,061	31,915
Mr Wade Dabinett (2)	-	-	-	2,854	-	29,061	31,915
Dr Amanda Rischbieth (2)(3)	-	-	-	-	-	17,277	17,277
Other Key Mgt Personnel							
Mr Bryan Goldsmith (4)	160,000	85,000	31,400	27,165	-	51,620	355,185
Total	**160,000**	**85,000**	**31,400**	**32,873**	**-**	**127,019**	**436,292**

(1) These Directors are employed by the Investment Manager (Duxton Capital (Australia) Pty Ltd) and receive no Remuneration from Duxton Broadacre Farms Limited, however Duxton Capital (Australia) Pty Ltd does receive management fees and performance fees.
(2) Directors fees of \$35,000 are to be paid to each Non-executive director (excluding Directors employed by Duxton Capital (Australia) Pty Ltd). Non-executive directors will be paid in shares for each of the first three years of their term, to be issued one day after the Company's AGM. Shares will be issued at a listing price of \$1.50. Shareholder approval at the AGM will be required for the issue of the shares. Apportionment will apply for directors appointed through the year.
(3) Dr Amanda Rischbieth was appointed as Non-executive director effective 26 November 2020.
(4) Shares were issued to Bryan Goldsmith in May 2021. A cash bonus of \$85,000 was approved by the Remuneration & Nominations Committee for performance in the year ending 30/6/2021 and paid in June 2021.

	SHORT-TERM EMPLOYEE BENEFITS			POST EMPLOYMENT BENEFITS	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS	
2020	**\$ Salary and Fees**	**\$ Cash Bonus**	**\$ Non-Monetary**	**\$ Superannuation**	**\$ Long Service Leave**	**\$ Shares**	**\$ Total**
Executive Directors							
Mr Edouard Peter (1)	-	-	-	-	-	-	-
Non-executive Directors	-	-	-	-	-	-	-
Mr Stephen Duerden (1)	-	-	-	-	-	-	-
Dr Anthony Hamilton (2)(3)	-	-	-	2,086	-	10,283	12,369
Mr Mark Harvey (2)	-	-	-	2,308	-	21,259	23,567
Mr Wade Dabinett (2)	-	-	-	2,308	-	21,259	23,567
Other Key Mgt Personnel	-	-	-	-	-	-	-
Mr Bryan Goldsmith (3)(4)	165,385	-	31,400	18,942	-	16,000	231,727
Total	**165,385**	**-**	**31,400**	**25,644**	**-**	**68,801**	**291,230**

(1) These Directors are employed by the Investment Manager (Duxton Capital (Australia) Pty Ltd) and receive no Remuneration from Duxton Broadacre Farms Limited, however Duxton Capital (Australia) Pty Ltd does receive management fees and performance fees.
(2) Directors fees of \$35,000 are to be paid to each Non-executive director (excluding Directors employed by Duxton Capital (Australia) Pty Ltd). Non-executive directors will be paid in shares for each of the first three years of their term, to be issued one day after the Company's AGM. Shares will be issued at a listing price of \$1.50. Shareholder approval at the AGM will be required for the issue of the shares. Apportionment will apply for directors appointed through the year.
(3) Dr Anthony Hamilton resigned as Non-executive director effective 27 November 2019. Mr Bryan Goldsmith was appointed as General Manager in December 2018.
(4) Shares were issued to Bryan Goldsmith in June 2019.

Company Earnings & Movement in Shareholder Wealth

	30 Jun 21 $'000	30 Jun 20 $'000	30 Jun 19 $'000
Revenue	21,272	12,640	13,629
Net profit before tax	1,882	(2,258)	(2,565)
Net profit after tax	1,406	(1,466)	(1,115)
	30 Jun 21	**30 Jun 20**	**30 Jun 19**
Share price at start of year	$1.05	$1.18	$1.55
Share price at end of year	$1.37	$1.05	$1.18
Interim dividend	6.20cps	0.00cps	0.00cps
Final dividend	0.00cps	0.00cps	0.00cps
Basic earnings per share	3.28cps	(3.42)cps	(2.59)cps
Weighted earnings per share	3.28cps	(3.42)cps	(2.59)cps

In addition, during the financial year Duxton Broadacre Farms Ltd repurchased 82,999 shares for $111k. The shares were repurchased at the prevailing market price on the date of the buy-back. Of the 82,999 shares purchased, 69,041 were cancelled during the financial year.

	Fixed Remuneration		Remuneration linked to performance	
	2021	**2020**	**2021**	**2020**
Executive Directors				
Mr Edouard Peter [1]	-	-	-	-
Non-executive Directors				
Mr Stephen Duerden [1]	-	-	-	-
Mr Mark Harvey	100%	100%	-	-
Mr Wade Dabinett	100%	100%	-	-
Dr Amanda Rischbieth	100%	-	-	-
Other key mgt personnel				
Bryan Goldsmith	58%	93%	42%	7%

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Equity Holdings of Key Management Personnel

2021	Type	Balance at 1/7/20	Granted as compensation	Net other change	Balance at 30/6/21
Executive Directors					
Mr Edouard Peter [1]	ORD	10,985,875	-	164,935	11,150,810
Non-executive Directors					
Mr Stephen Duerden [1]	ORD	45,296	-	104,342	149,638
Mr Mark Harvey	ORD	108,018	15,145	-	123,163
Mr Wade Dabinett	ORD	56,672	5,087	-	61,759
Dr Amanda Rischbieth	ORD	-	-	-	-
Other key mgt personnel					
Bryan Goldsmith	ORD	20,000	30,000	-	50,000
Total		**11,215,861**	**50,232**	**269,277**	**11,535,370**

(1) Equity holdings above include both direct and indirect holdings. For further details see note 27.

2020	Type	Balance at 1/7/19	Granted as compensation	Net other change	Balance at 30/6/20
Executive Directors					
Mr Edouard Peter [1]	ORD	10,977,154	-	8,721	10,985,875
Non-executive Directors					
Mr Stephen Duerden [1]	ORD	47,362	-	(2,066)	45,296
Dr Anthony Hamilton	ORD	46,242	21,096	-	67,338
Mr Mark Harvey	ORD	84,685	23,333	-	108,018
Mr Wade Dabinett	ORD	31,354	23,333	1,985	56,672
Other key mgt personnel	ORD				
Bryan Goldsmith	ORD	20,000	-	-	20,000
Total		**11,206,797**	**67,762**	**8,640**	**11,283,199**

(1) Equity holdings above include both direct and indirect holdings. For further details see note 27.

Transactions with Key Management Personnel

The Company has a management agreement with Duxton Capital (Australia) Pty Ltd, a company which Edouard Peter and Stephen Duerden are Directors. The current agreement is for the provision of investment management services. It amounted to $720k (ex gst) for the 12 month period ending 30 June 2021 along with an additional $21k for the reimbursement of expenses. As at 30 June 2021 an amount of $71k is payable to Duxton Capital (Australia) relating to these items.

Duxton Capital (Australia) Pty Ltd is entitled to a performance fee of $1,286,827 (ex gst) for the period ending 30 June 2021 for investment management services provided during the year. The calculation methodology of this fee is set out inpages 32 to 34 of this report and the fee is payable within 14 days of the issue of this report.

As part of the management agreement with Duxton Capital (Australia) Pty Ltd, a company which Edouard Peter and Stephen Duerden are Directors, the Company pays for the provision of accounting, bookkeeping and human resource services. It amounted to $233k (ex gst) for the 12 month period ending 30 June 2021. As at 30 June 2021 an amount of $22k is payable to Duxton Capital (Australia) Pty Ltd relating to these items.

The Company has a lease agreement with Duxton Water Ltd, a company which Edouard Peter and Stephen Duerden are Directors. The current agreement is for the provision of a water lease. It amounted to $211k (ex gst) for the 12 month period ending 30 June 2021. At 30 June 2021 $2k remains payable to Duxton Water Ltd.

All agreements are approved by either Independent Directors or shareholders.

Key Personal Changes

Dr Amanda Rischbieth was appointed as Non-executive director effective 26 November 2020.

Investment Manager

The Company has appointed Duxton Capital (Australia) Pty Ltd as its Investment Manager to manage its assets and implement its investment strategy. The Board have appointed the Investment Manager in line with the terms of the Investment Management Agreement.

The Investment Management Agreement signed on 7th November 2017 is for an initial term of ten (10) years. After this initial term, the Investment Management Agreement will be renewed for further new terms of five (5) years, unless terminated by the Company or the Investment Manager.

Under the Investment Management Agreement, the Investment Manager will be responsible for the day-to-day management of the Company and management of the investment portfolio. Services provided by the Investment Manager include, but are not limited to, the selection, determination, structuring, investment, reinvestment, leasing and management of the Company's assets.

In return for the performance of its duties, the Investment Manager is entitled to be paid a monthly Management Fee equal to 0.85% per annum (plus GST) of the Portfolio Net Asset Value at the end of each month (calculated prior to any deduction of performance fees payable to the Investment Manager). The Management Fee commenced 1 July 2018 and is to be calculated and accrued on the last day of each month and paid monthly in arrears.

The Management Fee for the for the final calendar month in which the Company is wound up or the Investment Management Agreement is terminated will be calculated using the following formula:

$$\text{Monthly Management Fee} = \frac{\text{(Days in Operation)} \times 0.85\%}{365} \times \begin{array}{c}\text{Portfolio Net Asset Value}\\ \text{on the relevent}\\ \text{Valuation Day}\end{array}$$

"Days in Operation" means the number of days in that calendar month in which the Company incurs liabilities or debts and/ or generates revenue or owns assets.

"Portfolio Net Asset Value (PNAV)" means the total assets of the Company less the total liabilities of the Company excluding tax balances and Performance Fee, as based on the Company's management accounts.

"Valuation Day" means the last day in each month, unless the Directors resolve otherwise, on which the PNAV is calculated.

The Management Fee is to be paid to the Investment Manager regardless of the performance of the Company. Management Fees would increase if the Company's portfolio value increases, and decrease if the Company's portfolio value decreases, over the period. The Management Fee payable to the Investment Manager is calculated on the basis of the Portfolio Net Asset Value of the Company, at the relevant valuation date.

The management fee paid to the Investment manager for the year ended 30 June 2021 was $720,289 (2020: $623,519).

In addition to the monthly Management Fee, the Investment Manager is entitled to be paid a Performance Fee at the end of each financial year from the Company. The Performance Fee is split over two hurdles and is calculated as:

- 5% of the outperformance of the Investment Return of the Company above a hurdle return of 8% per annum up to 12% per annum; plus
- If the Investment Return is above 12% for the year then the Performance Fee will include 10% of the remaining outperformance of the Investment Return over the hurdle of 12% per annum.

The Performance Fee will be subject to a High Water Mark and will be accrued monthly and paid annually. The terms of the Performance Fee are outlined below:

The Performance Fee will be calculated by reference to the audited accounts of the Company ("Audited Accounts") and the Company is required to pay the Performance Fee to the Investment Manager in arrears within 14 days from the issue of the Audited Accounts.

The Performance Fee will be payable if the Company outperforms either of the First Benchmark Hurdle or the Second Benchmark Hurdle (as defined below) during any Calculation Period. The formula for calculating the Performance Fee payable to the Investment Manager for any Calculation Period is as follows:

(a) If the Investment Return of the Company between the Start Date and the Calculation Date is less than the First Benchmark Return Hurdle (8%) then no Performance Fee is payable.

(b) If the Investment Return of the Company between the Start Date and the Calculation Date is greater than the First Benchmark Hurdle (8%) but less than the Second Benchmark Hurdle (12%) then the Performance Fee will be: 5% x ((Adjusted Ending PNAV - Opening PNAV – Capital Raisings) – First Benchmark Return Hurdle)

(c) If the Investment Return of the Company between the Start Date and the Calculation Date is greater than the Second Benchmark Hurdle (12%) then the Performance Fee will consist of two components as follows:

Component A = 5% x (Second Benchmark Return Hurdle - First Benchmark Return Hurdle)

Plus

Component B = 10% x ((Adjusted Ending PNAV – Opening PNAV – Capital Raisings) – Second Benchmark Return Hurdle)

Where:

"Portfolio Net Asset Value (PNAV)" means the total assets of the Company less the total liabilities of the Company excluding provisions for tax payable and Performance Fee, as based on the Company's Audited Accounts or latest management accounts (as the case may be).

"Investment Return" means the percentage by which the Ending Portfolio Net Asset Value exceeds the Opening Portfolio Net Asset Value at the Calculation Date; excluding any additions or reductions in the equity of the Company including distributions paid or provided for, dividend reinvestments, new issues, the exercise of share options, share buy-backs and the provision or payment of tax made since the previous Calculation Date.

"Adjusted Ending PNAV" means the PNAV at the Calculation Date, adjusted by adding back to the Ending PNAV:

- Any Distributions or reductions in capital paid or provided for during such Calculation Period; and
- Any relevant taxes paid or provided for during such Calculation Period.

"First Benchmark Return Hurdle" means an amount equal to: 8% per annum of the Opening PNAV;

- Plus 8% per annum on Capital Raisings during the Calculation Period, calculated on a time weighted basis;
- Minus 8% per annum on the amount of any Distributions paid during the Calculation Period, calculated on a time weights basis.

"Second Benchmark Return Hurdle" means an amount equal to: 12% per annum of the Opening PNAV;

- Plus 12% per annum on Capital Raisings during the Calculation Period, calculated on a time weighted basis;
- Minus 12% per annum on the amount of any Distributions paid during the Calculation Period, calculated on a time weights basis.

"Ending PNAV" means the Portfolio Net Asset Value of the Company at the end of the relevant Calculation Period.

"Opening PNAV" means the higher of Portfolio Net Asset Value of the Company at the relevant Start Date for the Calculation Period or the highest Ending PNAV since inception of the Company on which a performance fee has been paid to the Investment Manager.

"High Water Mark" means the highest Adjusted Portfolio Net Asset Value at which a Performance Fee has been paid to the Investment Manager.

"Commencement Date" means the first Business Day immediately following the Listing Date (including such extended period(s) where applicable).

"Calculation Period" commences from a "Start Date" and ends on a "Calculation Date".

"Start Date" means 1 July of each year except for the first Calculation Period which will start on the first Business Day immediately following the Listing Date (i.e. Commencement Date)..

"Calculation Date" means the 30 June of each year, except for the year in which the Company is wound up or the Investment Management Agreement is terminated, in which case the Calculation Date will be the last Business Day before the termination of the Company or the Investment Management Agreement (as applicable).

"Business Day" means a day on which banks are open in South Australia, excluding weekends and public holidays in South Australia.

A performance fee of $1,286,827 (ex gst) was payable to the investment manager for the year ended 30 June 2021 based on a PNAV movement for $77,144,905 to $97,727,661. (Year ended 30 June 2020: $0)

A termination fee is payable by the Company to the Investment Manager if the Investment Management Agreement is terminated within the first ten years of the Agreement, unless the Company has terminated the Investment Management Agreement for default by the Investment Manager. The termination fee is equal to 5% of the PNAV of the Company, reduced by 1/60th for each calendar month elapsed after the first five years since commencement of the Investment Management Agreement up to the date of termination.

– END OF REMUNERATION REPORT –

Issue of Shares

In December 2020, 15,145 shares were issued to Mark Harvey and 5,087 to Wade Dabinett as net remuneration for director's fees.

Share Options

No shares of any controlled entity were issued during or since the end of the period by virtue of the exercise of any options.

Dividends

An interim dividend of 6.2 cents per share was declared on 30 June 2021 and paid on 30 July 2021.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

Auditor's independence declaration

Section 307C of the Corporations Act 2001 requires our auditors, Deloitte, to provide the Directors of the Company with an Independence Declaration. This Lead Auditor's Independence Declaration is included on page 36.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

Edouard Peter
Chairman

Mark Harvey
Independent Non-Executive Director

Stirling, South Australia
27th August 2021

Deloitte.

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27 August 2021

The Board of Directors
Duxton Broadacre Farms Limited
7 Pomona Road
STIRLING SA 5152

Dear Directors

Auditor's Independence Declaration to Duxton Broadacre Farms Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Duxton Broadacre Farms Limited.

As lead audit partner for the audit of the financial report of Duxton Broadacre Farms Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Darren Hall
Partner
Chartered Accountants

STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

For personal use only

	Note	30 Jun 2021 $'000	30 Jun 2020 $'000
Revenue	5	17,841	10,673
Cost of sales		(18,968)	(10,170)
Biological transformation (crops & livestock)	13	9,700	1,378
Gross profit		**8,573**	**1,881**
Other income	7	1,385	1,185
Operational expenses		(3,217)	(3,051)
Administration expenses		(3,727)	(2,166)
(Impairment) / Reversal of impairment	16, 17	(592)	315
Finance costs	8	(1,120)	(1,114)
Profit/(loss) before tax		**1,302**	**(2,951)**
Income tax (expense)/benefit	18	(330)	1,035
Profit/(loss) for the year from contuining operations		972	(1,916)
Profit/(loss) for the year from discontinued operation	19	434	450
Profit/(loss) for the year		**1,406**	**(1,466)**
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
Valuation uplift during the year on disposal of Boorala		4,440	-
Valuation uplift on revaluation of other properties		8,590	3,166
Total comprehensive income for the year		**14,436**	**1,700**

	Note	2021 ($)	2020 ($)
Earnings per share			
From continuing operations			
Basic (cents per share)	25	0.0227	(0.0440)
Diluted (cents per share)	25	0.0227	(0.0440)

	2021 ($)	2020 ($)
Earnings per share		
From continuing and discontinued operations		
Basic (cents per share)	0.0328	(0.0342)
Diluted (cents per share)	0.0328	(0.0342)

The notes on page 43 to 82 are an integral part of these financial statements

STATEMENT OF **FINANCIAL POSITION**
AS AT 30 JUNE 2021

	Note	30 Jun 2021 $'000	30 Jun 2020 $'000
ASSETS			
Current assets			
Cash and cash equivalents	10	3,591	27
Trade and other receivables	11	115	547
Inventories	12	4,007	2,979
Biological assets	13	9,155	9,100
Other financial assets	14	446	317
Other current assets	15	1,005	401
Total current assets		**18,319**	**13,371**
Non-current assets			
Land	16	88,241	80,765
Buildings, plant and equipment	16	11,119	9,950
Intangible water assets	17	8,215	7,090
Other non-current assets	15	6	6
Total non-current assets		**107,581**	**97,811**
Total assets		**125,900**	**111,182**
LIABILITIES			
Current liabilities			
Trade and other payables	20	6,204	1,122
Borrowings	21	814	6,639
Provisions	22	301	337
Total current liabilities		**7,319**	**8,097**
Non-current liabilities			
Borrowings	21	24,772	25,982
Provisions	22	17	12
Deferred tax liability	18	6,538	1,710
Total non-current liabilities		**31,327**	**27,704**
Total liabilities		**38,646**	**35,801**
Net assets		**87,254**	**75,381**
EQUITY			
Issued capital	23	73,983	73,964
Reserves	24	19,344	11,633
Accumulated losses		(6,073)	(10,216)
Total equity		**87,254**	**75,381**

The notes on page 43 to 82 are an integral part of these financial statements

STATEMENT OF **CHANGES IN EQUITY**

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Issued capital	Accumulated losses	Asset revaluation reserve	Share based payment reserve	Total equity
		$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2019		**73,987**	**(8,750)**	**8,294**	**106**	**73,637**
Profit/(loss) for the year		-	(1,466)	-	-	(1,466)
Other comprehensive income for the year, net of income tax		-	-	3,166	-	3,166
Total comprehensive income for the year			(1,466)	3,166	-	1,700
Issue of shares	23	93	-	-	-	93
Share buy back		(113)	-	-	-	(113)
Share issue costs - net of taxes	23	(3)	-	-	-	(3)
Share based payments		-	-	-	67	67
Balance at 30 June 2020		**73,964**	**(10,216)**	**11,460**	**173**	**75,381**
Balance at 1 July 2020		**73,964**	**(10,216)**	**11,460**	**173**	**75,381**
Profit/(loss) for the year		-	1,406	-	-	1,406
Other comprehensive income for the year (net of tax)		-	-	13,030	-	13,030
Total comprehensive income for the year		-	1,406	13,030	-	14,436
Issue of shares	23	131	-	-	-	131
Transfers to accumulated losses on sale of Boorala		-	5,397	(5,397)	-	-
Dividend Declared		-	(2,660)	-	-	(2,660)
Share buy back	23	(111)	-	-	-	(111)
Share issue costs – net of taxes	23	(1)	-	-	-	(1)
Share based payments		-	-	-	78	78
Balance at 30 June 2021		**73,983**	**(6,073)**	**19,093**	**251**	**87,254**

The notes on page 43 to 82 are an integral part of these financial statements

STATEMENT OF **CASH FLOWS**
FOR THE YEAR ENDED 30 JUNE 2021

	Note	30 June 2021 $'000	30 June 2020 $'000
Cash flows from operating activities			
Receipts from customers		23,346	16,923
Payments to suppliers		(18,574)	(19,492)
Interest received		-	-
Interest paid		(1,055)	(1,049)
Government rebates received		268	382
Other		(389)	174
Net cash generated/(used in) by operating activities	26	**3,596**	**(3,061)**
Cash flows from investing activities			
Payments for property, plant and equipment		(1,454)	(1,641)
Payments for acquisition of West Plains & Lenborough		(14,601)	-
Proceeds from disposal of plant and equipment		1,687	411
Proceeds from disposal of land and buildings	19	22,087	-
Payments for water entitlements		(14)	(109)
Other		-	(9)
Net cash generated/(used in) by investing activities		**7,705**	**(1,348)**
Cash flows from financing activities			
Share buy back	23	(111)	(113)
Payment for share issue costs		(2)	(4)
Proceeds from borrowings	21	1,006	4,810
Repayment of borrowings	21	(8,630)	(269)
Net cash (used in)/generated by financing activities		**(7,737)**	**4,424**
Net increase in cash and cash equivalents		**3,564**	**15**
Cash and cash equivalents at beginning of the period		27	12
Cash and cash equivalents at end of period	10	**3,591**	**27**

The notes on page 43 to 82 are an integral part of these financial statements

1 CORPORATE INFORMATION

Duxton Broadacre Farms Limited is a limited company, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange under the symbol DBF. Its registered office and principal place of business is located at 7 Pomona Road Stirling SA 5152.

2 BASIS OF PREPARATION

Basis of accounting

The financial statements have been prepared under the historical cost basis except for land, buildings, biological assets and derivatives that are measured at revalued amounts or fair value at the end of each reporting period, as explained in the accounting policies below. All amounts are presented in Australian dollars.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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Going Concern

The annual financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realise its assets and extinguish its liabilities as and when they fall due in the normal course of business and maintain compliance with its financing arrrangement.

For the year ended 30 June 2021, from continuing and discontinued operations, the company generated a net profit before income tax of $1,882,362 (2020: net loss before income tax $2,257,771), generated net cash in operating activities of $3,595,928 (2020: net cash used in operating activities $3,061,424) and had a net current asset surplus of $11,000,939 (2020: $5,273,301).

Following the sale of the Boorala property total banking facilities with our bank Westpac Banking Corporation were reviewed resulting in debt being paid down and total available facilities being reduced from $34.35M to $30.35M. The overdraft limit of $6,000,000 held a cash surplus of $3,578,939 as at 30 June 2021 (2020: overdraft drawn of $6,310,744).

The drought broke in 2021 as favourable rainfall conditions resulted in bumper harvests and some fo the best pasture lands seen in years leading to the Eastern Young Cattle Indicator surging past $9.50 per kilogram for the first time ever as restockers compete for animals.

The combination of a strong harvest and the net proceeds after the sale of Boorala and acquisition of West Plains and Lenborough have allowed the paydown of debt to a gearing level of 26% at the end of the financial year. This significant acheivement following two years of drought places the company in a good position to consider additional acquisitions for further expansion.

Growing conditions look positive for the current season, the farms are managing the challenges of continued rainfall along with addressing the plague levels of mice being seen across the eastern states of Australia however crops have emerged unaffected and are in good condition.

Management has considered the likely impact favourable crop yields will have on market prices for grain and has utilised forward contracts and swaps to hedge against forecasted declines in price. Unrealised gains of $13,000 on these positions is reflected in the financial statements at 30 June 2021 following decreases in wheat price against those locked in against forward sales.

The Company maintains a larger herd of cattle after increasing heads prior to the drought breaking from 338 head in June 2019 to 1,556 in June 2021. The choice in prior years to harvest lower quality crops as feed to support this growth will now materialise as profits as we sell through cattle at historic price levels approaching $10 per kilogram.

Based upon the cash flow forecasts presented to the Board, the Directors believe that the current cash resources available to the Company will be sufficient to meet the planned operating costs for the 12 months from the date of signing this report.

Consquently, at the date of signing this report, the Directors have reasonable grounds to believe that it is appropriate to prepare the financial report on the going concern basis.

Statement of compliance

The financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001, and Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board (IASB).

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with Australian Accounting Standards Board (AASBs) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are:

Biological Assets - Crops

Crops are valued based on whether biological transformation has occurred, at which point the crops are measured at fair value less cost to sell, unless the crop is immature and little transformation has taken place at which point cost is used as a proxy for fair value. For crops nearing maturity the fair value is determined in consideration of the stage of growth and deducting all required costs to harvest and transport to market.

Fair Value of Land & Buildings

Land and buildings are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any accumulated depreciation and accumulated impairment losses. Revaluations are performed by third party qualified valuers with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Standards issued and effective

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued and are now effective per below.

Standard/Interpretation	Effective for annual reporting periods on or after	Initially applied in the financial year ending
Amendments to Australian Accounting Standards - Definition of Material	1 January 2020	30 June 2021
Amendments to IFRS 3 - Reference to the Conceptual Framework	1 January 2020	30 June 2021

Amendments to Australian Accounting Standards - Definition of Material

The company has adopted the amendments to AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors for the first time in the current year. The amendments make the definition of material in AASB 101 easier to understand and are not intended to alter the underlying concept of materiality in Australian Accounting Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in AASB 108 has been replaced by a reference to the definition of material in AASB 101. In addition, the Standard also amends other Australian Accounting Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

Adoption of this amendment is not expected to have a material effect on the financial statements.

Amendments to IFRS 3 - Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination. The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. The Company recognises revenue when is transfers control of a product or service to a customer.

Sale of livestock and produce

Revenue is recognised when the livestock or produce are delivered and titles have passed, at which time all the following conditions are satisfied:

- the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations
- the Company can identify each party's rights regarding the goods to be transferred
- the Company can identify the payment terms for the goods to be transferred
- the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract)
- it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Interest revenue

Interest revenue comprises income earned on financial assets and is recognised when it is probable that the economic benefit will flow to the company and that the amount of revenue can be reliably measured. Interest revenue is recognised in the Statement of Profit or Loss, using the effective interest method.

4.2 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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4.3 Employee benefits

Short-term and other long-term employee benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

4.4 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.5 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Freehold land is not depreciated.

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives based on expected usage patterns. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets held under leases in accordance with AASB 16 are depreciated over their expected useful lives on the same basis as owned assets. Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB 136.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation rates used for each class of depreciable assets are:

Asset	Depreciation rate 2021
Building	2-4%
Plant, equipment and motor vehicles	10-40%
Office furniture & equipment	40-50%
Property improvements	5%

4.6 Intangible Assets

Intangible assets acquired separately

(a) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(b) Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. As the asset has an indefinite useful life, the asset is not subject to depreciation. These assets are tested annually for impairment, and the carrying value of the asset is adjusted accordingly.

Permanent water rights recognised by the company have an indefinite useful lives and are not depreciated. Each period the useful life of these assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for each asset. Such assets are tested for impairment in accordance with the policy stated in 4.8.

4.7 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.8 Inventories

Consumables

Consumables are recorded at the lower of cost and net realisable value. Costs of consumables are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for consumables less all estimated costs of completion and costs necessary to make the sale.

Produce

The Company values cropping inventories in accordance with AASB 141 Agriculture whereby the cost of the non-living (harvested) produce is deemed to be its fair value less cost to sell immediately after it becomes non-living. This valuation takes into account current crop selling prices and current processing and selling costs.

4.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

4.10 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities except for trade receivables are initially measured at fair value. Trade receivables do not have a significant financing component so are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.11 Financial assets

All financial assets are measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company enters into a variety of derivative financial instruments to manage its exposure to commodity price and foreign exchange rate risks, including foreign exchange forward contracts, options and commodity swaps. Further details of derivative financial instruments are disclosed in note 14.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Company has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.12 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities
Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:
- it has been incurred principally for the purpose of repurchasing it in the near term; or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 9 permits the entire combined contract to be designated as at FVTPL.

Other financial liabilities
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

4.13 Biological assets
(a) Crops in ground
Crops in ground are measured at fair value less costs to sell, unless little biological transformation of the crop has taken place, in which case cost is used as a proxy for fair value less costs to sell. The fair value is determined in consideration of the stage of growth less all required costs to harvest and transport to market.

(b) Livestock
The Company values livestock at its fair value less cost to sell, which is determined by an independent valuation at each reporting date.

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5 REVENUE

The following is an analysis of the Group's revenue for the year from continuing operations.

	2021 $'000	2020 $'000
Sales – Cropping, Livestock & Wool	17,841	10,673

6 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker to make strategic decisions. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. As the South Australian aggregation was sold during the year, it as been presented as discontinued. Refer to note 19 for its revenue and results.

SEGMENT REVENUE AND RESULTS

2021 New South Wales	Segment revenue $'000	Segment results $'000
Reportable segment revenue		
Agriculture	17,841	8,573
Total from continuing operations	**17,841**	**8,573**
Other income		1,385
Operational costs		(3,217)
Administration Expenses		(3,727)
Reversal of impairments		(592)
Finance Costs		(1,120)
Net profit/(loss) before tax		**1,302**

2020 New South Wales	Segment revenue $'000	Segment results $'000
Reportable segment revenue		
Agriculture	10,673	1,880
Total from continuing operations	**10,673**	**1,880**
Other income		1,185
Operational costs		(3,051)
Administration Expenses		(2,166)
Reversal of impairments		315
Finance Costs		(1,114)
Net profit/(loss) before tax		**(2,951)**

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REVENUE FROM MAJOR PRODUCTS - NEW SOUTH WALES

Total	2021 $'000	2020 $'000
Hay	54	1,049
Clover	–	–
Cotton	1,433	1,390
Faba Beans	–	–
Chickpea	3,640	858
Wheat	8,836	2,048
Barley	2,440	3,454
Canola	–	71
Field Peas	22	–
Cattle	1,231	1,025
Sheep	157	755
Wool	28	25
	17,841	**10,673**

Revenues are managed on a product by product basis. Costs are managed in total.

7 OTHER INCOME

	2021 $'000	2020 $'000
Government rebates	315	348
Cartage Income	260	266
Gain/(loss) on sale of assets	632	96
Gain/(loss) on hedging	(228)	200
Insurance revenue	51	93
Other revenue	355	182
	1,385	**1,185**

8 FINANCE COSTS

	2021 $'000	2020 $'000
Interest on bank overdrafts and loans	1,053	1,040
Interest on leases/liabilities	51	55
Other finance costs	16	19
	1,120	**1,114**

9 AUDITORS REMUNERATION

	2021 $'000	2020 $'000
Audit or review of financial report - Deloitte Touche Tohmatsu (FY2021 Audit)	113,150	114,850
	113,150	**114,850**

10 CASH AND CASH EQUIVALENTS

	2021 $'000	2020 $'000
Cash at bank	3,579	15
Term deposits	12	12
	3,591	**27**

11 TRADE AND OTHER RECEIVABLES

	2021 $'000	2020 $'000
Trade receivables	45	483
Allowance for doubtful debts	-	-
	45	483
Fuel Rebate Receivable	65	64
Other receivables	5	-
	115	**547**
Ageing of past due but not impaired		
61-90 days	-	-
90-120 days	-	-
120+ days	-	-
	-	**-**

12 INVENTORIES

	2021 $'000	2020 $'000
Consumables - cost	2,358	2,074
Produce on hand		
- Crops - at cost	1,647	896
- Wool - at NRV	2	9
	4,007	**2,979**

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13 BIOLOGICAL ASSETS

	Crops in ground $'000	Livestock $'000	Total $'000
Gross carrying amount			
Balance at 1 July 2019	4,160	2,295	6,455
Preparation costs	9,744	2,232	11,976
Increase in fair value due to biological transformation	(380)	2,851	2,471
Transfers to inventory/sales	(8,826)	(2,976)	(11,802)
Balance at 30 June 2020	**4,698**	**4,402**	**9,100**
Gross carrying amount			
Balance at 1 July 2020	4,698	4,402	9,100
Preparation costs	9,965	1,426	11,391
Increase in fair value due to biological transformation (i)	8,088	2,476	10,564
Transfers to inventory/sales	(18,202)	(3,698)	(21,900)
Balance at 30 June 2021	**4,549**	**4,606**	**9,155**

(i) The total increase in fair value due to biological transformation of $10,564k is made up of $9,700k from contuining operaions and $864k from discotinuing operations

14 OTHER FINANCIAL ASSETS

	2021 $'000	2020 $'000
Futures contracts & Options [1]	287	317
Forward Sales	159	-
	446	**317**

[1] Derivative financial instruments have been used to hedge against declining wheat prices. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date with the resulting gain or loss recognised in profit.

15 OTHER ASSETS

	2021 $'000	2020 $'000
Prepayments	431	376
Other	581	31
	1,011	**407**
Current	1,005	401
Non-current	6	6
	1,011	**407**

16 LAND, BUILDINGS, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment at cost	Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000
Gross carrying amount					
Balance at 1 July 2019	76,849	6,649	5,823	490	89,811
Additions	65	3	437	1,065	1,570
Disposals	-	-	(602)	-	(602)
Reclassifications	-	1,032	432	(1,464)	-
Revaluation increase	4,031	201	-	-	4,232
Balance at 30 June 2020	**80,944**	**7,886**	**6,091**	**90**	**95,011**
Accumulated depreciation/ amortisation and impairment					
Balance at 1 July 2019	(618)	(1,467)	(1,913)	-	(3,998)
Disposals	-	-	325	-	325
Depreciation expense	-	(302)	(810)	-	(1,112)
Impairment loss	-	-	-	-	-
Impairement reversal	440	49	-	-	489
Balance at 30 June 2020	**(179)**	**(1,719)**	**(2,398)**	**-**	**(4,296)**
Net book value					
As at 1 July 2019	**76,231**	**5,183**	**3,910**	**490**	**85,813**
As at 30 June 2020	**80,765**	**6,167**	**3,693**	**90**	**90,715**
Gross carrying amount					
Balance at 1 July 2020	80,944	7,886	6,091	90	95,011
Additions	12,556	991	4	1,892	15,443
Disposals	(21,380)	(871)	(995)	-	(23,246)
Reclassifications	-	113	1,770	(1,883)	-
Revaluation increase	17,021	539	24	-	17,584
Balance at 30 June 2021	**89,141**	**8,658**	**6,894**	**99**	**104,792**
Accumulated depreciation/ amortisation and impairment					
Balance at 1 July 2020	(179)	(1,719)	(2,398)	-	(4,296)
Disposals	-	96	445	-	541
Depreciation expense	-	(321)	(741)	-	(1,062)
Impairment loss	(900)	(98)	-	-	(998)
Impairment reversal	179	204	-	-	383
Balance at 30 June 2021	**(900)**	**(1,838)**	**(2,694)**	**-**	**(5,432)**
Net book value					
As at 1 July 2020	**80,765**	**6,167**	**3,693**	**90**	**90,715**
As at 30 June 2021	**88,241**	**6,820**	**4,200**	**99**	**99,360**

The Company's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Company's freehold land and buildings as at 30 June 2021 were performed by LAWD and 30 June 2020 were performed by CBRE, independent valuers not related to the Company.

Valuations for the newly acquiried properties West Plains and Lenborough were received on the 27 May 2021. While the arable land value of $3,400 per hectare in the acquisition valuations was lower than the $4,000 per hectare received across the rest of the portfolio at year end this was adopted as the year end value given the state of the land and that works across the FY22 year would aim to bring these values in line with the rest of the portfolio.

Both LAWD and CBRE have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.
AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the fair value hierarchy. Details of the hierarchy are disclosed in Note 29.

Land, buildings and water licenses are all Level 2 and have been determined as follows.

The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

The fair value of the buildings was determined using the cost approach that reflects the cost to a market participant to construct assets of comparable utility and age, adjusted for obsolescence.

The fair value of water licenses was determined using a fair market valuation approach which draws on publicly available water trade data from the relevant state water registers.

Right-of-use assets accounted for under AASB 16 are included in the asset grouping plant and equipment.

17 INTANGIBLE WATER ASSETS

	Water licences $'000
Gross carrying amount	
Balance at 1 July 2019	6,996
Additions	117
Disposals	-
Balance at 30 June 2020	**7,113**
Accumulated impairment	
Balance at 1 July 2019	(96)
Disposals	-
Impairment reversal	73
Balance at 30 June 2020	**(23)**
Net book value	
As at 1 July 2019	6,900
As at 30 June 2020	7,090
Gross carrying amount	
Balance at 1 July 2020	7,113
Additions	1,102
Disposals	-
Balance at 30 June 2021	**8,215**
Accumulated impairment	
Balance at 1 July 2020	(23)
Disposals	-
Impairment reversal	23
Balance at 30 June 2021	**-**
Net book value	
As at 1 July 2020	7,090
As at 30 June 2021	8,215

Water licenses are valued at the lower of cost and their fair value, less cost to sell. Refer to note 16 for the valuation methodology in establishing fair value.

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18 TAXATION

INCOME TAX RECOGNISED IN PROFIT OR LOSS

	2021 $'000	2020 $'000
Current tax		
Current tax expense/(income) recognised in current year	-	(1,541)
Other	(34)	(201)
	(34)	**(1,742)**
Deferred tax		
Deferred tax expense recognised in current year	510	950
Total income tax/(benefit) recognised in the current year relating to continuing & discontinued operations	**476**	**(792)**
Total income tax/(benefit) recognised in the current year relating to continuing operations	330	(792)
Total income tax/(benefit) recognised in the current year relating to discontinued operations	146	-
	476	**(792)**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit/(loss) before tax	**(1,882)**	**(2,258)**
Income tax expense/(benefit) at 25%	478	(621)
Effect of expense that are non-deductible in determining taxable profit	7	(4)
Recognition of prior year tax losses	-	-
Other	(9)	(167)
Income tax expense recognised in profit and loss (relating to continuing operations)	**476**	**(792)**

INCOME TAX RECOGNISED DIRECTLY IN EQUITY

	2021 $'000	2020 $'000
Deferred tax		
Equity raising costs	-	1
Revaluation of land - revaluation reserve	(2,271)	(1,065)
Revaluation of land - retained earnings	(2,047)	-
Income tax recognised directly in equity	**(4,318)**	**(1,064)**

CURRENT TAX ASSETS AND LIABILITIES

2021	Opening Balance	Current Year Profit & Loss Impact	Recognised in other comprehensive income	Recognised directly in equity	Acquisitions/ disposals	Tax Rate Variation Effect	Closing balance
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Gross deferred tax liabilities							
Debtors	(66)	-	-	-	-	-	(66)
Inventories	(2,111)	(434)	-	-	-	-	(2,545)
Property, plant and equipment	(4,335)	1,667	-	(4,318)	-	-	(6,986)
Intangibles	(125)	(6)	-	-	-	-	(131)
	(6,637)	1,226	-	(4,318)	-	-	(9,728)
Gross deferred tax assets:							
Payables	29	7	-	-	-	-	36
Provisions	86	(10)	-	-	-	-	76
Other	84	(27)	-	-	-	-	57
	199	(30)	-	-	-	-	169
	(6,438)	**1,196**	**-**	**(4,318)**	**-**	**-**	**(9,559)**
Tax Losses	4,728	(1,707)	-	-	-	-	3,021
	(1,710)	**(511)**	**-**	**(4,318)**	**-**	**-**	**(6,538)**

2020	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Acquisitions/ disposals	Tax Rate Variation Effect	Closing balance
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Gross deferred tax liabilities							
Debtors	(27)	(43)	-	-	-	5	(66)
Inventories	(2,010)	(437)	-	-	-	335	(2,111)
Property, plant and equipment	(3,442)	(401)	-	(1,065)	-	574	(4,335)
Intangibles	(128)	(18)	-	-	-	21	(125)
	(5,607)	(899)	-	(1,065)	-	935	(6,637)
Gross deferred tax assets:							
Payables	17	15	-	-	-	(3)	29
Provisions	80	19	-	-	-	(13)	86
Other	201	(84)	-	1	-	(34)	84
	298	(51)	-	1	-	(50)	198
	(5,310)	**(950)**	**-**	**(1,064)**		**885**	**(6,439)**
Tax Losses	3,871	1,502	-	-	-	(645)	4,728
	(1,438)	**552**	**-**	**(1,064)**	**-**	**240**	**(1,710)**

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19 DISCONTINUED OPERATIONS

On 9 December 2020, the Company notified the ASX of the acceptance of a non-binding offer for the Boorala property, the sole farm in the South Australian aggregation, for $22 million.

The contract was executed successfully on 23 December 2020 and settled on 9 April 2021 after receiving FIRB approval. The sale excluded plant and equipment which was sold at a clearing sale, the winter harvest which has since been sold and livestock of which all has been sold with the exception of 2,620 ewes transferred to the New South Wales aggregation. The disposal was effected in order to generate cash flows for the expansion of the Company's New South Wales aggregation which will provide a better operational yield on the value of land whilst consolidating operations around our General Manager.

The results of the discontinued operations, which have been included in the profit for the year were as follows.

	30 Jun 2021 $'000	30 Jun 2020 $'000
Revenue	3,431	1,967
Cost of sales	(3,629)	(2,154)
Biological transformation	864	1,093
Gross profit	**666**	**906**
Other income	626	9
Operational expenses	(324)	(370)
Administration expenses	(385)	(90)
(Impairment)/Reversal of impairment	-	248
Finance costs	(3)	(10)
Profit/(loss) before tax	**580**	**693**
Income tax (expense)/benefit	(146)	(243)
Profit/(loss) for the year	**434**	**450**

During the year, Boorala contributed $2.1 million (2020: $0.2 million) to the Group's net operating cash flows, generated $22.5 million (2020 paid: $0.1 million) in respect of investing activities and paid $7.2 million (2020: $0 million) in respect of financing activities.

In addition to the above, the part of the revaluation reserve relating to Boorala has been reclassified to accumulated losses reflecting the realisation (net of tax) of the revaluation uplifts.

20 TRADE AND OTHER PAYABLES

	2021 $'000	2020 $'000
Trade payables	2,019	881
Dividend payable	2,660	-
Accrued expenses	1,525	242
	6,204	**1,122**

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. For most suppliers no interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed terms.

21 BORROWINGS

	2021 $'000	2020 $'000
Secured – at amortised cost		
Bank overdrafts (i)	-	6,311
Bank loans (i)	24,350	25,200
Finance lease liability (ii)	1,236	1,110
	25,586	**32,621**
Current	814	6,639
Non-current	24,772	25,982
	25,586	**32,621**

SUMMARY OF BORROWING ARRANGEMENTS

(i) The following facilities are secured by mortgages on the company's assets:

- $6,000,000 at call overdraft with a variable interest rate currently 1.93%. The facility was undrawn at the end of the year.
- $14,350,000 loan expiring on 12/06/2023 with a variable interest rate currently 1.26% and line fee of 0.7% which is fully drawn.
- $10,000,000 loan expiring on 26/10/2027 with a fixed interest rate of 5.17% which is fully drawn.

(ii) Secured by the assets leased. The borrowings are on fixed interest rate terms, ranging from 1.25%-5.37%, with repayment periods not exceeding 5 years.

			NON CASH CHANGES	
	1/7/2020	Financing cashflows	New leases	30/6/21
	$'000	$'000	$'000	$'000
Lease liabilities	1,110	(463)	589	1,236
Bank loans	25,200	(850)	-	24,350
Overdraft	6,311	(6,311)	-	-
	32,621	**(7,624)**	**589**	**25,586**

22 PROVISIONS

	2021	2020
	$'000	$'000
Employee benefits	318	349
	318	**349**
Current	301	337
Non-current	17	12
	318	**349**

23 EQUITY

	2021 $'000	2020 $'000
Share Capital	73,983	73,964
	73,983	**73,964**
Issued capital comprises: 42,938,649 fully paid ordinary shares (30 June 2020: 42,950,065)	73,983	73,964
	73,983	**73,964**

FULLY PAID ORDINARY SHARES

	No. Shares '000	Share capital $'000
Balance at 1 July 2019	42,950	73,987
Shares issued	76	93
Share buy-back	(120)	(113)
Share Issue costs	-	(3)
Closing balance at 30 June 2020	**42,906**	**73,964**
Balance at 1 July 2020	42,906	73,964
Shares issued	102	131
Share buy-back	(69)	(111)
Share issue costs	-	(1)
Closing balance at 30 June 2021	**42,939**	**73,983**

24 RESERVES

	Asset valuation reserve $'000	Other reserve $'000	Total $'000
Balance at 01 July 2019	8,294	106	8,400
Movements	4,232	67	4,299
Tax effect	(1,066)	-	(1,066)
Balance at 30 June 2020	**11,460**	**173**	**11,633**

	Asset valuation reserve $'000	Other reserve $'000	Total $'000
Balance at 01 July 2020	11,460	173	11,633
Revaluation of Boorala prior to disposal	6,000	-	6,000
Transfer valuation uplift on Boorala sale to accumulated losses	(5,397)	-	(5,397)
Other property valuations	11,383	-	11,383
Share based payments	-	78	78
Tax effect	(4,353)	-	(4,353)
Balance at 30 June 2021	**19,093**	**251**	**19,344**

25 EARNINGS PER SHARE

	2021	2020
Earnings/(loss) $'000	1,406	(1,466)
Earnings/(loss) used in the calculation of basic EPS $,000	1,406	(1,466)
Weighted average number of ordinary shares (basic)	42,938,650	42,910,408
Weighted average number of ordinary shares (diluted)	42,911,800	42,910,408
Basic earnings per share from continuing operations (cents)	0.0227	(0.0446)
Diluted earnings per share from continuing operations (cents)	0.0227	(0.0446)
Basic earnings per share from discontinuing operations (cents)	0.0101	0.0105
Diluted earnings per share from discontinuing operations (cents)	0.0101	0.0105

26 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2021 $'000	2020 $'000
Profit (loss) for the year	1,406	(1,466)
Adjustments for non-cash items included in profit/(loss):		
Depreciation	1,062	1,112
Increase in biological transformation	(10,481)	(2,471)
Impairment / (impairment reversal) of land, buildings, plant and equipment	615	(489)
Impairments / (impairment reversals) of water licenses	(23)	(73)
(Gain)/Loss on sale of property, plant and equipment	(1,226)	(97)
Changes in other items:		
(Increase) / decrease in trade receivables	432	2,621
(Increase) / decrease in other assets	(604)	157
(Increase) / decrease in biological assets	3,621	(174)
(Increase) / decrease in inventories	(1,028)	319
Increase / (decrease) in deferred tax liabilities	4,828	272
Increase / (decrease) in trade payables	5,039	(2,854)
Increase / (decrease) in provisions	(45)	82
Net cash generated by/(used in) operating activities	**3,596**	**(3,061)**

27 KEY MANAGEMENT PERSONNEL

The Company has appointed Duxton Capital (Australia) Pty Ltd as its Investment Manager to manage its assets and implement its investment strategy. Details of the basis of remuneration paid or payable to the Investment Manager is fully disclosed in the Remuneration Report of the Directors' Report.

Key management personnel of the Company are:

- Mr Edouard Peter
- Mr Stephen Duerden
- Mr Mark Harvey
- Mr Wade Dabinett
- Dr Amanda Rischbieth
- Mr Bryan Goldsmith

Mr Edouard Peter, Chairman of the Company, controls the Investment Manager and is a shareholder and Director of the Investment Manager's parent Company Duxton Capital Pty Ltd and as such, may receive remuneration from the Investment Manager for services provided to the Investment Manager.

Company Director, Mr Stephen Duerden, is also a shareholder and Director of the Investment Manager's parent Company and as such, may receive remuneration from the Investment Manager for Services provided to the Investment Manager.

As shareholders of the Investment Manager, Mr Peter and Mr Duerden may receive a financial benefit from the Company as a result of payment of fees by the Company to the Investment Manager.

The Investment Management Agreement is on arms-length commercial terms and was approved by the Non-Executive Directors of the Company.

Neither Mr Edouard Peter nor Mr Stephen Duerden have received directors' fees from the Company.

Mr Edouard Peter has a direct interest of 128,500 shares (2020: 38,700) in the Company and an indirect interest in 11,022,310 shares (2020: 10,947,175) in the Company.

Mr Stephen Duerden has a direct interest in 10,000 shares (2020: 10,000) in the Company and an indirect interest in 139,638 shares (2020: 35,296) in the

	2021 $'000	2020 $'000
Short-term benefits	276	196
Post-employment benefits	33	26
Other long-term benefits	-	-
Share-based payments	127	69
Terminations benefits	-	-
Total	**436**	**291**

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28 RELATED PARTY TRANSACTIONS

The following transactions occurred with related parties during the year ended 30 June 2021 (and the year ended 30 June 2020) and are all ex gst.

	2021 $'000	2020 $'000
Reimbursement of costs - Duxton Capital (Australia) Pty Ltd	21	25
Accounting and Consulting Services - Duxton Capital (Australia) Pty Ltd	233	262
Management Fee - Duxton Capital (Australia) Pty Ltd	720	624
Performance Fee - Duxton Capital (Australia) Pty Ltd	1,287	-
Water lease - Duxton Water Ltd	211	237
Total	**2,472**	**1,148**

Transactions between related parties are on commercial terms and conditions.

The following balances are outstanding at the end of the reporting period between the Company and its related parties (ex gst):

	2021 $'000	2020 $'000
Amount due to - Duxton Capital (Australia) Pty Ltd for investment management services	71	55
Amount due to - Duxton Capital (Services) Pty Ltd for accounting, bookkeeping and HR services	22	23
Amount due to - Duxton Water Ltd	2	-
Total	**95**	**78**

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29 FINANCIAL INSTRUMENTS

FAIR VALUE HIERARCHY

AASB 13 requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs)

MEASUREMENT OF FAIR VALUE OF FINANCIAL INSTRUMENTS

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and borrowings. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021 $'000	2020 $'000
Financial Assets			
Cash and cash equivalents	10	3,591	27
Trade and other receivables	11	115	547
Other financial assets	14	446	317
Total financial assets		**4,152**	**891**
Financial Liabilities			
Trade and other payables	20	6,204	1,122
Borrowings	21	25,586	32,621
Total financial liabilities		**31,790**	**33,743**

The carrying amounts of financial asset and financial liabilities approximate their fair value.

Commodity sales contracts are forward dated and deliverable contracts with customers. The fair value of commodity contracts is determined by reference to market prices.

CLASSIFICATION OF FINANCIAL ASSETS

Classification of trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

OTHER FINANCIAL ASSETS AT AMORTISED COST

Due to the short-term nature of other financial assets, the carrying amount of other financial assets is considered to be the same as their fair value.

FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. This note presents information about the Company's exposure to each of the above risks, the Company's objective, policies and processes for measuring and managing risk, and the Company's management of capital.

CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and the regular monitoring of exposures and the financial stability of significant customers and counterparties.

Risk is also minimised through investing surplus funds with financial institutions that maintain a high credit rating or in entities that the board of Directors have otherwise assessed as being financially sound.

CREDIT RISK EXPOSURES

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position.

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IMPAIRMENT OF FINANCIAL ASSETS

The Company has two types of financial assets that are subject to the expected credit loss model:
• trade receivables for sales of inventory and
• other assets at amortised cost.

TRADE RECEIVABLES

The Company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months from 1 July 2019 to 30 June 2021, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company did not sell internationally in the financial year and as a result has identified Australian economic conditions to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these conditions.

On that basis the loss allowance as at 30 June 2021 & 30 June 2020 for trade receivables was determined as follows:

30 June 2021	Current	Over 30 days	Over 60 days	Over 90 days	Total $'000
Expected loss rate	0%	0%	0%	0%	
Gross carrying amount – trade receivables	1	44	-	-	45
Loss allowance	-	-	-	-	-

30 June 2020	Current	Over 30 days	Over 60 days	Over 90 days	Total $'000
Expected loss rate	0%	0%	0%	0%	
Gross carrying amount – trade receivables	483	-	-	-	483
Loss allowance	-	-	-	-	-

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 120 days past due.

LIQUIDITY RISK

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities that are settled by delivering cash or another financial asset. The Company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities
- monitoring undrawn credit facilities
- obtaining funding from a variety of sources

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Note	Carrying Value	Contractual Cash Flows	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trade and other payables	20	6,204	6,204	4,849	1,355	-	-	-
Financial Liabilities	21	25,586	29,457	117	182	1,346	17,129	10,683
Interest-bearing liabilities			**35,661**	**4,966**	**1,537**	**1,346**	**17,129**	**10,683**

MARKET RISK

Market risk is the risk that changes in market prices and interest rates will affect the Company's income or its value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising returns.

Due to increased levels of rain at the start of the winter season harvested in November and December 2020 the Company expected increased yields would lead to a decline in grain prices that were at elevated levels due to the drought. As a result the Company entered into futures contracts and swaps to hedge against declines in the price of wheat.

With soil moisture profiles at levels not seen for several years there are positive expectations for the winter 2022 crop following the bumper harvests seen around Australia this year. Despite increased supply hitting the market the existence of strong export demand due to a combination of dought and floods across the globe in addition to the recovery of China's hog herd from African swine fever is holding prices at elevated levels. As a result the Company has entered into a combination of futures contracts and swaps to hedge against any future declines in price. The unrealised gain on these instruments at 30 June 2021 was $13k.

SENSITIVITY ANALYSIS

If the interest rate changed by +/- 0.05% the effect on the borrowing costs would be in the range of +/- $121,750 per annum.

30 OBLIGATIONS UNDER FINANCE LEASES

The Company leases harvesting equipment under finance leases. The average lease term is 5 years. The Company's obligations under finance leases are secured by the lessor's titles to the leased assets.

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 1.25% to 5.37% per annum.

	2021 $'000	2020 $'000
Finance lease liabilities		
Not later than 1 year	447	370
Later than 1 year and not later than 5 years	852	824
Less: future finance charges	(63)	(84)
	1,236	**1,110**
Current	414	328
Non-current	822	782
	1,236	**1,110**

31 COMMITMENTS FOR EXPENDITURE

OPERATING LEASE ARRANGEMENTS

At the reporting date, the Company had outstanding commitments for future minimum lease payments under a non-cancellable operating lease, negotiated for a fixed term until June 2023, which fall due as follows:

	2021 $'000	2020 $'000
Water lease	374	561
Within one year	187	187
In the second to fifth years inclusive	187	374
After five years	-	-
	374	561

OTHER COMMITMENTS

	2021 $'000	2020 $'000
Commitments for expenditure	63	84

32 SUBSEQUENT EVENTS

No matter or circumstance has arisen since the end of the reporting period ended 30 June 2021, that has significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

DIRECTOR'S **DECLARATION**
FOR THE YEAR ENDED 30 JUNE 2021

The directors declare that:

a) in the directors' opinion, there are reasonable grounds to believe that Duxton Broadacre Farms Limited will be able to pay its debts as and when they become due and payable; and

b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including that:

i. the financial report complies with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

ii. the financial statements and notes give a true and fair view of Duxton Broadacre Farms Limited's financial position and performance for the year ended 30 June 2021.

c) the audited remuneration disclosures set out on pages 27 to 34 of the Directors' report comply with section 300A of the Corporations Act 2001; and

d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors made pursuant to s.295A of the Corporations Act 2001.

Edouard Peter
Chairman

Mark Harvey
Independent Non-Executive Director

Stirling, South Australia
27th August 2021

Deloitte.

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Independent Auditor's Report to the Members of Duxton Broadacre Farms Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Duxton Broadacre Farms Limited (the "Company") which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Fair value measurement Freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Management has engaged a qualified independent external valuer to value land and buildings in accordance with the requirements of AASB 13 Fair Value Measurement. The valuation of land and buildings is a key audit matter due to the judgements and estimates required in determining fair value.	Our procedures, performed in conjunction with our valuation experts, included but were not limited to: • assessing the valuer's independence, objectivity and competence; • assessing the appropriateness of the scope, purpose and assumptions of the valuation based on the terms of engagement with the valuer; • assessing the valuation methodology used by the valuer; • assessing the market evidence relied upon and analysis and application of the market evidence by the valuer; • assessing the disclosures within note 16 of the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Deloitte.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 27 to 34 of the Directors' Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Duxton Broadacre Farms Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Darren Hall
Partner
Chartered Accountants
Adelaide, 27 August 2021

ASX ADDITIONAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2021

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 31 July 2021 (unless otherwise stated).

Twenty largest equity security holders

The names of the twenty largest holders of quoted equity securities as at 31 July 2021 are listed below:

	ORDINARY SHARES	
Name	**Number held**	**Percentage of issued shares**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,720,369	**40.77**
BNP PARIBAS NOMINEES PTY LTD <LGT BANK AG DRP>	11,290,079	**25.97**
INVIA CUSTODIAN PTY LIMITED <GF CAPITAL NOMINEES UNIT A/C>	1,821,846	**4.19**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	1,666,667	**3.83**
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	701,730	**1.61**
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	597,500	**1.37**
CITICORP NOMINEES PTY LIMITED	484,965	**1.12**
DAVID HANDLEY NOMINEES PTY LTD <DAVID HANDLEY FAMILY A/C>	423,442	**0.97**
MR RONALD LANGLEY + MRS RHONDA ELIZABETH LANGLEY	333,333	**0.77**
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	273,892	**0.63**
BOND STREET CUSTODIANS LIMITED <STODAV - D72799 A/C>	203,346	**0.47**
MR WILLIAM BLOMFIELD	200,000	**0.46**
DRAMATIC COLOURS PTY LIMITED <THE HALIFAX FOUNDATION A/C>	200,000	**0.46**
JOTT INVESTMENTS PTY LTD <SMITH PENSION FUND A/C>	200,000	**0.46**
DUXTON CAPITAL (AUSTRALIA) PTY LTD	196,794	**0.45**
TEMPLE ROCK PTY LTD <TEMPLE ROCK S/F A/C>	185,000	**0.43**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	178,752	**0.41**
MRS FRANCESCA MCCULLOCH	166,667	**0.38**
DUXTON OFFICES PTY LTD	153,598	**0.35**
BEAUVAIS PTY LTD <JOHN BISHOP FAMILY A/C>	150,000	**0.35**
CHURCHILL PTY LTD <THE ELLIS FAMILY NO 2 A/C>	150,000	**0.35**
Total	**32,297,980**	**85.81**

Holders of less than a marketable parcel of securities

Number of holders as at 31 July 2021 holding less than a marketable value of securities being $500 at the share price of $1.04 per share are listed below:

Holding	**No. of Holders**
1-480 (less than a marketable parcel)	32

Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 31 July 2021 are listed below:

Holding	Shares	No. of Holders
1-1,000	44,492	85
1,001-5,000	357,614	162
5,001-10,000	587,543	75
10,001-100,000	4,321,052	152
100,001 and over	38,155,813	28
Total	**43,466,514**	**502**

Substantial holders

Substantial holders of ordinary shares in the Company as at 31 July 2021 are listed below:

	ORDINARY SHARES	
Holding	**Number held**	**Percentage**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,720,369	40.77
BNP PARIBAS NOMINEES PTY LTD <LGT BANK AG DRP>	11,290,079	25.97

Holders of each class of equity securities

Number of holders in each class of equity securities as at 31 July 2021 are listed below:

Holding	Number
Ordinary shares	43,446,514

Use of proceeds

In accordance with listing rule 4.10.19, the Company confirms that it has used cash and assets in a form readily convertible to cash in a way consistent with its business objectives during the year ended 30 June 2021

Voting rights

Ordinary shares: On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote

Voluntary escrow

The table below shows a breakdown of the vendor shares subject to voluntary escrow as at 31 July 2021:

Escrow period	Total
No escrow	-


DUXTON
BROADACRE FARMS