13/09/2016

Att: Joshua Strutt

Australian Securities Exchange Limited

20 Bridge Street
Sydney NSW 2000

Dear Joshua,

Re: Duxton Water Limited Listing Decision – Conditions 1.9, 1.10 & 2.2.13

We refer to your letter dated 2 September 2016 granting Duxton Water Limited ('the Company') admission to the ASX subject to certain conditions. We are writing to satisfy conditions 1.9, 1.10 and 2.2.13.

Duxton Water Limited confirms that the following agreements have been completed between the Company and:

1.9.1 Duxton Vineyards Pty Ltd ('Duxton Vineyards') undated and varied by a Deed of Variation dated 25 July 2016 relating to the sale of water entitlements, including the issues of 3,365,561 ordinary shares fully paid and the issue of 3,365,561 quoted options with an exercise price of $1.10 per share and expiring on or before 31 May 2018;

1.9.2 Duxton Vineyards Water Pty Ltd as trustee for the Duxton Water Unit Trust ('Duxton Water') undated and varied by a Deed of Variation dated 25 July 2016 relating to the sale of water entitlements in Zone 11 NSW Murray Regulated River and Zone 13 NSW Murrumbidgee Regulated River including the use of 22,691,118 shares and the issue of 22,691,118 quoted options with an exercise price of $1.10 per share and expiring on or before 31 May 2018;

1.9.3 Yelta Vineyards Pty Ltd as trustee for the Yelta Vineyards Property Trust ('Yelta') dated 8 July 2016 relating to the sale of water entitlements including the payment of the consideration of $1,174,200;

1.9.4 Yelta dated 8 July 2016 relating to the sale of water entitlements including the payment of the consideration of $498,750;

1.9.5 Duxton Viticulture Pty Ltd ('Duxton Viticulture') undated lease for water entitlements identified as WEE035396, WAL7727 and WAL7728;

1.9.6 Duxton Viticulture undated lease for water entitlements identified as share in water held by Western Murray Irrigation Ltd (Zone 11) and Murrumbidgee Irrigation Ltd (Zone 13);

1.9.7 Duxton Viticulture undated lease for water entitlements identified as WAL4949, WAL5015, WAL5017, WAL5232, WAL9315, WAL9316, WAL37145;

1.9.8 Merriment Rural Investments Pty Ltd ('Merriment') undated lease for water entitlements identified as Entitlement Certificate Nos 306, 307, 331, 363 and 332 and WAL 1995; and

1.9.9 Hathor Dairies Pty Ltd ('Hathor') undated lease for water entitlements identified as WEE001374 and WEE006027.

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1.10 Hathor dated 25 July 2016 relating to the sale of water entitlements including the payment of the consideration of $2,717,985.

Merriment dated 25 July 2016 relating to the sale of water entitlements including the payment of the $3,399,000.

2.2.13 The Company confirms that the water purchases contracts with Hathor and Merriment dated 25 July 2016 relating to the sale of water entitlements including the payment of $2,717,985 and $3,399,000 have settled as disclosed in the prospectus and in accordance with the terms and date specified in the relevant acquisition agreement.

Should you have any queries please do not hesitate to contact me.

Kind regards,

Will Brennan

Duxton Water Limited
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