Duxton Water Limited

ACN 611 976 517

APPENDIX 4E
ASX Preliminary final report for the year ended 31 December 2017

1. Reporting period

Reporting period "Current period" From 1 January 2017 to 31 December 2017
Previous corresponding period From incorporation on 20 April 2016 to 31 December 2016

2. Results for announcement to the market

				$,000
Revenue from ordinary activities	up	388%	to	4,111
Profit (loss) from ordinary activities after tax attributable to members	up	991%	to	2,066
Net profit (loss) for the period attributable to members	up	991%	to	2,066

	2017	2016
Net asset value per share	$1.087	$1.076
Net asset value per share at fair market value	$1.180	$1.074

On 16 November 2017 the Company paid a $0.023 interim dividend, franked to 75%.

	Record date	Date payable	Amount per security	Franked amount per security
Current year				
Interim dividend	2 November 2017	16 November 2017	$0.023	$0.017
Previous year				
	NA	NA	NA	NA

Commentary on results for the period
The Company's net profit after tax for the period amounted to $2.066 million (2016: loss after tax of $0.232 million).

The net asset value of the Company as at 31 December 2017 amounted to $77.378 million or $1.0866 per share. The net asset value of the Company as at 31 December 2016 was $68,801 million or $1.076 per share. The net asset value of the Company on a fair market value basis at 31 December 2017 was $84.026 million or $1.180 per share (31 December 2016: $68.712 million or $1.074 per share).

Permanent water entitlements are held at historical cost of $75.784 million less accumulated impairment losses of $0.031 million. The net asset book value of the water entitlements at 31 December 2017 is $75.753 million compared to $50.354 million as at 31 December 2016.

Duxton Water Ltd releases a monthly Net Asset Value (NAV) statement, expressed as a value per share. This is consistent with the manner in which the NAV of the Company is reported to the Board for internal reporting purposes.

Presented below is a summary of the Company's NAV on the fair market value basis compared to the basis of preparation described in the financial statements.

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31 December 2017	Per Company Statement of Financial Position $'000	Per Fair Market Value* $'000	Variance $'000
Assets			
Permanent water entitlements	75,753	84,566	8,813
Temporary water entitlements	1,116	1,799	683
Net current and deferred tax asset	257	(2,591)	(2,848)
Net other assets	2,252	2,252	-
Net non-current liabilities	(2,000)	(2,000)	-
Total net assets	77,378	84,026	6,648
Net asset value per share	$1.087	$1.180	$0.093

3. Dividends

	Amount per security	Franked amount per security at 30%	Amount per security of foreign source dividend cents
Final dividend			
Current year	-	-	-
Previous year	-	-	-
Interim dividend			
Current year	$0.023	$0.017	-
Previous year	-	-	-

4. Dividend reinvestment plan

During the year the Company established a dividend reinvestment plan. Shareholders were able to participate in the dividend reinvestment plan for the interim dividend. A 3% discount applied to the 2017 interim dividend. The last date for lodgement of election notices for the DRP was 3 November 2017.

5. Net tangible assets per share

	31 December 2017	31 December 2016
Net tangible assets per ordinary share	(0.01)	0.26
Net assets per ordinary share	1.09	1.08

6. Control gained or lost during the period

Not applicable

7. Associates and joint ventures

There are no associates or joint venture entities.

8. Audit qualification or review

This report is based on the Financial Report for the period ended 31 December 2017. All the documents comprise the information required by Listing Rule 4.3A.