# DUXTON FARMS LTD
# ACN 129 249 243

## ENTITLEMENT ISSUE PROSPECTUS – CONVERTIBLE NOTES

For a pro-rata non-renounceable entitlement issue of 1 Convertible Note for every 11 Shares held by those Shareholders registered at the Record Date at an issue price of $1.00 per Convertible Note to raise up to approximately $9,739,054 (based on the number of Shares on issue as at the date of the Prospectus) (**Offer**).

### IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Notes being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

**The Notes offered by this Prospectus should be considered highly speculative.**

STEINEPREIS PAGANIN

## IMPORTANT NOTICE

This Prospectus is dated 28 August 2026 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Notes may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Notes the subject of this Prospectus should be considered highly speculative.

Applications for Notes offered pursuant to this Prospectus can be submitted on an original Entitlement and Acceptance Form or by making payment for Notes by BPAY® (by following the instructions on the Entitlement and Acceptance Form).

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act and ASIC Corporations (Offers of Convertibles) Instrument 2026/97. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

**No investment advice**

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Notes under this Prospectus to determine whether it meets your objectives, financial situation and needs.

**Target Market Determination**

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the Notes issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.duxtonfarms.com).

**Company website**

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

**Exposure Period**

The Corporations Act prohibits the acceptance of an application for, or an issue of, the Notes in the seven calendar day period after the date of this Prospectus (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further seven days. The Company will not accept an application for, nor will it issue any Notes on the basis of, this Prospectus during the Exposure Period. Entitlement and Acceptance Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be conferred on Entitlement and Acceptance Forms received during the Exposure Period and all Entitlement and Acceptance Forms received during the Exposure Period will be treated as if they were simultaneously received on the Opening Date.

**Trading in the Notes**

The Notes will not be quoted on ASX. Any dealing in Notes prior to the receipt of a holding statement is at the risk of the person dealing. The Company will have no responsibility, and disclaims all liability (to the maximum extent permitted by law), to persons who purport to trade Notes in error or which they do not hold or to which they are not entitled.

If you are in any doubt as to these matters, you should first consult your stockbroker, accountant or other professional adviser.

**Forward-looking statements**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

**Risk factors**

Potential investors should be aware that subscribing for Notes in the Company involves a number of risks. The risk factors of which investors should be aware are set out in Section 7, and a summary of some of the key risks associated with investing in the Notes is set out in Part D of Section 3 (Investment Overview) of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Notes (and of the Shares into which they may be converted) in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for the Notes pursuant to this Prospectus.

**Trustee**

The Trustee, MSC Group:

(a) has not authorised or caused the issue, submission, dispatch or provision of this Prospectus and does not make any statement or purport to make any statement in this Prospectus or any statement on which a statement in this Prospectus is based;

(b) nor any of its directors, employees, officers, affiliates, agents, advisors, intermediaries or related body corporate (each a "related person") assumes any responsibility for the accuracy or completeness of any information contained in this Prospectus;

(c) to the maximum extent permitted by law expressly disclaims all liability in respect of, makes no representation or any statement regarding, and takes no responsibility for, any part of this Prospectus, or any statements in, or omission from this Prospectus, other than the references to its name and the statement(s) (if any) specified below and included in this Prospectus with its written consent;

(d) has given, and has not, before the lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus in the form and content in which it is named;

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(e) nor any related person makes any representation as to the truth and accuracy of the contents of this Prospectus;

(f) has relied on the Company for the accuracy of the contents of this Prospectus; and

(g) nor any related person makes any representation or warranty as to the performance of the Notes or the payment of interest or redemption of the Notes.

**Where can I obtain further information about the Company and the Notes?**

The Company is a disclosing entity for the purposes of the Corporations Act and as a result is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. In addition, the Company must notify ASX immediately (subject to certain exceptions) if it becomes aware of information about it that a reasonable person would expect to have a material effect on the price or value of its securities (i.e. its Shares and, if the Offer is successfully completed, the Notes). Copies of documents lodged with ASIC and ASX can be obtained from, or inspected at, an ASIC office and can also be obtained from the Company's website, www.duxtonfarms.com or at www.asx.com.au.

In addition, the following information can be obtained from www.duxtonfarms.com:

(a) the Company's half-yearly and annual financial reports; and

(b) all other general information provided by the Company to its Shareholders and investors

## CORPORATE DIRECTORY

**Directors**

Edouard (Ed) Peter
*(Non-Executive Chairman)*

Stephen Duerden
*(Non-Executive Director)*

Paul Burke
*(Non-Executive Director)*

Rachel Triggs
*(Non-Executive Director)*

**Company Secretary**

Katelyn Adams

**Registered Office**

Level 2
208 Greenhill Road
EASTWOOD SA 5063

Telephone: +61 8 7087 9118
Website: www.duxtonfarms.com

**Share Registry**

Computershare Investor Services Pty Limited
Level 5
115 Grenfell Street
ADELAIDE SA 5000

Telephone: 1300 850 505

**Auditor***

Grant Thornton Audit Pty Ltd
Level 3
170 Frome Street
ADELAIDE SA 5000

**Solicitors**

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

**Trustee**

Melbourne Securities Corporation Limited
Level 2
379 Collins Street
MELBOURNE VIC 3000

**This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.*

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# 1. LETTER FROM THE CHAIR

Dear Shareholder,

On behalf of the Board of Duxton Farms Ltd (**Company** or **Duxton Farms**), I am pleased to introduce this Prospectus for an entitlement issue of Convertible Notes to raise approximately $9.74 million.

Following completion of the acquisition of Duxton Dried Fruits, Duxton Bees, Duxton Apples, and Duxton Dairies (Cobram) in October 2025, the Board has focused on integrating the acquired operations, strengthening the balance sheet, and concentrating capital on its core operations.

The Company has been in the process of divesting of non-core broadacre cropping assets and deploying capital into horticulture, apiculture and viticulture, which the Board believe may offer a higher return on capital employed. High interest rates and heightened fuel and fertiliser costs over the first half of 2026 have resulted in a slightly subdued market for the assets which the Company is seeking to market.

The Company is seeking to raise approximately $9.74 million in new capital through a convertible note offering so as to keep the Company's existing development plans on track while the broadacre cropping market stabilises. Notably, over FY26 the Company:

- has contracted the sale of the apples business;
- planted the next stage of its greenfield pistachio development;
- progressed permitting for clearing at the Wildman Agricultural Precinct;
- secured supermarket distribution for its Fuzzy Bum honey product range;
- internalised its finance and corporate overhead functions; and
- consolidated management of its on-ground operations team.

While the costs associated with consolidation exercise, such as stamp duty and FIRB fees and legal costs, had a significant negative impact on the Company's short-term financial results, the Board's strategy to expand and broaden Duxton Farms' exposure to the Australian agricultural sector has been largely achieved. The pathway forward at this point focuses on continued investment in Duxton Farms' existing and recently-acquired development projects to drive sustainable value creation in the portfolio over the long-term.

Assuming full take-up, funds raised under the Offer are intended to be applied as follows:

- approximately $3m to capital expenditure across the Company's operations, including permanent plantings and associated development costs, irrigation and water infrastructure upgrades, and plant and machinery replacement;
- approximately $2m to repayment of the Company's existing senior debt facilities (revolving overdraft specifically);
- approximately $4.56m for general working capital to support the Company's operating cycle, including most notably seasonal crop input and harvest costs and the costs associated with carrying recently established plantings through to commercial production; and
- approximately $0.18m to the estimated costs of the Offer.

The allocation of funds will depend on the level of subscriptions received under the Offer.

The Offer provides existing Shareholders with the opportunity to subscribe for Notes and receive interest income which they can elect to receive either as:

- a 7.5% cash coupon paid in arrears annually; or,
- a 12.0% per annum return capitalised annually in arrears on the principal of the Note, which may be converted into equity each year along with all or part of the principal.

By offering the Convertible Notes to existing Shareholders, the Company is seeking to provide an income return to its loyal shareholder base. The Board considers this a means of capital raising that is likely to be less dilutive to its existing shareholders than the alternatives available to the Company.

We would like to highlight in particular that Notes are convertible in each year of the term of the Notes into Shares at 90% of the lowest 30-day volume-weighted average share price for the previous 11-month period (measured from 1 October to 31 August annually), rather than at a set dollar amount. The Board believes this strikes a strong balance between offering a compelling return to existing shareholders while managing dilution and minimising the risk that the Company's divestment strategy is executed in the wrong conditions.

Please read the Prospectus carefully as it contains information as to Offer terms and effect, proposed use of funds and rules associated with the Notes and the Company's activities generally. Please consult your professional adviser if you have any questions in relation to the Offer.

The Board advises that the Company has received commitments from entities associated with its two largest Shareholders, Mr Richard Magides and Mr Ed Peter, to subscribe for their full Entitlements and, subject to Shareholder approval, Shortfall Notes (refer to Section 8.3). Mr Stephen Duerden reserves his right to take up his Entitlements in whole or in part at his discretion.

We look forward to your continued support and participation in the Company's future.

Yours sincerely

**Edouard (Ed) Peter**
**Chairman**
**Duxton Farms Ltd**

## 2. TIMETABLE

| EVENT | DATE |
|---|---|
| Lodgement of Prospectus with ASIC | Friday, 28 August 2026 |
| Lodgement of Prospectus and Appendix 3B with ASX | Friday, 28 August 2026 |
| Exposure period begins | Friday, 28 August 2026 |
| Exposure period ends (7 calendar days – no applications accepted during this period) | Friday, 4 September 2026 |
| Ex date | Tuesday, 8 September 2026 |
| Record Date | Wednesday, 9 September 2026 |
| Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed | Monday, 14 September 2026 |
| Last day to extend the Closing Date | Monday, 21 September 2026 |
| Closing Date for acceptance of Entitlements | Thursday, 24 September 2026 |
| Announcement of the results of the Offer, issue of securities taken up under the Offer and lodgement of an Appendix 3G with ASX | Thursday, 1 October 2026 |

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date.

## 3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for Shareholders intending to apply for Convertible Notes pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| **1. OVERVIEW OF THE OFFER** | | |
| **What is the Offer?** | The Offer is a pro-rata non-renounceable entitlement issue of 1 Note for every 11 Shares held by Shareholders registered at the Record Date at an issue price of $1.00 per Note, to raise up to approximately $9,739,054 (based on the number of Shares on issue as at the date of the Prospectus).<br><br>Eligible Shareholders may apply for Notes under the Shortfall Offer in addition to their Entitlements subject to such applications being received by the Closing Date.<br><br>Eligibility to participate in the Offer is restricted to persons whose registered address is in Australia, New Zealand, Switzerland, Luxembourg or Singapore, in each case subject to the eligibility criteria and restrictions set out below and in Section 4.10.<br><br>The Offer is subject to and conditional upon entry into the Security Deed and the Intercreditor Deed. | Sections 4.1 and 4.5 |
| **About the Company** | Duxton Farms Ltd is an Australian integrated mixed farming enterprise and investment company listed on the Australian Securities Exchange (ASX: DBF). The Company operates approximately 177,000 hectares of owned and leased agricultural land and manages approximately 25,000 megalitres of owned and leased water entitlements. Duxton Farms' operations span South Australia, New South Wales, Victoria, and the Northern Territory, with ongoing development of pistachio production in Victoria and rainfed cropping operations in the Northern Territory. For further information about Duxton Farms, visit the Company's website at www.duxtonfarms.com, where information about the Company's operations, financial results, and corporate governance can be accessed. | |
| **What is the purpose of the Offer?** | The purpose of the Offer is to raise up to approximately $9,739,054 (before costs of the Offer). The funds raised are intended to be applied to capital expenditure across the Company's operations, the repayment of the Company's existing senior debt facilities, general working capital and the costs of the Offer. | Sections 5.1 and 10.8 |
| **Key dates of the Offer** | Key dates of the Offer are set out in the timetable in Section 2 of this Prospectus. | Section 2 |
| **Is the Offer Underwritten?** | The Offer is not underwritten. | Section 4.3 |
| **How will the expenses of the Offer be paid?** | Expenses of the Offer will be paid out of the funds raised from the Offer, or otherwise borne by the Company. | Sections 5.1 and 10.8 |

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| **Is there a minimum subscription?** | There is no minimum subscription. Any Entitlement not taken up will form the Shortfall Offer. The Shortfall Offer will remain open for up to three months following the Closing Date. | Sections 4.2 and 4.5 |
| **2. KEY TERMS OF THE CONVERTIBLE NOTES** | | |
| This Section 3 contains a summary of the Note Terms. The full terms and conditions of the Notes are set out in Section 6.1 of this Prospectus. It is important that the information in this Prospectus, which includes the Note Terms, is read in full before you decide to apply for Notes under the Offer.<br>If you are unsure as to any aspect of the Offer or the Note Terms, or are unsure whether the Notes are a suitable investment for you, please consult a professional adviser. | | |
| **Issue Price or Face Value** | The Issue Price of the Notes is $1.00 per Note (**Issue Price**).<br>The Notes will be issued with a Face Value of $1.00 each (**Face Value**). | Section 6.1.1(b) |
| **Security** | The Notes will be secured by second-ranking security granted by the Company and its wholly owned subsidiaries in favour of the Trustee (for the benefit of Noteholders) under a general security deed (excluding real property and water assets), ranking behind the Company's senior bank facilities. The priority arrangements between the Trustee and the Company's senior lender will be regulated by an intercreditor deed (**Intercreditor Deed**). | Section 6.1.6(b) |
| **Maturity Date** | Unless converted earlier or redeemed, the Company will redeem all outstanding Notes at their Outstanding Face Value (being the Face Value plus any capitalised PIK Interest) on the maturity date, being four (4) years from the date of issue (**Maturity Date**). | Section 6.1.3 |
| **Interest Rate** | Prior to each annual anniversary of the issue date, Noteholders may elect (by irrevocable written notice given at least 5 Business Days before the relevant anniversary) to receive either: (a) a cash coupon of 7.5% per annum, paid annually in arrears; or (b) a 12.0% per annum return capitalised annually into the principal outstanding of the Notes, which may be converted into Shares each year (along with all or part of the principal). If a Noteholder makes no election, the Noteholder will receive the cash coupon.<br>Cash interest on Notes that is not paid when due will compound. | Section 6.1.2 |
| **Conversion Election Periods** | The Notes are convertible at the election of the Noteholder in the period preceding each annual anniversary of the issue date of the Notes and the Maturity Date (each an Election Date), being the period commencing 20 Business Days before, and ending 5 Business Days before, the relevant Election Date (**Conversion Election Period**). | Section 6.1.4 |

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| **Conversion** | The Notes will be convertible at the election of the Noteholder, in whole or in part, on each Election Date into fully paid registered and freely tradable ordinary shares of the Company (**Conversion Shares**) at the Conversion Price.<br><br>The Conversion Shares to be issued upon conversion of the Notes will rank equally with all other fully paid ordinary Shares in the capital of the Company on issue and the Company will apply to have those shares listed on ASX as soon as practicable after conversion of the relevant Notes. | Section 6.1.4(a) |
| **Conversion Price** | The conversion price will be the greater of:<br><br>(a) 90% of the lowest 30-day volume weighted average price of Shares (as traded on ASX) over the 11-month period (1 October – 31 August) immediately preceding the first day of the relevant Conversion Election Period; or<br><br>(b) $0.20,<br><br>(**Conversion Price**). | Section 6.1.4(b) |
| **ASX Quotation of Notes** | The Notes will not be quoted on ASX and there will be no public market for trading of the Notes. The Shares issued on conversion of the Notes will be quoted on ASX. | Sections 4.8 and 6.1.1(e) |
| **Redemption – Takeover or Change of Control** | If a takeover bid is made for 50% or more of the Shares and the bidder acquires a relevant interest in 50% or more of the Shares, there is a change in control of 50% or more of the Shares, or there is a sale of the main undertaking of the Company (each a Change of Control), the Company must give Noteholders written notice, and each Noteholder must within 10 Business Days elect to convert, or require the Company to redeem, all of the Notes held by that Noteholder. If a Noteholder makes no election, the Company will redeem those Notes. | Section 6.1.5(a) |
| **Redemption at Maturity** | If the holder has not exercised their option to convert the Convertible Note into Conversion Shares prior to the Maturity Date, the Company will redeem the Convertible Note on the Maturity Date at its Outstanding Face Value, plus any accrued and unpaid cash interest in respect thereof. | Section 6.1.3(a)(ii) |
| **Ranking in priority** | Upon the winding up of the Company, the Notes rank:<br><br>(a) behind the Senior Debt of the Company (including its senior bank facilities) and other creditors with priority at law;<br><br>(b) equally with all other Notes;<br><br>(c) ahead of all other present and future unsecured and subordinated debt obligations of the Company which by their terms rank equally with the Convertible Notes (subject to the laws | Section 6.1.6(c) |

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| | and principles of equity affecting creditor rights or obligations preferred by mandatory provisions of applicable law); and<br>(d) ahead of all Shares. | |
| **Trustee** | MSC Group has agreed to act as the trustee pursuant to Chapter 2L of the Corporations Act for the issue of the Notes and pursuant to the terms and conditions of the Trust Deed. | Section 10.6 |
| **Covenants** | The Company has agreed with the Trustee to comply with the following covenants:<br>(a) the Company will carry on and conduct the business of the Company in a proper and efficient manner;<br>(b) the Company must convene a meeting of Noteholders if requested by Noteholders in accordance with the Trust Deed;<br>(c) the Company will comply with, perform and observe all its obligations under the transaction documents, which are comprised of:<br>(i) the Trust Deed;<br>(ii) the Note Terms;<br>(iii) the Security Deed; and<br>(iv) the Intercreditor Deed. | Section 8.1(d) |
| **Default** | Following the occurrence and during the continuance of an event of default (summarised in Section 8.1 of this Prospectus), the Trustee may issue a Redemption Notice requiring the Notes to be repaid, including accrued interest.<br>Following the occurrence and during the continuance of an event of default, the interest payable on the Notes will be increased by an additional 2% per annum. Noteholders will have the right to convert during any default period. | Sections 6.1.2(b), 8.1(j) and 8.1(k) |
| **Participation Rights** | The Notes do not carry any participation rights or entitlements and Noteholders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Notes without converting the Notes into Shares.<br>However, if at any time the issued capital of the Company is reconstructed, all rights of the Noteholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction. | Section 6.1.1(f) |
| **Voting** | Noteholders do not have a right to vote at meetings of Shareholders.<br>Noteholders may vote at meetings for Noteholders in accordance with the Trust Deed. | Sections 6.1.1(q) and 8.1(q) |

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| **Key benefits of the Notes** | The key benefits attaching to the Notes include:<br>(a) the Notes are issued by the Company;<br>(b) the Notes have a fixed term of four (4) years;<br>(c) Noteholders may elect annually to receive either a cash coupon of 7.5% per annum, paid annually in arrears, or a 12.0% per annum return capitalised into the principal outstanding of the Notes;<br>(d) the Notes are convertible into Shares, allowing Noteholders the opportunity to participate in any increase in the market price of Shares above Conversion Price;<br>(e) the Notes are secured by second-ranking security and rank ahead of unsecured creditors; and<br>(f) the Notes provide investors with an opportunity to diversify their portfolio. | |
| **3. EFFECT OF THE OFFER** | | |
| **Effect on Capital Structure** | The Company currently has 107,129,589 Shares on issue.<br>Under the Offer, the Company intends to issue 9,739,054 Notes to Eligible Shareholders.<br>Refer to Section 5.3 for more information on the effect of the Offer on the capital structure. | Section 5.3 |
| **Effect on financial position** | A pro forma statement of financial position has been prepared based on the Company's unaudited accounts as at 30 June 2026.<br>The effect of the Offer (assuming the Offer is fully subscribed) will be a significant increase to cash reserves and non-current liabilities by approximately $9.74 million (before expenses of the Offer). | Section 5.2 |
| **Effect on control** | If some Eligible Shareholders do not take up all or any of their Entitlements, they will have their shareholdings diluted if any Notes are converted into Shares. | Section 5.4 |
| **4. KEY RISKS OF THE NOTES** | | |
| A summary of some of the risks associated with an investment in the Notes is set out below.<br>Refer to Section 7 of this Prospectus for more information on the risk factors associated with investing in the Notes, including Company related, industry specific and general risks. | | |
| **What are the key risks associated with the Notes?** | A non-exhaustive list of potential risks associated with taking up Notes under the Offer includes:<br>(a) **Interest payments:** the Company expects to make interest payments using available cash balances and cash flow from its operations. There may be insufficient cash available to the | Section 7.2 |

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| | Company to make interest payments on the due date;<br>(b) **Redemption risk:** the Company needs to be able to redeem any Notes that have not been converted using the proceeds from future debt or equity raisings, cash flows from operations or proceeds from the sale of investments. There is a risk that the Company may be unable to procure or raise sufficient cash resources from its operations, future debt or equity raisings and may, in that case, have insufficient cash to redeem the Notes at the Maturity Date (or any earlier date as otherwise required under the Note Terms);<br>(c) **Interest rate risk:** interest on the Notes is fixed, which means that no adjustments will be made to the rate of interest paid to Noteholders in the event that market based interest rates rise or fall;<br>(d) **Inflation rate risk:** an increase in the inflation rate may erode in real terms the value of the capital invested in the Notes;<br>(e) **Financial market conditions:** Shares issued on conversion of the Notes will vary in value depending on the market price of Shares, which price, compared to the Conversion Price, may rise or fall;<br>(f) **Market Price of Shares:** the market price of the Shares may be volatile. The volatility of the market price of the Shares may cause volatility in the price of the Notes and affect the ability of Noteholders to sell their Notes either at all or at an acceptable price;<br>(g) **Liquidity:** the Notes will not be quoted on ASX and there will be no public market for the Notes. Noteholders will only be able to dispose of Notes by off-market transfer, and may be unable to realise their investment prior to conversion, redemption or maturity;<br>(h) **Ranking**: if there is a shortfall of funds on winding-up, there is a risk that Noteholders will not receive a full (or any) repayment of their money invested in the Notes or payment of unpaid interest, as Noteholders will rank behind existing secured creditors of the Company;<br>(i) **Conversion**: the market price of Shares may fluctuate over time as a result of a number of factors, Shares held by Noteholders following conversion of their Notes will rank equally with other Shares, the market price of which may fluctuate over time; | |

| ITEM | SUMMARY | FURTHER INFORMATION |
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| | (j) **Change in the Australian tax system**: investors should be aware that any future changes in Australian tax law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of the acquisition, holding and disposal of Notes; and<br>(k) **Enforcement risk**: rights under the Note Terms and the Trust Deed may generally only be enforced by the Trustee and not by the Noteholders directly. Noteholders must notify the Trustee of their claims and rely on enforcement by the Trustee, except in certain circumstances where the Trustee has failed to take action after being directed by the Noteholders to do so. The Trustee is not obliged to take any enforcement action unless it is indemnified and first placed in funds. The Trustee may waive any breach of the Trust Deed except for non-payment of the face value of Notes. Noteholders may, by special resolution, amend the Note Terms in order to waive a breach of the Note Terms or for other purposes. A large Noteholder may influence the outcome of any such vote. | |
| **What are the key risks associated with the Company's business?** | A non-exhaustive list of potential risks associated with the Company's business, each of which is described in Section 7.3, includes:<br>(a) potential for dilution;<br>(b) health and safety;<br>(c) key persons;<br>(d) defective products;<br>(e) uninsurable assets;<br>(f) environmental and regulatory matters, including relating to ESG;<br>(g) modern slavery;<br>(h) strategy implementation;<br>(i) litigation/disputes;<br>(j) operational and controls;<br>(k) property valuations;<br>(l) leased property;<br>(m) limited liquidity in invested land;<br>(n) debt refinancing;<br>(o) Investment manager; and<br>(p) water. | Section 7.3 |

| ITEM | SUMMARY | FURTHER INFORMATION |
| --- | --- | --- |
| **What are the key risks associated with the industry?** | A non-exhaustive list of potential risks associated with the industry in which the Company operates, each of which is described in Section 7.4, includes:<br>(a) weather events and climatic conditions;<br>(b) climate change;<br>(c) disease and infestation;<br>(d) commodity prices and sales strategies;<br>(e) dependence on commodity buyers;<br>(f) competition;<br>(g) supply of other key inputs;<br>(h) availability of seasonal or skilled labour;<br>(i) global and domestic conditions and regulatory changes; and<br>(j) other force majeure events and external factors. | Section 7.4 |
| **What are the general risks associated with an investment in securities?** | A non-exhaustive list of general risks, each of which is described in Section 7.5, includes:<br>(a) Share investment and market conditions and liquidity;<br>(b) dilution;<br>(c) additional requirements for capital;<br>(d) debt funding;<br>(e) taxation;<br>(f) changes in accounting standards; and<br>(g) expected future events may not occur. | Section 7.5 |
| **5. APPLYING FOR NOTES UNDER THE OFFER** | | |
| **Who are the Eligible Shareholders?** | An Eligible Shareholder is a registered owner of Shares on the Company's share register as at 5:00pm (Sydney time) on the Record Date, with a registered address in:<br>(a) Australia;<br>(b) New Zealand;<br>(c) Luxembourg;<br>(d) Switzerland; or<br>(e) Singapore. | Section 1 |
| **How can I apply?** | Eligible Shareholders may apply for Notes under the Offer by completing the Entitlement and Acceptance Form accompanying this Prospectus and sending it along with the relevant application monies to the Company's Share Registry, by no later than 5:00pm (Sydney time) on the Closing Date. | Sections 2, 4.4, 4.6 and 4.7 |

| ITEM | SUMMARY | FURTHER INFORMATION |
| --- | --- | --- |
| **What is my Entitlement?** | The number of Notes that you can apply for is set out on your personalised Entitlement and Acceptance Form accompanying this Prospectus.<br><br>If you have not received your Entitlement and Acceptance Form, or there is an error in your Entitlement and Acceptance Form, please contact the Company at enquiries@duxtonam.com. | Section 4.4 |
| **Are Entitlements able to be sold or transferred?** | No. The Offer is non-renounceable, which means that Entitlements are not able to be sold or transferred.<br><br>If you do not take up your Entitlement, your Entitlement will lapse on the Closing Date. | Section 4.1 |
| **Can I apply for Notes in excess of my Entitlement?** | Yes. In addition to their entitlements, Eligible Shareholders may apply for Notes under the Shortfall Offer, subject to those applications being received by the Closing Date.<br><br>The issue price for Notes offered under the Shortfall Offer will be $1.00 per Note. | Sections 2, 4.1 and 4.5 |
| **How do I apply for additional Notes?** | Fill in the number of Notes you wish to apply for in addition to your entitlement under the Shortfall Offer in the space provided on the Entitlement and Acceptance Form accompanying this Prospectus. | Sections 4.4(b) and 4.5 |
| **What options are available to me?** | You may do one of the following:<br><br>(a) take up your full Entitlement under the Offer;<br><br>(b) take up your full Entitlement under the Offer and apply for additional Notes under the Shortfall Offer;<br><br>(c) take up a portion of your Entitlement under the Offer; or<br><br>(d) do nothing, in which case your Entitlement will lapse on the Closing Date. | Section 4.4 |
| **What if I do nothing?** | If you do not take up your Entitlement, your Entitlement will lapse on the Closing Date.<br><br>The Notes representing your Entitlement may be offered to Eligible Shareholders and other investors applying for Notes under the Shortfall Offer. Existing Shareholders' interests will be diluted on conversion of the Notes into Shares if they do not take up their Entitlements under the Offer. | Section 5.4 |
| **Is brokerage, commission or stamp duty payable?** | No brokerage or stamp duty is payable on your application for Notes under the Offer. | Section 9.5 |
| **What are the tax implications of** | Section 9 of this Prospectus contains a summary of the tax consequences for potential Noteholders | Sections 4.11 and 9 |

| ITEM | SUMMARY | FURTHER INFORMATION |
|---|---|---|
| **investing in the Notes?** | and is based on Australian tax law and administrative practice as at the date of this Prospectus. This summary is necessarily general in nature and is not intended to be tax advice to Noteholders. Accordingly, prospective Noteholders should seek their own tax advice, which is specific to their particular circumstances, as to the tax consequences of investing in, holding and disposing of the Notes. | |

## 4. DETAILS OF THE OFFER

### 4.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of 1 Note for every 11 Shares held by Shareholders registered at the Record Date at an issue price of $1.00 per Note. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus (assuming no additional Shares are issued prior to the Record Date), a maximum of approximately 9,739,054 Notes will be issued pursuant to this Offer to raise up to approximately $9,739,054 (subject to rounding of fractional entitlements) (subject to rounding).

All of the Notes offered under the Prospectus will be issued on the terms and conditions set out in Section 6.1.

Any Shares issued on the future conversion of the Notes offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1.

The Offer is subject to and conditional upon entry into the Security Deed and the Intercreditor Deed. In the event that these conditions are not satisfied, the Offer will not proceed, and no Notes will be issued pursuant to this Prospectus. If this occurs, all application monies will be refunded (without interest) and in accordance with the Corporations Act.

### 4.2 Minimum subscription

There is no minimum subscription. Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. Please refer to Section 4.5 for further details of the Shortfall Offer.

### 4.3 Underwriting

The Offer is not underwritten.

### 4.4 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. The Offer is non-renounceable, which means that Entitlements are not able to be sold or transferred.

You may participate in the Offer as follows:

(a) if you wish to accept your **full** Entitlement:

  (i) complete the Entitlement and Acceptance Form; and

  (ii) make payment by BPAY® (or, if you are an Eligible Shareholder with a registered address outside Australia, by electronic funds transfer in accordance with the instructions on the Entitlement and Acceptance Form) for the amount indicated on the Entitlement and Acceptance Form, or

(b) if you wish to accept your **full** Entitlement and apply for Notes under the **Shortfall Offer**:

  (i) complete the Entitlement and Acceptance Form;

  (ii) fill in the number of Notes you wish to apply for under the Shortfall Offer in the space provided on the Entitlement and Acceptance Form; and

  (iii) make payment by BPAY® (or, if you are an Eligible Shareholder with a registered address outside Australia, by electronic funds transfer in accordance with the instructions on the Entitlement and Acceptance Form) for the appropriate application monies (at $1.00 per Note), or

(c) if you only wish to accept **part** of your Entitlement:

(i) fill in the number of Notes you wish to accept in the space provided on the Entitlement and Acceptance Form; and

(ii) make payment by BPAY® (or, if you are an Eligible Shareholder with a registered address outside Australia, by electronic funds transfer in accordance with the instructions on the Entitlement and Acceptance Form) for the appropriate application monies (at $1.00 per Note), or

(d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse.

### 4.5 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Notes**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date.

Eligible Shareholders may apply for Notes under the Shortfall Offer in addition to their Entitlements subject to such applications being received by the Closing Date. The issue price for each Note to be issued under the Shortfall Offer shall be $1.00 being the price at which Notes have been offered under the Offer.

The Shortfall Offer will be open to existing Shareholders and new external investors to the Company.

Allocation of the Shortfall Notes will be at the discretion of the Board. If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Notes by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders (other than to Mr Ed Peter, whose allocation under the Shortfall Offer, if any, will only occur if there are Shortfall Notes remaining after all other applications under the Shortfall Offer have been satisfied and subject to the receipt of Shareholder approval). There is no guarantee that Eligible Shareholders will receive Notes applied for under the Shortfall Offer.

Any Shortfall Notes not applied for by Eligible Shareholders may be placed and allocated by the Company in the three months following the Closing Date of the Offer.

Mr Ed Peter has confirmed that, if there are Shortfall Notes available once the allocation policy set out above has been followed (i.e. all applications for Shortfall Notes received from all other Eligible Shareholders have been fulfilled), and subject to receipt of Shareholder approval, he (together with his associated entities) will subscribe for such number of Shortfall Notes as results in an aggregate subscription under the Offer of 2,800,000 Notes (an aggregate amount of $2,800,000). Entities associated with Mr Richard Magides have made an equivalent commitment for an aggregate subscription of 2,800,000 Notes ($2,800,000). Refer to Section 8.3.

Eligible Shareholders resident in jurisdictions outside Australia should note that their participation in the Shortfall Offer may be restricted by Australia's foreign investment laws. The Company reserves the right to not issue Notes under the Shortfall Offer to an Eligible Shareholder where it reasonably believes that doing so may infringe Australia's foreign investment laws.

### 4.6 Payment options

Payment must be made by BPAY® or, in the case of Eligible Shareholders with a registered address outside Australia, by electronic funds transfer in accordance with the instructions on the Entitlement and Acceptance Form. Payment by cheque or bank draft will not be accepted.

Your completed Entitlement and Acceptance Form and payment must be received by the Company's share registry by no later than 5:00pm (Sydney time) on the Closing Date.

## 4.7 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

(a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Notes which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Notes (including any additional Notes (if applicable)) will be refunded except for where the amount is less than $1.00 in which case it will be donated to a charity chosen by the Company. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Any Entitlement not taken up will lapse on the Closing Date.

## 4.8 No quotation of the Notes

No application will be made for quotation of the Notes on ASX. The Notes will be registered on a register maintained by the Share Registry and holding statements will be issued to Noteholders following issue. The Company will apply for quotation of the Shares issued on conversion of the Notes in accordance with the Note Terms.

## 4.9 Issue of Notes

Notes issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Notes issued pursuant to the Shortfall Offer may be issued on a progressive basis. Where the number of Notes issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date of the Shortfall Offer.

Pending the issue of the Notes or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Notes issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Notes issued under the Shortfall Offer as soon as practicable after their issue.

## 4.10 Overseas shareholders

### Singapore

This Prospectus and any other materials relating to the Notes have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the Notes may not be issued, circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (**the SFA**) or another exemption under the SFA.

This Prospectus is being given to fewer than 50 persons in Singapore who are existing holders of the Company's Shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Notes being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Notes and underlying shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

In connection with Section 309B of the SFA, the Company has determined that the Notes and underlying shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

**Luxembourg**

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in Luxembourg or elsewhere in the European Union. Accordingly, this document may not be made available, nor may the Notes be offered for sale, in Luxembourg except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the **Prospectus Regulation**).

In accordance with Article 1(4) of the Prospectus Regulation, an offer of Notes in Luxembourg is limited:

(a) to fewer than 150 natural or legal persons; or

(b) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

**Switzerland**

The Notes may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Notes constitutes a prospectus or a similar notice as such terms are understood pursuant to art. 35 of the Swiss Financial Services Act (FinSA) or the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Notes or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company or the Notes have been or will be filed with or approved by any Swiss regulatory authority or authorized review body. In particular, this document will not be filed with, and the offer of Notes will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document may be distributed in Switzerland only to existing shareholders of the Company and is not for general circulation in Switzerland.

**New Zealand**

Warning: If you are a shareholder in the Company, then you are being offered Notes under the terms of the Offer. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

The usual rules do not apply to this offer because it is a small offer. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment. Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

#### Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia, New Zealand, Luxembourg, Switzerland or Singapore without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of applicable securities laws and other regulations.

Nominees and custodians may not distribute any part of this offer document, and may not permit any beneficial shareholder to participate in the Offer, in any country outside Australia except, with the consent of the Company, to beneficial shareholders resident in New Zealand, Luxembourg, Switzerland, Singapore or certain other jurisdictions where the Company may determine it is lawful and practical to make the Offer.

### 4.11 Taxation considerations

Section 9 of this Prospectus contains a summary of the tax consequences for potential Noteholders and is based on Australian tax law and administrative practice as at the date of this Prospectus. This summary is necessarily general in nature and is not intended to be tax advice to Noteholders.

### 4.12 Enquiries

Any questions concerning the Offer should be directed to the Company by email at enquiries@duxtonam.com.

# 5. PURPOSE AND EFFECT OF THE OFFER

## 5.1 Purpose of the Offer

The purpose of the Offer is to raise up to approximately $9,739,054.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

| ITEM | PROCEEDS | ($) | % |
|---|---|---|---|
| 1 | Capital expenditure[1] | 3,000,000 | 30.80% |
| 2 | Refinancing bank debt[2] | 2,000,000 | 20.54% |
| 3 | General working capital[3] | 4,559,848 | 46.82% |
| 4 | Estimated costs of the Offer[4] | 179,206 | 1.84% |
| **Total** | | **9,739,054** | **100.00%** |

**Notes:**

1. Approximately $3,000,000 will be applied to capital expenditure across the Company's operations, comprising permanent plantings and associated development costs, irrigation and water infrastructure upgrades, and plant and machinery replacement. Refer to Section 1 for further details.
2. Approximately $2,000,000 of the proceeds will be applied to the partial repayment of the Company's existing senior debt facilities with Commonwealth Bank of Australia. Refer to Section 1 for further details.
3. The Company's agricultural operations are subject to a pronounced seasonal working capital cycle. Significant cash outflows are incurred through the growing season for crop inputs including fertiliser, chemicals, and agronomy services, temporary water purchases and delivery charges, and harvest contractor and casual labour, while receipts from the sale of produce are concentrated in the post-harvest period. Funds allocated to working capital will be applied to meet these operating costs across the FY27 production cycle, together with corporate overheads and interest servicing.
4. Refer to Section 10.8 for further details (assuming full subscription).

The above table is a statement of current intentions as of the date of this Prospectus and assumes that the Offer is fully subscribed. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied.

The Directors believe that if the Offer is fully subscribed, the Company will have sufficient working capital to carry out its stated objectives and implement its strategic plans. In the event that the Offer is not fully subscribed and the Company is unable to source alternative funding, operational objectives are likely to be modified, which may result in delay or changes to the Company's strategic plans.

## 5.2 Pro-forma statement of financial position

To illustrate the effect of the Offer on the Company, a pro-forma statement of financial position has been prepared based on the unaudited financial position as at 30 June 2026.

The pro-forma statement of financial position shows the effect of the Offer as if the Notes offered under this Prospectus had been issued on 30 June 2026 and as if the Offer was fully subscribed.

The significant effect of the Offer (assuming the Offer is fully subscribed) will be to increase cash reserves and non-current liabilities by approximately $9.74 million (before cash expenses of the Offer which are estimated to be $179,206) assuming a $1.00 per Note subscription price.

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements and has not been subject to an audit or review.

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements and has not been subject to an audit or review.

| | UNAUDITED 30 JUNE 2026 $'000 | CONVERTIBLE NOTE $'000 | PRO-FORMA $'000 |
|---|---|---|---|
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 1,217 | 9,560 | 10,777 |
| Trade and other receivables | 7,579 | - | 7,579 |
| Inventories | 6,143 | - | 6,143 |
| Prepayments and other current assets | 1,899 | - | 1,899 |
| Biological assets | 9,241 | - | 9,241 |
| Assets classified as held for sale | 74,900 | - | 74,900 |
| **TOTAL CURRENT ASSETS** | **100,979** | **9,560** | **110,539** |
| **NON-CURRENT ASSETS** | | | |
| Land, property, plant and equipment | 126,422 | - | 126,422 |
| Right-of-use assets | 6,207 | - | 6,207 |
| Biological assets | 1,587 | - | 1,587 |
| Intangible assets | 11,690 | - | 11,690 |
| Investment in associate | 721 | - | 721 |
| Financial assets | 104 | - | 104 |
| **TOTAL NON-CURRENT ASSETS** | **146,731** | **-** | **146,731** |
| **TOTAL ASSETS** | **247,710** | **9,560** | **257,270** |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 14,011 | - | 14,011 |
| Bank overdraft | 14,482 | - | 14,482 |
| Borrowings | 26,566 | - | 26,566 |
| Current tax liability | 161 | - | 161 |
| Lease liabilities | 939 | - | 939 |
| Provisions | 979 | - | 979 |
| Liabilities directly associated with assets classified as held for sale | 6,688 | - | 6,688 |
| **TOTAL CURRENT LIABILITIES** | **63,826** | **-** | **63,826** |
| **NON-CURRENT LIABILITIES** | | | |
| Borrowings | 62,876 | - | 62,876 |
| Convertible Notes (Net) | - | 9,560 | 9,560 |
| Lease liabilities | 5,653 | - | 5,653 |
| Provisions | 275 | - | 275 |
| **TOTAL NON-CURRENT LIABILITIES** | **68,804** | **9,560** | **78,364** |
| **TOTAL LIABILITIES** | **132,630** | **9,560** | **142,190** |

| | UNAUDITED 30 JUNE 2026 $'000 | CONVERTIBLE NOTE $'000 | PRO-FORMA $'000 |
|---|---|---|---|
| **NET ASSETS** | **115,080** | **-** | **115,080** |
| **EQUITY** | | | |
| **Equity attributable to owners of the Parent:** | | | |
| - Share capital | 130,756 | - | 130,756 |
| - Reserves | 17,072 | - | 17,072 |
| - Retained earnings | (32,748) | - | (32,748) |
| **TOTAL EQUITY** | **115,080** | **-** | **115,080** |

**Notes:**

1. Based on gross proceeds of $9,739,054 less costs of the Offer of $179,206. The Notes have been assessed as a financial liability. The conversion feature does not meet the fixed-for-fixed condition and is therefore an embedded derivative required to be measured at fair value through profit or loss separately from the debt host. The Convertible Notes are presented as a single line item in the pro forma statement of financial position above. The Company will engage an independent expert to determine the fair value of the conversion feature and will separate the debt host and the derivative financial liability into two line items in its financial report for the half-year ending 31 December 2026. That allocation will not materially change total liabilities, net assets or total equity.

### 5.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

**Shares**

| | NUMBER |
|---|---|
| Shares currently on issue | 107,129,589 |
| **Total Shares on issue after completion of the Offer** | **107,129,589** |

**Notes:**

1. The rights and liabilities attaching to the Shares are summarised in Section 6.2 of this Prospectus.

**Convertible Notes**

| | NUMBER |
|---|---|
| Convertible Notes currently on issue | Nil |
| Maximum number of Notes to be issued under the Offer | 9,739,054 |
| **Maximum number of Total Convertible Notes** | **9,739,054** |

**Notes:**

1. The rights and liabilities attaching to the Convertible Notes are summarised in Section 6.1 of this Prospectus.
2. Up to an additional 76,622,967 Shares would be issued upon conversion of all Notes issued under the Offer, assuming:
   (a) all Entitlements are accepted and a total of approximately 9,739,054 Notes are issued under the Offer;
   (b) 100% PIK Interest election at every Conversion Election Period; and
   (c) the Notes are converted into Shares at a price of $0.20, being the floor price for conversion of the Notes.

17,330,997 Shares are subject to voluntary escrow restrictions, due to expire on the day the 31 December 2026 financial results are released.

## 5.4 Effect on control of the Company

Shareholders should note that there will be no immediate effect on control of the Company, as the Convertible Notes are not voting securities and will not immediately convert into Shares.

Shareholders should note that if they do not participate in the Offer their holdings, assuming that all Entitlements are accepted and all Notes issued under the Offer are converted into Shares at the floor price of $0.20, would be diluted by up to approximately 31.25% (excluding any additional Shares issued on conversion of capitalised PIK Interest) (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

| HOLDER | HOLDING AS AT RECORD DATE | % AT RECORD DATE | ENTITLEMENTS UNDER THE OFFER | SHARES ISSUED ON CONVERSION OF ENTITLEMENTS UNDER THE OFFER[1] | HOLDINGS IF OFFER NOT TAKEN UP | % POST OFFER[2] |
|---|---|---|---|---|---|---|
| Shareholder 1 | 20,000,000 | 18.67% | 1,818,182 | 9,090,910 | 20,000,000 | 12.84% |
| Shareholder 2 | 10,000,000 | 9.33% | 909,091 | 4,545,455 | 10,000,000 | 6.42% |
| Shareholder 3 | 5,000,000 | 4.67% | 454,546 | 2,272,730 | 5,000,000 | 3.21% |
| Shareholder 4 | 1,000,000 | 0.93% | 90,910 | 454,550 | 1,000,000 | 0.64% |
| Shareholder 5 | 100,000 | 0.09% | 9,091 | 45,455 | 100,000 | 0.06% |

**Notes:**

1. Assumes a conversion price for the Notes of $0.20 (being the floor price).
2. Based on a total of 155,824,859 Shares on issue post Offer, which assumes that: (a) all Entitlements are accepted; and (b) all Notes issued under the Offer are converted into Shares at the floor price of $0.20.
3. The dilutionary effect shown in the table is the maximum percentage on the assumption that all Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer and that all Notes are converted into Shares (excluding any additional Shares issued on conversion of capitalised PIK Interest). In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilutionary effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

## 5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

| SHAREHOLDER | SHARES | % |
|---|---|---|
| Richard Magides[1] | 32,358,406 | 30.20% |
| Edouard Peter[2] | 16,246,257 | 15.17% |

**Notes:**

1. Mr Magides holds 9,451,613 Shares (8.82%) directly and 22,906,793 (21.38%) through various entities and associates. Refer to the substantial holding notice announced on 24 August 2026.
2. Mr Peter holds 3,000 Shares directly (0.003%) and 16,243,257 Shares (15.16%) indirectly through various entities and associates. Mr Peter's substantial holding is based on his most recent publicly disclosed substantial holding notice, announced on 26 August 2026, and includes Shares held by associated entities in which Mr Peter has a relevant interest but which do not form part of his notifiable interests as a Director set out in Section 10.5 of this Prospectus.

Copies of the most recent substantial holding notices received by the Company is available for inspection at the registered office of the Company and on the ASX website at www.asx.com.au.

There will be no immediate change to the substantial holders on completion of the Offer, as no Shares will be issued under the Offer, however, these shareholdings may be affected upon the subsequent conversion of those Convertible Notes into Shares.

A substantial holder who is issued Notes under the Offer may, at any time prior to the Maturity Date, elect to convert those Notes into Shares (refer to Section 6.1.4 for further details regarding the conversion of Notes). The Company notes that it is a term of the Notes that any conversion is subject to compliance with all applicable laws, including the takeover prohibition in section 606 of the Corporations Act.

## 6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 6.1 Terms and conditions of the Convertible Notes

#### 6.1.1 Form of Notes

(a) **Form**

The Notes are redeemable, convertible notes of the Company issued under the Trust Deed. Noteholders are entitled to the benefit of and are bound by the provisions of the Transaction Documents and the Note terms set out in this section.

(b) **Face Value and Issue Price**

(i) The Notes are each issued fully paid with a face value of $1.00 (**Face Value**).

(ii) Each Note will be issued by the Company at an issue price of $1.00 (**Issue Price**). The Issue Price must be paid in full on application.

(c) **Clearing System**

The Notes will not be quoted on ASX. The Register will be maintained by the Registrar.

(d) **No certificates**

No certificates will be issued to Noteholders unless the Company determines that certificates should be available or are required by any applicable law.

(e) **ASX quotation of Notes**

The Notes will not be quoted on ASX and the Company is under no obligation to apply for quotation of the Notes. The Company must apply for quotation of the Shares issued on Conversion in accordance with these Note Terms.

(f) **No participation rights to Noteholders**

To the maximum extent permitted by the Corporations Act, the ASX Listing Rules and any other applicable laws, there will be no participation rights or entitlements inherent in the Notes and Noteholders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Notes without converting the Notes into shares.

However, if at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(g) **No other rights**

The Notes confer no rights on a Noteholder to:

(i) vote at any meeting of members of the Company; or

(ii) to otherwise participate in the profits or property of the Company, except as set out in these Note Terms or the Transaction Documents.

(h) **Entry in Register**

The Company must ensure that each Noteholder's details are entered in the Register.

### 6.1.2 Interest

(a) **Interest Rate**

(i) Prior to each annual anniversary of the Issue Date, a Noteholder may elect, in respect of some or all of the Convertible Notes held by that Noteholder, to receive either:

(A) Cash Interest at the rate of 7.5% per annum on the Principal Amount Outstanding, payable annually in arrears; or

(B) PIK Interest at the rate of 12.0% per annum on the Principal Amount Outstanding, which is capitalised annually into the Outstanding Face Value and is not payable in cash, in each case up to and including the Maturity Date, the Conversion Date or the Redemption Date. A Noteholder must notify the Company of an election by giving the Company an irrevocable written notice (**Election Notice**) not less than 5 Business Days before the relevant annual anniversary of the Issue Date, which identifies the Noteholder, specifies the Convertible Notes to which the election relates and specifies the election made. An Election Notice that does not comply with the Note Terms is invalid and the Noteholder is treated as not having made an election in respect of the relevant Convertible Notes. If no election is made by the Noteholder, Cash Interest will be paid to the Noteholder.

(ii) Interest accrues daily from (and including) the Issue Date, is calculated on the Outstanding Face Value of the Convertible Note from time to time, and is computed on the basis of a 365 day year and the actual number of days elapsed.

(iii) In respect of the First Interest Payment Date, interest accrues from the Issue Date until the First Interest Payment Date. Interest ceases to accrue on a Convertible Note on the date that Convertible Note is redeemed or converted.

(iv) Cash Interest is payable annually in arrears on each Interest Payment Date. The Company must pay Cash Interest in cash no later than 10 Business Days after the relevant Interest Payment Date.

(v) On each Interest Payment Date, PIK Interest which has accrued on a Convertible Note since the preceding Interest Payment Date (or, in the case of the First Interest Payment Date, since the Issue Date) is capitalised and added to the Face Value of that Convertible Note. From the date of capitalisation, capitalised PIK Interest forms part of the Outstanding Face Value of the Convertible Note for all purposes under the Note Terms, including the accrual of interest, conversion and redemption. The capitalisation of PIK Interest does not constitute a default by the Company.

(vi) Cash Interest not paid when due will compound.

(b) **Default Interest**

Following the occurrence and during the continuance of an Event of Default, the interest payable on the Notes will increase by an additional 2% per annum.

### 6.1.3 Redemption

(a) **Redemption**

A Convertible Note will be redeemed on the first to occur of the following:

(i) the receipt by the Company of a Redemption Notice in respect of the Convertible Note as a result of the exercise by the Trustee of its rights under clause 9.2 or 9.6 of the Trust Deed or by the Noteholder under section 9.7 of the Trust Deed;

(ii) if the Convertible Note has not been redeemed or converted on or before the Maturity Date, the Maturity Date, at its Outstanding Face Value.

(b) **Timing of redemption**

Subject to sections 6.1.4 (Conversion) and 6.1.5 (Takeover, change in control, or sale of main undertaking), a Convertible Note will be redeemed:

(i) in the case of a Convertible Note the subject of a Redemption Notice, within 10 Business Days after the receipt by the Company of the Redemption Notice;

(ii) in the event of a takeover, change of control or sale of the main undertaking of the Company, within the period specified in section 6.1.5;

(iii) in the event of redemption on the Maturity Date, on the Maturity Date,

and on redemption the Company must pay the Redemption Amount (being the Outstanding Face Value of the Convertible Note plus any Cash Interest which has accrued but has not been paid up to (but excluding) the Date of Redemption) to the Noteholder by electronic transfer to the account nominated by the Noteholder or, if no account is nominated, by cheque posted to the address of the Noteholder recorded in the Register.

(c) **Redemption of the Notes**

The Trustee or a Noteholder will only be entitled to issue a Redemption Notice pursuant to an exercise of their respective rights under clauses 9.2, 9.6 or 9.7 of the Trust Deed, and only in respect of all of the Notes:

(i) at the time of issue - in the case of the issue of a Redemption Notice by the Trustee under clause 9.2 or 9.6 of the Trust Deed; or

(ii) held by that Noteholder - in the case of the issue of a Redemption Notice by a Noteholder under clause 9.7 of the Trust Deed,

and only in respect of the whole of the Outstanding Face Value of those Notes.

(d) **Exclusion**

The Noteholder will not be entitled to require redemption of any Convertible Notes held by them otherwise than pursuant to this section 6.1.3.

**6.1.4 Conversion**

(a) **Conversion**

A Noteholder may, by giving a Conversion Notice to the Company during a Conversion Election Period, elect to convert all or some of the Convertible Notes held by that Noteholder into Shares at the Conversion Price on the relevant Election Date. A Conversion Notice, once given, is irrevocable. A Conversion Notice may also be given in accordance with section 6.1.5(a)(v).

Conversion takes effect on the relevant Election Date and the Company must issue to the Noteholder the number of Shares calculated in accordance with section 6.1.1(c) within 10 Business Days after that date, and must notify the Trustee accordingly.

The issue of Shares on conversion pursuant to this section will be and will be deemed for all purposes to be in full satisfaction and discharge of the Outstanding Face Value of the Convertible Notes the subject of the Conversion Notice. However, the conversion will not affect the liability of the Company to pay any Cash Interest which has accrued but has not been paid on those Convertible Notes up to (but excluding) the Election Date, which the Company must pay on or before the Election Date.

The Shares issued upon conversion pursuant to this section will rank equally in all respects with all issued ordinary Shares in the capital of the Company at the time of conversion.

The Company will apply for official quotation by the ASX of all Shares issued upon the conversion pursuant to this section. Such application will be made as soon as reasonably practicable after Shares are issued.

Within 10 Business Days of the issue of Shares to a Noteholder upon the conversion pursuant to this section, the Company will deliver to the Noteholder a shareholding statement in respect of the fully paid Shares so issued.

(b) **Conversion Price**

The Conversion price of the Convertible Notes is the greater of:

(i) 90% of the lowest 30-day volume weighted average price of Shares (as traded on ASX) over the 11-month period (1 October – 31 August) immediately preceding the first day of the relevant Conversion Election Period; and

(ii) $0.20.

(c) **Conversion Rate**

Subject to section 6.1.1(f), the number of Shares to which a Noteholder will be entitled on conversion of each Note will be equal to the Outstanding Face Value of the Note as at the relevant Election Date divided by the Conversion Price.

(d) **Ranking of Shares**

Shares issued on conversion of the Notes will be fully paid and will in all respects rank equally with all other fully paid Shares on issue on the relevant conversion date, except that they will not be entitled to any dividend or any other distribution or entitlement that has not been paid as at the conversion date but for which the record date was prior to the conversion date.

(e) **No Fractional Shares**

No fractional Shares will be issued on conversion of a Note. If the calculation under this section results in an entitlement to a number of Shares which includes a fraction of a Share, the fraction will be disregarded.

(f) **Adjustments for reorganisation of capital**

Subject to the ASX Listing Rules, if there is a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the basis for conversion of the Notes will be reconstructed in the same proportion as the issued capital of the Company is reconstructed and in a manner which will not result in any additional benefits being conferred on the Noteholders which are not conferred on the Shareholders of the Company (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital) but in all other respects the terms for conversion of the Notes will remain unchanged.

(g) **Company obligations**

(i) The Convertible Notes are offered and issued under this Prospectus. The Company and the Trustee intend that an offer for sale of Shares issued on conversion will not require disclosure to investors, by reason of the relief in the ASIC Instrument for underlying securities issued on the conversion of convertible securities which were issued with disclosure. The Company must not do anything, and must not permit anything to be done, which would result in the conversion of Convertible Notes involving any further offer of Shares. In addition, the Company must:

(A) if the relief in the ASIC Instrument is for any reason not available in respect of Shares issued on conversion, immediately on each issue of Shares on conversion, give ASX a notice that complies with sections 708A(5)(e) and 708A(6) of the Corporations Act (and such notice must confirm that the Company has not withheld any excluded information for the purposes of section 708A(6)(e) of the Corporations Act); and

(B) each time Shares are issued on conversion, sign all documents and do all acts and things (including by lodging an Appendix 2A with ASX and otherwise as required of it by ASX) to ensure that the Shares are quoted on the official list of ASX as soon as reasonably practicable.

(ii) If neither the relief in the ASIC Instrument nor a notice delivered under section 6.1.4 is effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must no later than thirty (30) days after the date of issue of the Shares lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**6.1.5 Takeover, change in control, or sale of main undertaking**

(a) **Takeover, Change in Control, or Sale of Main Undertaking**

Other than as contemplated by the Trust Deed, if:

(i) a takeover bid (as defined in the Corporations Act) is made for 50% or more of the Shares and that bidder is successful in acquiring a relevant interest in 50% or more of the Shares;

(ii) there is a change in control of 50% or more of the Shares; or

(iii) there is a sale of the main undertaking of the Company that would require approval of the Shareholders in accordance with ASX Listing Rule 11.2,

at any time after the issue of the Convertible Notes and prior to the issue of a Conversion Notice in respect of such Convertible Notes, then:

(iv) the Company will give to each Noteholder written notice (**Sale Notice**) of the takeover bid, change of control, or sale of main business undertaking within 10 Business Days of receiving notice of it (or entering into an agreement in respect of the proposed disposal); and

(v) the Noteholder must within 10 Business Days after the Sale Notice is sent to Noteholders either:

(A) elect to convert all the Convertible Notes held by that Noteholder to fully paid ordinary Shares in accordance with section 6.1.4 by providing the Company with a Conversion Notice; or

(B) require the Company to redeem all the Convertible Notes held by that Noteholder in accordance with section 6.1.3 by providing the Company with a Redemption Notice.

If a Noteholder does not comply with section 6.1.5(a)(v) within the time period specified in that section, then the Company will redeem all the Convertible Notes held by that Noteholder in accordance with section 6.1.3.

**6.1.6 Status, security and ranking**

(a) **Status**

The Notes will at all times constitute secured debt obligations of the Company, subordinated to Senior Debt in a winding up of the Company.

(b) **Security**

(i) The Notes are secured by the security interests granted by the Company and its wholly owned subsidiaries to the Trustee under the Transaction Security Interests.

(ii) The Trustee holds the rights under the Transaction Security Interests on trust for the benefit of the Trustee and each Noteholder in accordance with the terms of the Trust Deed and Transaction Security Interests.

(iii) The Company will ensure that any wholly owned subsidiaries incorporated or acquired after the Issue Date grant a security interest to the Trustee on substantially similar terms to the Transaction Security Interests (with such amendments as required by law) within, in respect of any newly incorporated subsidiary, 45 days of incorporation or, in respect of any acquired subsidiary, 120 days of the acquisition.

(c) **Ranking**

Each Note ranks for payment in a winding up of the Company:

(i) after all Senior Debt;

(ii) equally with all other Notes;

(iii) ahead of all other present and future unsecured and subordinated debt obligations of the Company which by their terms rank equally with the Convertible Notes (subject to the laws and principles of equity affecting creditor rights or obligations preferred by mandatory provisions of applicable law); and

(iv) ahead of all Shares.

The subordination applies only in a winding up of the Company. Nothing in the Note Terms prevents the Company from paying Cash Interest, capitalising PIK Interest, converting or redeeming Convertible Notes in accordance with the Note Terms at any other time.

Without in any way limiting the Company's obligations to redeem the Notes as set out herein, in order to give effect to the ranking specified in this section, in any winding up of the Company, the Noteholders agree that their claims are limited to the extent necessary to ensure that:

(i) all holders of Senior Debt of the Company receive payment in full before any payment is made to Noteholders; and

(ii) Noteholders receive payments on a pro-rata basis.

Without in any way limiting the Company's obligations to redeem the Notes as set out herein, neither the Trustee nor any Noteholder has any right to prove in a winding up of the Company in respect of the Notes, except on the basis set out in sections 6.1(a) and 6.1(b).

Neither the Trustee nor any Noteholder may exercise voting rights as a creditor in respect of the Notes in a winding up of the Company to defeat the subordination in this section.

The ranking of Notes is not affected by the date of registration of any Noteholder in the Register.

(d) **Bonus Issues**

If a bonus Share issue is made by the Company to its Shareholders at any time during the period subsequent to the issue of a Convertible Note to a Noteholder and prior to the date of conversion, the Noteholder is not entitled to participate unless the Noteholder exercises their Conversion Option prior to the date of the bonus issue.

(e) **Foreign Holders**

Where Convertible Notes are held by or on behalf of a person resident outside Australia, then, despite any other terms or conditions applicable to such Convertible Notes, it will be a condition precedent to the right of the Noteholder to receive payment of any amount payable under these Convertible Note terms and conditions or to obtain Shares on conversion that the requirements of all applicable laws of the Commonwealth of Australia or any of its states or territories and of the country of residence of the Noteholder in respect of such payment or conversion are satisfied so that such payment or conversion will not result in a breach of any such applicable law by the Company.

**6.1.7 Deductions**

(a) **No set-off, counterclaim or deductions**

All payments in respect of the Notes must be made in full without set-off or counterclaim, and without any withholding or deduction for or in respect of taxes, unless such withholding or deduction is required by law.

(b) **Withholding and other taxes**

(i) The Company may withhold or deduct from any amount payable to a Noteholder in respect of the Notes an amount in respect of any tax which a qualified legal or taxation advisor advises that it is required by law to withhold or deduct from that payment.

(ii) The Company must pay the full amount required to be withheld or deducted to the relevant revenue authority within the time allowed for such payment (without incurring penalty under the applicable law) and must, if required by a Noteholder, deliver to that Noteholder a copy of the relevant receipt issued by the relevant revenue authority without unreasonable delay after it is received by the Company.

(iii) If an amount is deducted or withheld under section 6.1(a) from a payment to a Noteholder in respect of any tax, the full amount payable to the Noteholder will be deemed to have been duly paid and satisfied by the issuer, and the Company will have no obligation to pay any additional amount to the Noteholder on account of the deduction or withholding.

**6.1.8 Amendment of the Note terms**

(a) **Amendment without the approval of the Noteholders**

At any time, and from time to time, the Convertible Note Terms (which, for the avoidance of doubt include this section) may be modified, altered, cancelled, amended or added to (collectively, **Modified**), without the consent of the Noteholders, if:

(i) such modification, alteration, cancellation, amendment or addition (collectively **Modification**) is:

(A) of a formal or technical nature or made to cure any ambiguity or correct any manifest error;

(B) necessary or expedient for the purpose of listing the Notes on ASX or to comply with the applicable ASX Listing Rules or the listing or quotation requirements of any other any securities exchange on which the Company may propose to seek a listing of the Notes;

(C) necessary or expedient for the purpose of enabling the Notes to be offered for issue or for sale under the laws for the time being in force in any place;

(D) necessary or expedient to comply with the provisions of any law or regulation or the requirements of any statutory authority;

(E) necessary or advisable following the introduction of, or any amendment to, clarification of, or change (including any announced prospective change) in, any law or regulation of the Commonwealth of Australia or an announcement, action or decision or a proposal to introduce, amend, clarify or change any such law or regulation or any official administrative pronouncement or action or judicial decision interpreting or applying any such law or regulation which is likely to cause the Notes to cease to be treated as debt for tax or accounting purposes;

(F) in respect of a Modification sought by a party in reliance on any one of the sections from 6.1(a)(i)(A) to 6.1(a)(i)(D) above, the Company and the Trustee have either jointly or separately obtained a legal opinion from legal advisers of recognised standing in New South Wales, which opinion is in a form satisfactory to the Company and the Trustee, as applicable (each acting reasonably) and is addressed to or is otherwise able to be relied on by each of the Company and the Trustee, as applicable, to the effect that such Modification (taken as a whole and in conjunction with all other Modifications) is:

(I) a Modification within the scope of any one or more of the sections from 6.1(a)(i)(A) to 6.1(a)(i)(D); or

(II) not materially prejudicial to the interests of Noteholders of the Notes (taken as a whole);

(G) in respect of a Modification sought in reliance on section 6.1(a)(i)(E) above – the Company and the Trustee 6.1(a)(i)(E) have either jointly or separately obtained an opinion from an accountancy or taxation adviser of recognised standing in New South Wales, which opinion is in a form satisfactory to the Company and the Trustee, as applicable (each acting reasonably) and is addressed to or is otherwise able to be relied on by each of the Company and the Trustee, as applicable, to the effect that such Modification (taken as a whole and in conjunction with all other Modifications) is:

(I) a Modification within the scope of the section 6.1(a)(i)(E); and

(II) not materially prejudicial to the interests of Noteholders of the Notes (taken as a whole).

(b) **Amendment with the approval of the Noteholders**

(i) At any time, and from time to time, but subject to sections 6.1(b)(ii), 6.1(b)(iii) and of these Convertible Note Terms, the Convertible Note Terms (which, for the avoidance of doubt, includes the terms of this section) may be modified if such Modification is authorised by an Ordinary Resolution.

(ii) If the Trustee considers the Modification will materially and adversely affect the rights of all Noteholders, then the Modification must be authorised by a Special Resolution.

(iii) If a section in the Note Terms provides for Noteholders to give a direction to the Trustee by a special resolution, then that section may only be modified if such Modification is authorised by a Special Resolution.

(c) **Amendment with the approval of the Noteholders but not the Trustee**

If a Modification to the Note Terms (which, for the avoidance of doubt includes this section) is proposed by the Company under section 6.1(b) and the Trustee will not consent to the Modification, the Convertible Note Terms may be Modified in the manner proposed by the Company if such Modification is authorised by a Special Resolution, provided that such amendment does not adversely affect the rights and obligations of the Trustee.

**6.1.9 Conversion to voting shares precluded**

(a) **Breaches of law**

Notwithstanding any other term of the Deed or these Conditions, a Noteholder is not entitled to Convert (and the Company is entitled to refuse to Convert) such number of Convertible Notes that would result in:

(i) a person acquiring voting Shares in the Company in breach of section 606 of the Corporations Act (or any equivalent provision) where none of the items in section 611 of the Corporations Act apply;

(ii) a breach of the Company's placement capacity under ASX Listing Rule 7.1; or

(iii) a person acquiring Shares where a notification or consent being required to be sent to, or consent is required under, any legislation by which the Company and its Related Bodies Corporate are bound has not been obtained.

(b) **Statutory Declaration**

The Company may in its discretion require a Noteholder to provide a statutory declaration confirming that the circumstances referred to in section 6.1(a) do not exist in respect of any Conversion by that Noteholder.

**6.1.10 Registration of transfers**

(a) **Title**

Title to a Convertible Note passes when details of the transfer are entered in the Register.

(b) **Effect of entries in Register**

Each entry in the Register in respect of a Convertible Note constitutes:

(i) an unconditional and irrevocable undertaking by the Company to the Noteholder to pay principal, Interest and any other amount in accordance with the terms of these Convertible Notes; and

(ii) an entitlement to the other benefits given to Noteholders under these Note Terms and the Transaction Documents in respect of the Convertible Notes.

For the avoidance of doubt, an entry in the Register does not make the Noteholder a Member of the Company or confer rights on a Noteholder to attend or vote at meetings of Members of the Company.

(c) **Register conclusive as to ownership**

Entries in the Register in relation to a Convertible Note constitute conclusive evidence that the person so entered is the absolute owner of the Convertible Note, subject to correction for fraud or manifest error.

(d) **Non-recognition of Interests**

Except as required by law, the Company, the Trustee and the Registrar must treat the person whose name is entered in the Register as the holder of a Convertible Note as the absolute owner of that Convertible Note. This section 6.1(d) applies whether or not a Convertible Note is overdue and despite any notice of ownership, trust or interest in the Convertible Note.

(e) **Transfer**

A Noteholder may, subject to this section 6.1.10, transfer or assign any Convertible Notes:

(i) by a proper ASTC transfer, according to the ASX Settlement Operating Rules;

(ii) by a proper transfer under any other computerised or electronic system recognised by the Corporations Act;

(iii) under any other method of transfer which operates in relation to the trading of securities on any securities exchange outside Australia on which the Convertible Notes are quoted;

(iv) by any proper or sufficient instrument of transfer of marketable securities under applicable law,

The Company must not charge any fee on the transfer of a Convertible Note.

(f) **Market obligations**

The Company must comply with all applicable regulations and any other relevant obligations imposed on it in relation to the transfer of a Convertible Note.

(g) **Company must request holding lock or refuse to register transfer**

(i) The Company must request the CS Facility Operator or the Registrar, as the case may be, to apply a holding lock to prevent a transfer of Notes approved by and registered on the CS Facility's electronic sub-register or Convertible Notes registered on an issuer-sponsored sub-register, as the case may be, if the Corporations Act, the ASX Listing Rules or the terms of a Restriction Agreement require the Company to do so.

(ii) The Company must refuse to register any transfer of Notes if the Corporations Act, the ASX Listing Rules or the terms of a Restriction Agreement require the Company to do so.

(iii) During a breach of the ASX Listing Rules relating to Restricted Securities, or a breach of a Restriction Agreement, the Convertible Noteholder of the Restricted Securities is not entitled to any interest (or other distribution on), or voting rights in respect of, the Restricted Securities.

(h) **Notice of holding lock and refusal to register transfer**

If, in the exercise of its rights under section 6.1(h), the Company requests the application of a holding lock to prevent a transfer of Convertible Notes or refuses to register a transfer of Convertible Notes, it must, within five Business Days after the date the holding lock is requested or the refusal to register a transfer, give written notice of the request or refusal to the Noteholder, to the transferee and the broker lodging the transfer, if any. Failure to give such notice does not, however, invalidate the decision of the Company.

(i) **Delivery of instrument**

If an instrument is used to transfer the Convertible Notes according to section 6.1(f), it must be delivered to the Registrar, together with such evidence (if any) that the Company and/or the Registrar reasonably requires to prove the title of the transferor to, or right of the transferor to transfer, the Convertible Notes.

(j) **Transferor to remain Noteholder until registration**

A transferor of a Convertible Note remains the Noteholder in respect of that Convertible Note until the transfer is registered and the name of the transferee is entered in the Register.

(k) **Effect of transfer**

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under the Transaction Documents and the Convertible Note Terms in respect of the transferred Convertible Notes and the transferee becomes so entitled in accordance with section 6.1(j).

(l) **Estates**

A person becoming entitled to a Convertible Note as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the Convertible Note or, if so entitled, become registered as the holder of the Convertible Note.

(m) **Transfer of unidentified Notes**

Where the transferor executes a transfer of less than all the Convertible Notes registered in its name, and the specific Convertible Notes to be transferred are not identified, the Registrar may register the transfer in respect of such of the Convertible Notes registered in the name of the transferor as the Registrar thinks fit, provided the aggregate of the Face Value of all the Convertible Notes registered as having been transferred equals the aggregate of the Face Value of all the Convertible Notes expressed to be transferred in the transfer.

## 6.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares, being the underlying securities of the Notes offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to the Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by them, or in respect of which they are appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to and in accordance with the Corporations Act, the ASX Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the

Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may capitalise any profits and distribute that capital to the Shareholders in the same proportions as they are entitled to in a distribution by dividend, applying that capital in paying up amounts unpaid on Shares already issued or in paying up in full any unissued Shares or other securities in the Company.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, subject to any special rights or restrictions attached to Shares, all capital will first be repaid to Shareholders and any surplus assets will then be distributed among Shareholders in proportion to the number of fully paid Shares held by them.

The liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer does not result in a contravention of or failure to observe the provisions of a law of Australia and the transfer is not in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Notes contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, that variation or abrogation of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, additionally requires the consent in writing of the holders of three quarters of the issued shares of that class, or authorisation by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

# 7. RISK FACTORS

## 7.1 Introduction

The Notes offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for the Notes offered pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, as well as other risk factors, may have a material impact on the financial performance of the Company.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

## 7.2 Risks associated with Investing in Notes

(a) **Interest payments**

The Company expects to make cash portion of interest payments using available cash balances and cash flow from its operations. There may be insufficient cash available to the Company to make interest payments on the due date. The Company intends to mitigate this risk by ensuring it has cash or liquid interests to make interest payments when due.

(b) **Redemption risk**

The Company expects to be able to redeem the Notes using the proceeds from future debt or equity raisings, cash flows from operations or proceeds from the sale of investments. There is a risk that the Company may be unable to procure or raise sufficient cash resources from its operations, future debt or equity raisings and may, in that case, have insufficient cash to redeem the Notes at the Maturity Date (or any earlier date as otherwise required under the Note Terms).

If the Company fails to make interest payments or redeem the Notes when due, the Trustee has certain rights under the Trust Deed and the Note Terms to take enforcement action against the Company. The rights of each Noteholder to enforce the obligations of the Company under the Notes are limited to the exercise of its rights to enforce and seek due administration by the Trustee of the Trust Deed.

(c) **Interest rate risk**

Interest on the Notes is fixed at 7.5% per annum where the cash coupon is elected, or 12.0% per annum where the capitalised (PIK Interest) alternative is elected (in each case payable or capitalised annually in arrears). No adjustment will be made to the rate of interest paid to Noteholders as other market-based interest rates rise or fall.

(d) **Inflation rate risk**

An increase in the inflation rate may erode the value in real terms of the capital invested in the Notes.

(e) **Financial market conditions**

The Shares issued as a result of conversion of any Notes will, following conversion, rank equally with the existing Shares. Accordingly, their value after issue will depend upon the market price of the Shares (the price of which, compared to the Conversion Price, may rise or fall).

(f) **Market price of Shares and Notes**

The market price of the Shares may be volatile. The volatility of the market price of the Shares may cause volatility in the price of the Notes and may affect the ability of Noteholders to sell their Notes either at all or at an acceptable price.

(g) **Liquidity**

The Notes will not be quoted on ASX and there will be no public market for the Notes. Noteholders will only be able to dispose of Notes by off-market transfer in accordance with the Note Terms, and may be unable to realise their investment prior to conversion, redemption or maturity, or at all.

(h) **Ranking**

If the Company is wound-up, each Note will rank:

(i) behind the Senior Debt;

(ii) equally with each other Note;

(iii) ahead of all present and future unsubordinated and unsecured debt obligations of the Company (other than those mandatorily preferred at law); and

(iv) ahead of all Shares.

If there is a shortfall of funds on winding-up, there is a risk that Noteholders will not receive a full (or any) repayment of their money invested in the Notes or payment of unpaid interest.

(i) **Conversion**

The Shares held by Noteholders following conversion of their Notes will rank equally with other existing Shares. The market price of those Shares may fluctuate over time as a result of a number of factors.

(j) **Change in the Australian tax system**

Prospective investors should be aware that any future changes in Australian tax law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of the acquisition and holding and disposal of Notes.

(k) **Enforcement risk**

The Note Terms provide that rights under the Note Terms and the Trust Deed may generally only be enforced by the Trustee and not by the Noteholders directly. Noteholders must therefore notify the Trustee of their claims and rely on enforcement by the Trustee, except in certain circumstances where the Trustee has failed to take action after being directed by the Noteholders to do so.

The Trustee is not obliged to take any enforcement action until such time as it is placed in funds and is otherwise indemnified tot its reasonable satisfaction. The Trustee may waive any breach of the Trust Deed except for non-payment of the Face Value of Notes.

Noteholders may, by special resolution, amend the Note Terms in order to waive a breach of the Note Terms or for other purposes. A large Noteholder may influence the outcome of any such vote.

### 7.3 Company specific

Following implementation of the Merger, the Group's operations comprise the Company's existing agricultural operations together with the former businesses of Duxton Dairies (Cobram), Duxton Bees, Duxton Dried Fruits and Duxton Orchards. In this Section 7.3 and in Section 7.4, references to the businesses are to the businesses conducted by the Group following implementation of the Merger.

(a) **Potential for dilution**

Shareholders should note that if they do not participate in the Offer, and the Notes issued under the Offer are subsequently converted into Shares, their holdings are likely to be diluted by approximately 31.25% (excluding any additional Shares issued on conversion of capitalised PIK Interest) (as compared to their holdings and the number of Shares on issue as at the date of this

Prospectus). It is not possible to predict what the value of the Company, a Share or a Note will be following the completion of the Offer and the Directors do not make any representation as to such matters. The last trading price of Shares on ASX prior to this Prospectus being lodged of $0.43 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) **Health and safety**

Given the nature of the industry in which the businesses operate, workers are at risk of workplace incidents (both physical and psychological). Physical health and safety risks include heavy machinery operation, livestock (including bee hive) handling, remote driving, manual handling and chemical handling. Psychosocial health and safety risks include challenges from seasonal high workloads during harvests, and potential issues such as bullying, discrimination and harassment. The businesses also rely on third party operators and contractors to have in place health and safety policies and operations that comply with applicable laws which cannot be guaranteed. In addition to the potential for harm to workers, a failure to comply with health and safety requirements could result in fines, penalties and compensation payments. Further, changes to health and safety laws, or stricter enforcement policies, may result in the businesses incurring increased costs. The occurrence of events of this nature has the potential to harm the reputation, and financial performance and position of the businesses.

(c) **Key persons**

The success of the businesses depends on the ability to retain key operational employees, particularly as some of the products produced by the businesses like Duxton Dried Fruits and Duxton Bees are relatively niche operations. The businesses also rely on services provided by individuals employed by its investment manager, Duxton Capital. There is a risk that the businesses lose access to these experienced employees in the future. The loss of key employees could cause disruption to the business and their operations and have an adverse effect on their future financial performance and prospects.

(d) **Defective products**

The nature of products supplied by the businesses are that of a consumable food product. Such products may be liable to infestation, disease, mould, contamination and other biological impacts which occur in natural products. Some of these products (including those sold by Duxton Dried Fruits) are also subject to processing and may have production defaults against specification. This could expose the businesses to loss of product, damage to relationships with customers, liability (including monetary judgements, fines, injunctions and criminal sanctions) and reputational risks. In addition, the businesses' financial performance and reputation may be adversely impacted by negative customer sentiment related to compromised products of other producers.

(e) **Uninsurable assets**

The businesses maintain insurance coverage in respect of certain of their businesses, properties and assets. Some key risks are not able to be insured at acceptable prices or at all (for example, the businesses are not able to insure against lost production due to flood or hail damage). Insurance coverage may not be sufficient in such circumstances and, if there is an event or claim causing loss, not all losses may be recoverable.

(f) **Environmental and regulatory matters, including relating to ESG**

The businesses may be responsible for environmental pollution or contamination on their sites which may be required to be remedied, and they may be found to be in breach of applicable laws or applicable licences or permits. If these risks arise, the businesses may incur substantial costs (including fines and remediation costs), their operations may be interrupted, their financial performance and position impacted and they may suffer reputational damage. Further, evolving community attitudes towards, and increasing regulation and disclosure in relation to, ESG issues may impact the operation of the businesses. There is a risk that the businesses may fail to keep up to date with any changes to, or the introduction of, ESG- related regulations, which may impact operations. In addition, changes to such regulations may significantly increase costs, such as those relating to ESG compliance and reporting obligations for the businesses. In addition, there may be supply chain disruptions or other operational disruptions due to changes imposed by the businesses or by counterparties to comply with the ESG-related regulations or policies, including for example changing suppliers as a result of complying with modern slavery policies, which may have an adverse effect on the financial performance, position and prospects of the businesses. Failure to meet those expectations may impact on the profitability or value of the businesses, restrict the ability of the businesses to attract financing or investment, or adversely impact on the reputation of the businesses including with its suppliers, customers or employees, which may in turn adversely impact the businesses' financial performance, position and prospects.

(g) **Modern slavery**

As operators in the agricultural sector, the businesses face risks associated with modern slavery, including due to the industry's reliance on labour hire for seasonal foreign workers. If the businesses fail to comply with applicable modern slavery laws and conduct appropriate due diligence on modern slavery risks in their supply chains, they could be exposed to penalties and/or reputational damage.

(h) **Strategy implementation**

It is expected that the operations of the businesses will be developed over time, including as described in this Prospectus. There is a risk the businesses will not be able to successfully implement their respective growth strategies, which will adversely affect their respective financial performance, or that these strategies will be successful in generating profits.

(i) **Litigation/disputes**

There is a risk that the businesses may be subject to litigation and other claims and disputes, as well as intellectual property, employment, whistleblower, tax and corporations and securities laws related claims and disputes. Such litigation, claims, disputes, including the costs of settling claims, and any associated operational impacts, may impact the businesses' operations and be costly and damaging to the businesses' reputation and relationships, any of which could have an adverse effect on the businesses' financial performance, position, prospects and operations.

(j) **Operational and Controls**

Operational risk relates to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events which impact on the businesses. These businesses are exposed to operational risk including risks arising from process error, fraud, system failure, failure of security and data and physical asset protection systems. Operational risks have the potential to have an effect a business' financial performance and position as well as reputation.

(k) **Property valuations**

Property valuations generally include a subjective determination of certain factors relating to the relevant properties, such as their location to infrastructure and physical condition etc. There can be no assurance that the assumptions relied on are accurate measures of the market. The market values of the properties owned and leased by the businesses may therefore differ from the values of those properties as determined by an independent valuer and there is a risk that these valuations may exceed the amount which is able to be received for such assets upon their disposal by the businesses.

(l) **Leased property**

The Company and Duxton Orchards lease land that they use to grow, and in some instances, store and process, its produce. Any material default under a lease by the Company or Duxton Orchards, or failure to renew an existing lease on acceptable terms or an inability to negotiate alternative arrangements, could materially adversely impact the operations and financial performance and prospects of the relevant business. In addition, there is a risk that the relevant business may become subject to lease terms which are relatively unfavourable due to unanticipated changes in the property market.

(m) **Limited liquidity in invested land**

The businesses have investments in agricultural land which, as with other investments in land, are relatively illiquid. Such illiquidity may affect the businesses' ability to vary their investment portfolio or liquidate part of their assets in executing their stated strategies or in response to changes in economic, financial, real estate market or other conditions.

(n) **Debt refinancing**

Each of the businesses of the Group is subject to debt financing arrangements with either Commonwealth Bank of Australia (**CBA**) or National Australia Bank (**NAB**). The Company, CBA and NAB have entered into a group financing arrangement on a common terms deed basis (**New Financing**). There are various risks associated with this financing strategy, including that the New Financing is subject to ongoing covenants and review, and that facilities may not be refinanced on terms consistent with current expectations when they fall due. The failure to refinance on terms consistent with current expectations may have a material adverse effect on the financial condition of the Group.

(o) **Investment manager**

The Company's earnings and capital appreciation in part will depend on the strategic decisions made, and investment advice provided, by Duxton Capital. It is possible that these decisions or advice may result in outcomes that adversely impact the Group's performance and position. Further, there is no guarantee that Duxton Capital will be able to retain key employees who provide services to the Group or, if those persons cease to be employed by Duxton Capital, that Duxton Capital will be able to attract and retain suitable replacement personnel. The Investment Management Agreement between the Company and Duxton Capital contains certain termination rights which may be exercised by the Company (including for example, if Duxton Capital commits a material breach, becomes insolvent, loses its authorisations, undergoes a change of control without the Company's consent, termination is required by law, or the Company terminates with six months' notice following shareholder approval) or exercised by Duxton Capital (including for example if the Company is subject to an insolvency event, there is a material breach by the Company or on 6 months' notice after the initial term). If the Investment Management Agreement is terminated, the Company will need to identify and engage a suitably qualified and experience investment manager to implement the Company's business objectives and investment strategy (or hire suitable employees itself). This may impact the financial performance, position and prospects of the Company.

(p) **Water**

The businesses (other than Duxton Bees, which does not require water) require sufficient access to water in order to support their businesses. The businesses (other than Duxton Bees) each have three ways to manage access to water: owned (permanent), leased, and spot (temporary). Each business takes a different approach between these three water strategies and is reliant on its allocated water rights for its operations. Their strategy can depend on factors such as historical water usage, expansion plans, the reliability with which the businesses' owned and leased water rights generate water, the period of the leases, and spot prices (which can fluctuate widely depending on weather conditions). The availability of water is dependent on allocations made by the relevant State Government or water authority in different geographical areas. Allocations to water entitlement authorisations are impacted by (a) weather events and climatic conditions and (b) the classes of water use authorisations held by a business (in times of water scarcity, higher allocation authorisations will receive their allocation before authorisations in lower classes). Further, prolonged drought conditions, increased competition for water from expansion by other local producers, and changes in government can increase the risk of regulatory changes to water schemes that the businesses are heavily reliant on for allocated water rights. The price of water (both permanent and temporary) may also be affected by the availability of water from time to time. In periods of reduced water allocations against owned and leased entitlements, the businesses may be required to purchase additional temporary water allocations on the spot market, which may increase costs. If insufficient water is able to be accessed (at reasonable costs or at all) this may adversely impact the health and yields of the businesses' assets. Certain businesses hold leased water entitlements or take the benefit of usage rights granted under a land lease. Water authorisations subject to such leases are held by third parties. A defect in the respective lessors' ownership of the leased entitlements and water use and infrastructure licences and approvals would have a consequential effect on the businesses' access to the water derived from the leased entitlements. Further, inadequate management of, or compliance with, the water rights and obligations under that lease by the relevant third party may adversely affect the water availability for the business the subject of the lease. Further, leased water entitlements are often short or medium term (e.g. 5 years). There is a risk that a leased entitlement may not be renewed, or may be renewed on terms less favourable to the business. Leased entitlements also may contain change of control provisions which may adversely impact a business' water availability if such provisions are triggered, and the requisite consents not obtained. Certain businesses also have on site dams. The businesses' use of water sourced from these dams is dependent on compliance with applicable laws and regulations relating to harvestable rights and requirements to obtain applicable development consents, approvals and licences. For those businesses which have on site dams, a failure to hold the requisite water entitlement authorisations or manage its capture, storage and use of overland water flow could adversely affect the use by the businesses of, and the availability of water from, the on-site dam.

## 7.4 Industry Specific

### (a) Weather events and climatic conditions

Severe weather events and climatic conditions may adversely impact the businesses, including crop and herd sizes, yields and quality. They may also contribute to other adverse events, including impacting water security, disrupting supply chains or creating volatility in the availability of agricultural products. Examples of weather events or climatic conditions include sudden or cyclical events such as floods, drought, hail, frost, fires and other natural disasters. The occurrence of events of this nature may have an adverse impact on the businesses' performance, position and prospects.

### (b) Climate change

Climate change risk refers to the long-term systemic risk posed by both physical and transitional factors arising from climate change. Physical risks include the gradual increase in temperature, changing rain patterns and the frequency and severity of weather events, including storms, floods, droughts and other catastrophic events. Transitional risks involve regulatory changes aimed at curbing greenhouse gas emissions, climate reporting requirements and market shifts toward sustainability and evolving consumer preferences. There are also potential climate change related risks which include increases in operating costs of assets, impacts on crop yields and revenues, interruptions to supply chains and operations, and general economic downturns that may be caused by or impacted by climate change. A failure or inability to respond to the impacts of climate change and related risks, or the impact of regulatory changes that may be implemented in order to address climate changes, may affect the businesses' cost bases and operations and could have wide ranging impacts on their financial performance, position or prospects.

(c) **Disease and infestation**

The permanent horticultural and livestock assets of the businesses are subject to risks associated with disease and insect infestation. A disease or infestation outbreak may result in loss of crop, quarantine or destruction or degradation of key assets, which would have a negative impact on the businesses' financial performance, position and prospects. If one or more of the sites at which the businesses grow, process or stores its produce becomes exposed to disease or insect infestation, or if a disease or insect infestation emerges that affects a particular produce category, the affected businesses may lose, or suffer loss in relation to, its investment in such produce and the revenue stream generated by such investment. This loss could have a material impact on the financial performance and position and prospects of those businesses. For example, varroa mite has been detected in Australia. Varroa mite may impact Duxton Bees' ability to generate revenue and supply sufficient quantities of bees for pollination (which may also impact both size and quality of crops produced by other businesses).

(d) **Commodity prices and sales strategies**

The businesses have exposure to commodity price fluctuations, where movements in Australian and global commodity prices, exchange rates and/or the volume of Australian or global agricultural production can adversely affect demand for the businesses' products and margins they are able to achieve. As such, any negative movement in commodity prices may have an adverse effect on the businesses' revenue and ability to generate profits. The businesses receive revenue from counterparties based on current spot prices (for example in the case of Duxton Bees), or based on prices determined by off-take agreements which may be exclusive supply arrangements (like those held by Duxton Dried Fruits for example). If the businesses are unable to sell products at favourable spot prices or negotiate (or renew) off-take agreements on appropriate terms, there is a risk that they may not be able to generate revenues at levels they have in the past or were expecting to achieve. There is also a risk that the businesses may adopt pricing strategies which ultimately generate less revenue than could have been generated under a different strategy, for example by entering into longer term contracts at prices which prove to be lower than future spot prices. Conversely, the businesses may sell their produce to customers on an ad hoc/as and when need "purchase order" basis without formal fixed term or supply arrangements in place (for example as is currently the case with Duxton Bees). While arrangements of this nature may allow businesses to sell at attractive current prices, prices fluctuate and such arrangements can create a lack of certainty as to revenue produced from these products.

(e) **Dependence on commodity buyers**

The businesses rely on ongoing commercial relationships with their customers for which they produce and supply products in some instances on a longer-term exclusive basis, for example, in the sale of dried fruits by Duxton Dried Fruits, which each operate in industries with few major purchasers in Australia. While strong customer relationships may represent a strength to the businesses, the loss of a major customer (whether to a competitor or other reason like insolvency) could result in significant, adverse financial consequences, particularly if it takes an extended period of time to replace that customer, or an alternative customer is unable to be obtained on appropriate terms or at all.

(f) **Competition**

The businesses compete with other companies within their respective industry sectors. Some of these companies may have greater financial and other resources than the businesses and, as a result, may be in a better position to compete for future business opportunities or adjust to changing market conditions. In other cases, the businesses may compete with businesses which do not seek the same level of investment returns as the businesses. There is a risk that the businesses are unable to compete effectively with their respective competitors which may adversely impact the financial performance or position of those businesses.

(g) **Supply of other key inputs**

The businesses operate in complex supply chains which are reliant on multiple third-party suppliers, including foreign suppliers. The availability and cost of inputs, such as tree supply for the walnut and/or pistachio developments, fertiliser and other chemical agents (such as drying agents for the dried fruits industry which is produced in the Ukraine), can be affected by disruptions in domestic and/or international production, shipping availability, quarantine, foreign exchange rates, weather events, WHS laws and policy shifts. The businesses cannot guarantee that such key inputs will be available or available at an acceptable cost in the future which may adversely impact their operations and prospects. The businesses also contract with various other counterparties, including under lease and licence agreements. If counterparties to these contracts fail or cease to fulfil their obligations (and suitable alternative suppliers are not able to be sourced), the performance, position or prospects of the businesses may be adversely affected.

(h) **Availability of seasonal or skilled labour**

There is a risk that the businesses that harvest products that are perishable, including Duxton Dried Fruits, are unable to source the appropriate volume of seasonal labour at the appropriate time, and in the required locations and at an acceptable cost. Some businesses, for example Duxton Bees, often obtain labour with specific skills (in that case beekeeping) from outside Australia under specific skills visas. Access to labour may be impacted as a result of various factors including demand from other industries or events which impact supply like quarantine restrictions, or visa policies in the case of foreign labour. An inability of a business to secure sufficient workforce in the future could restrict the ability of it to conduct its current and proposed businesses, which could have a negative impact on its financial performance.

(i) **Global and domestic conditions and regulatory changes**

The businesses may be impacted by foreign or domestic political events, international relations and regulatory changes (including those relating to the agricultural industry, property, industrial relations, the environment, sustainability, the regulation of trade practices and competition). As farmgate suppliers of agricultural products that may be exported, the businesses' exported products are vulnerable to shifts in foreign government policies, foreign trade tensions and international conflicts. This risk also includes the effects of foreign government subsidies, trade barriers or tariffs that may adversely impact the competitive position of Australian agricultural products, or the availability or costs of imported supply inputs. While the businesses do not currently export produce to the USA, which is actively adjusting its tariff and trading policies, there is heightened uncertainty and potential for change in this area which may impact the businesses in the future. Further, changes to government policies and legislation may result in increased costs to the businesses, and non-compliance may result in financial penalties being levied against the businesses which may adversely impact their financial position and reputation.

(j) **Other force majeure events and external factors**

Events beyond the control of the businesses may impact their operations and future profitability. Examples of events of this nature like certain weather and climate related events are discussed above in particular, however they could also include events like pandemics, outbreaks of disease, civil unrest, war, terrorist attack, an outbreak of international hostilities, industrial action, disruptions to political, regulatory, legal or economic conditions or to the national or international financial markets, or other man-made or natural events or occurrences. Such events may have an adverse effect on the ability of the businesses to conduct business. The businesses will have a limited, to no, ability to insure against some of these risks.

### 7.5 General Risks

(a) **Share investment and market conditions and liquidity**

There are various risks associated with investing in any form of business and with investing in listed entities generally. The value of Shares, will depend on many factors, including general share market and economic conditions as well as the specific performance of the Group. Share market conditions are affected by many factors such as:

(i) geopolitical conditions and general economic outlook;

(ii) introduction of tax reform or other new legislation or policies, including fiscal policies;

(iii) foreign exchange, interest and inflation rates;

(iv) changes in investor sentiment particular market sectors;

(v) commodity prices;

(vi) the demand for, and supply of, capital; and

(vii) terrorism or other hostilities.

The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market. The Company does not warrant the future performance of the Company, the return on an investment in the Company, or the price at which Shares will trade on the ASX. The past performance of Shares is not necessarily an indication as to future performance. There is also no guarantee that there will be an active market in Shares and it may be difficult for investors to sell their Shares if an active market does not exist in the future.

(b) **Dilution**

The Company may undertake offerings of securities in the future. Factors including the increase in the number of fully paid shares issued, the ability of an individual shareholder to participate in the equity offer and the issue price and the possibility of selling such securities, may have an adverse effect on the financial position or voting power of any individual shareholder.

(c) **Additional requirements for capital**

The Company may seek further equity or debt funding in the future, for example to fund working capital requirements, and further developments and expansion of its businesses, including through further acquisitions or mergers. There is no guarantee that alternative or additional funding could be sourced on terms satisfactory to the Company or at all which, if this occurred, could have a material adverse impact on the Company's financial position, performance, prospects and reputation. Further, should the Company experience a decrease in its revenue or profitability in the future, it may be forced to lower the amount of dividends to shareholders (or cease paying dividends), issue new shares or sell assets to reduce its debts and avoid being in breach of its financing arrangements (including financial covenants).

(d) **Debt funding**

There are various risks to the businesses associated with debt financing arrangements which includes breach of debt covenants, incurring increased borrowing costs (for example, as a result of interest rate increases), exposure to restrictive covenants that constrain financing or strategic initiatives, not being able to meet financial commitments when they fall due and risks associated with sub-optimal use of capital and the potential adverse impacts that can have on a business' reputation with suppliers and creditors. Further, poor liquidity management can have a detrimental impact on a business' strategic flexibility and capacity to execute on its strategic objectives by taking advantage of favourable opportunities as they arise, being able to adapt to changing market conditions, invest in innovation or react in response to competitive pressures. A limit in strategic flexibility of this nature has the potential to hinder long term growth of the businesses and shareholder value.

(e) **Taxation**

The acquisition and disposal of Shares and/or Notes will have tax consequences for the Shareholders, which will differ depending on their personal circumstances. Shareholders are encouraged to consider the information contained in Section 9 of this Prospectus and seek professional tax advice in connection with acquiring, holding and disposing of Notes and Shares. Future changes in Australian taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may also affect taxation treatment of Shares. Changes in tax law, or changes in the way tax law is expected to be interpreted may also impact the future tax assets or liabilities of the Group.

(f) **Changes in accounting standards**

Changes in accounting or financial reporting standards, including those relating to the measurement and recognition of key statement of income and balance sheet items, including revenue, or in relation to climate reporting may adversely impact the statement of financial position or statement of the financial performance or cash flows reported by the Company. The preparation of the Company's financial statements requires management to make estimates and assumptions and to exercise judgement in applying relevant accounting policies and financial reporting standards, each of which may directly impact the reported amounts of assets, liabilities, income and expenses. A higher degree of judgement is required for the estimates used in the calculation of provisions, the valuation of goodwill and intangible assets and the fair value of financial instruments.

(g) **Expected future events may not occur**

Certain statements in this Prospectus constitute forward-looking statements. Such forward-looking statements rely on various contingencies and assumptions and involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Given these uncertainties, investors should not place undue reliance on forward-looking statements. In addition, under no circumstances should forward-looking statements be regarded as a representation or warranty that they will occur on the terms, or within the time frames referred to, or at all.

## 7.6 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Convertible Notes offered under this Prospectus.

Therefore, the Convertible Notes to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Convertible Notes, or the Shares to be issued on conversion of any Convertible Notes.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Convertible Notes pursuant to this Prospectus.

# 8. MATERIAL CONTRACTS

## 8.1 Trust Deed

The Trust Deed governs the terms and conditions on which the Notes are to be issued and is subject to the Corporations Act and ASX Listing Rules. Schedule 1 to the Trust Deed contains the terms of issue of the Notes (**Note Terms**). The Note Terms are set out in Section 6.1 of this Prospectus.

The following is a summary of the material provisions of the Trust Deed. To obtain a complete understanding of the Trust Deed, it is necessary to read it in full. A complete copy of the Trust Deed will be available for inspection without charge during normal office hours at the registered office of the Company at Level 2, 208 Greenhill Road, Eastwood, South Australia 5063 on and from the date of this Prospectus until the close of the Offer.

(a) **Noteholders regarded as beneficial and legal owners**

A Noteholder is regarded as the beneficial owner and legal owner of the Convertible Notes he or she holds.

(b) **Payment on Convertible Notes**

The Company must make payment of the outstanding monies (which includes interest) in respect of Convertible Notes to Noteholders directly as and when due in accordance with the terms of the Convertible Notes unless the Company, with the consent of the Trustee, or at the direction of the Trustee, pays to the Trustee the outstanding monies as and when due in accordance with the terms of the Convertible Notes.

If the Trustee receives outstanding moneys as Trustee for Noteholders it must distribute those outstanding monies to Noteholders by cheque mailed to the address of each Noteholder or electronically to the account as advised by the individual Noteholders to the Trustee.

(c) **Appointment and role of Trustee**

The Trust Deed provides that the Trustee holds the Trust Fund on trust for the benefit of Noteholders, which includes:

(i) the right to enforce the Company's duty to repay the Convertible Notes; and

(ii) the right to enforce any other duties that the Company has under the terms of the Convertible Notes, the Trust Deed or Chapter 2L of the Corporations Act.

The Trustee may at any time or times, pursuant to any directions given by any meeting of Noteholders, represent the Noteholders and take any action or proceeding against the Company in the event of a breach by the Company of the Trust Deed or the terms of the Convertible Notes.

Except as required under Part 2L of the Corporations Act, the Trustee has no obligation to enquire as to the status or business of the Company or otherwise to take any action under or in respect of the Convertible Notes.

The Company must provide a copy of the Trust Deed to a Noteholder upon request.

(d) **Covenants by the Company**

The Company covenants with the Trustee that it will comply with various covenants, including:

(i) that the Company must carry on and conduct the business of the Company in a proper and efficient manner and will procure that each of its subsidiaries (if applicable) will carry on and conduct their businesses in a proper and efficient manner;

(ii) that the Company must convene a meeting of Noteholders if requested by Noteholders in writing to do so by persons holding Convertible Notes representing not less than 10% in value of the principal outstanding amount and otherwise in accordance with section 283EA of the Corporations Act; and

(iii) the Company will not create or allow to exist a charge on the whole or any part of its present or future property, other than a Permitted Finance Arrangement, without the prior written consent of the Trustee (which consent must not be unreasonably withheld).

Subject to the trustee's duties under the Corporations Act, the Trustee has no obligation to monitor compliance by the Company with its covenants and obligations under the Trust Deed.

(e) **Trustee powers and duties**

(i) In addition to the powers arising under the Corporations Act, the Trustee may:

(A) as between itself and the Noteholders, determine all questions and matters of doubt arising in relation to any of the provisions of the Trust Deed and every such determination whether made upon a question actually raised or implied in the acts or proceedings of the Trustee will be conclusive unless a court of competent jurisdiction otherwise orders;

(B) delegate to any person any of the trusts, powers or discretions vested in the Trustee on such terms and conditions as the Trustee determines. The Trustee will not be liable for any act or omission of a delegate that is not a Related Body Corporate of the Trustee, except to the extent that such act or omission constitutes a Trustee Default. The Trustee will not be liable for any act or omission of a delegate that is a Related Body Corporate of the Trustee, except to the extent that such act or omission constitutes a Trustee Default; and

(C) apply to the court for directions in relation to any question and assent to, approve of or oppose any application to the court made by or at the instance of any Noteholder.

(ii) The Trustee has the following duties under the Corporations Act and the Trust Deed:

(A) duties to exercise reasonable diligence to ascertain whether the Company has committed a breach of the terms of the Convertible Notes, the Trust Deed or Chapter 2L of the Corporations Act;

(B) duties to ensure that the Company remedies any breach of the terms of the Convertible Notes, the Trust Deed or Chapter 2L of the Corporations Act actually known to the Trustee unless the Trustee is satisfied that the breach will not materially prejudice the Noteholders' interests or any security for the Convertible Notes;

(C) duties to ensure the Company complies with Chapter 2L of the Corporations Act;

(D) notification to ASIC as soon as practicable after it becomes aware that the Company has not complied with sections 283BE, 283BF and 318 of the Corporations Act;

(E) notification to ASIC and the Company if the Trustee is unable to act as Trustee under section 283AC of the Corporations Act;

(F) duties to give Noteholders a statement explaining the effect of any proposal that the Company submits to the Noteholders before any meeting called by the court or the Trustee; and

(G) duties to comply with directions of a meeting of Noteholders called under sections 283EA, 283EB or 283EC of the Corporations Act unless:

(I) the Trustee is of the opinion that the direction is inconsistent with the terms of the Convertible Notes, the provisions of this Deed or the Corporations Act or is otherwise objectionable; and

(II) has either obtained, or is in the process of obtaining, an order from the court under section 283HA of the Corporations Act setting aside or varying the direction.

(f) **Trustee's liability**

To the maximum extent permitted by section 283DB of the Corporations Act, the Trustee's liability is limited to and can be enforced against the Trustee only to the extent to which it can be satisfied out of:

(i) its right to enforce the Company's duty to repay the Convertible Notes;

(ii) the right to enforce any other duties that the Company has under the terms of the Convertible Notes, the Trust Deed and Chapter 2L of the Corporations Act;

(iii) the amount of A$10 referred to in the Trust Deed; and

(iv) any other property held by the Trustee on the trust established under the Trust Deed (including, without limitation, the benefit of any covenants, undertakings, representations, warranties, rights, powers, benefits or remedies in favour of the Trustee under the transaction documents),

together the **Trust Fund**, out of which the Trustee is actually indemnified for the liability.

(g) **Trustee's indemnity**

(i) The Trustee is entitled to be indemnified by the Company in respect of all costs, liabilities, demands or claims suffered or properly incurred by the Trustee in the execution of the Trust or the exercise or purported exercise of any of the powers, authorities or discretions vested in the Trustee under the Trust Deed and any or otherwise in connection with the Trust but this indemnity does not extend to:

(A) any such costs, liabilities, demands or claims to the extent arising out of a Trustee Default (as defined in the Trust Deed); or

(B) any taxes imposed on the Trustee's remuneration for its services as Trustee.

(ii) The Trustee may retain and pay out of any monies in its hand (or any other property of the Trust Fund) in priority to any claim by a Noteholder, all sums necessary to effect and satisfy an amount due and payable to the Trustee under the Trust Deed or any other amount due and payable to the Trustee by the Company under the Trust Deed or any other transaction document.

(h) **Trustee's remuneration, costs and expenses**

The Company will pay to the Trustee by way of remuneration for its services as trustee the following fees:

(i) a cash payment of $10,000 (plus GST) as an initial one-off trustee engagement fee (**Initial Trustee Engagement Fee**):

(A) an ongoing trustee fee (**Ongoing Trustee Fee**) calculated on the aggregate face value of Convertible Notes on issue, at the rate of 0.30% per annum on the first $20,000,000 of Convertible Notes on issue and 0.25% per annum on Convertible Notes on issue above $20,000,000, subject to a minimum Ongoing Trustee Fee of $60,000 (plus GST) per annum;

(B) a fee of $1,000 (plus GST) for each consent, waiver or amendment request made of the Trustee (**Consent Fee**); and

(C) where the Trustee provides assistance by mutual agreement, or is required to undertake certain duties or take enforcement action under the Trust Deed, a fee for the time of Trustee staff at the rates usually charged by the Trustee (as at the date of the Trust Deed, between $300 and $700 (plus GST) per hour), which may be reviewed from time to time subject to the Company's prior written consent (not to be unreasonably withheld), invoiced monthly in arrears (**Service Fee**).

The Ongoing Trustee Fee is payable quarterly in arrears and is calculated in reference to the aggregate calendar month-end Convertible Notes on issue, with the first quarter commencing from the issue of the first Convertible Notes. The appointment of the Trustee is subject to minimum remuneration equivalent to the Initial Trustee Engagement Fee plus 12 months of the minimum Ongoing Trustee Fee.

(ii) In addition, the Company must pay to the Trustee within 5 Business Days of demand all reasonable costs, charges and expenses properly incurred, payable, or paid by or on behalf of the Trustee in relation to the Trustee performing its duties under the Trust Deed.

(i) **Reporting to Trustee**

The Company must give to the Trustee and lodge with ASIC quarterly reports reporting on the affairs of the Company and on any matters that may materially prejudice the interests of the holders of the Convertible Notes.

The Company must notify the Trustee of an Event of Default under the Trust Deed.

(j) **Events of default**

If an Event of Default occurs the Trustee may, amongst other things, issue Redemption Notices requiring the Company to redeem the Convertible Notes provided that the Trustee has first given the Company notice of the Event of Default and the Company has not remedied the Event of Default within 10 days of receipt of the Trustee's notice. The Trustee is not obliged to take any enforcement action unless it has been indemnified and placed in funds to its satisfaction. Prior to taking enforcement action, the Trustee may require the Company or Noteholders to provide such security and indemnity for costs as the Trustee considers necessary.

(k) **Each of the following events is an Event of Default:**

(i) (**Non-issue of Shares**): if the Company fails to issue Shares on Conversion in accordance with the Note Terms set out in Section 6.1.4 of this Prospectus within 10 Business Days after the date on which such issue is to be made;

(ii) (**Unremedied default in payment**): if the Company fails to make payment of any outstanding monies, as defined in the Trust Deed, in respect of the Convertible Notes in accordance with the Note Terms and the default has not been remedied to the satisfaction of the Trustee within a further five (5) Business Days (provided the Trustee has given the Company at least two (2) Business Days written notice of the default);

(iii) (**Unremedied material breach**) if the Company commits a breach of a covenant, condition or obligation imposed on it by the Trust Deed or the Note Terms (other than a failure to pay any Outstanding Moneys) and, if that breach is capable of remedy, that breach has not been remedied to the satisfaction of the Trustee within 10 Business Days of the Company receiving notice of the breach from the Trustee requiring that breach to be remedied;

(iv) (**Insolvency**) if an insolvency event occurs in respect of the Company, where an insolvency event means:

(A) an administrator being appointed to the Company:

(I) the Company resolving to appoint a controller or analogous person to the person or any of the person's property; or

(II) an application being made to a court for an order to appoint a controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to the Company or any of the person's property and not being withdrawn, stayed or dismissed within 30 days,

(B) the holder of a security interest or any agent on its behalf, appointing a Controller or taking possession of any of the person's property (including seizing the person's property within the meaning of section 123 of the PPSA);

(C) the Company being taken under Section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;

(D) an application being made to a court for an order for its winding up;

(E) an order being made, or the Company passing a resolution, for its winding up;

(F) the Company:

(I) suspending payment of its debts, ceasing (or threatening to cease) to carry on all or a material part of its business, stating that it is unable to pay its debts or being or becoming otherwise insolvent; or

(II) being unable to pay its debts or otherwise insolvent,

(G) the Company taking any step toward entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors;

(H) a court or other authority enforcing any judgment or order against the person for the payment of money or the recovery of any property; or

(I) any analogous event under the laws of any applicable jurisdiction,

unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation.

(v) (**Delisting**): if in respect of the Company the following occurs:

(A) the Shares cease to be quoted on ASX;

(B) trading of the Shares on ASX is suspended for a period of more than 20 consecutive Business Days,

(vi) (**Cessation of business**): if the Company ceases or suspends (or threatens to cease or suspend) the conduct of all of its business or a substantial part of its business;

(vii) (**Unlawfulness**): at any time, it is unlawful for the Company to perform any of its payment obligations under the Notes;

(viii) (**Government Agency**): all or substantially all of the assets of the Company are resumed or compulsory acquired by any Government Agency;

(ix) (**Vitiation**): all or any rights or obligations of the Company, Noteholders or the Trustee under the Trust Deed or the Note Terms are terminated or are or become void, illegal, invalid, unenforceable or of limited force and effect;

(x) (**Liquidation**): if the Company enters liquidation provided that the liquidator does not retire or is not removed within 5 Business Days after the date of appointment;

(xi) (**Material change in Constitution**): the Company makes a material change to its Constitution without the consent of the Trustee (which consent must not be unreasonably withheld); and

(xii) (**Event of default**): if an event of default occurs under another transaction document.

(l) **Upon the Company entering liquidation:**

(i) each Convertible Note will be due to be redeemed for an amount equal to the Outstanding Face Value of the Convertible Note plus interest which has accrued but which has not become due, plus unpaid interest up to the date that the Convertible Note is redeemed (**Redemption Amount**) and calculated as at the date of the Company entering liquidation;

(ii) no Noteholder nor the Trustee will be entitled to receive payment from the liquidator or the Company (including by way of set off or counterclaim) of any outstanding monies until any Permitted Finance Arrangement has been discharged in full.;

(iii) any proof of debt or other claim (including by way of set off) made by a Noteholder or the Trustee in respect of a Convertible Note obligation will be made subject to the Noteholder or the Trustee acknowledging the priority for payment of a Permitted Finance Arrangement and will be limited to the Redemption Amount;

(iv) upon a liquidation event, any amounts received by the Trustee from the Company will be received by it on trust to be applied:

(A) firstly, in or towards payment or satisfaction of the costs, charges, expenses and liabilities incurred by it in the execution of the trusts of the Trust Deed (including any unpaid remuneration);

(B) secondly, in or towards payment of the claims of a holder of any Permitted Finance Arrangement to the extent that those claims have been admitted to proof in the Liquidation (and have not been satisfied out of the other resources of the Company) but excluding interest accruing on those claims after the commencement of the liquidation;

(C) thirdly, in or towards payment pari passu and rateably the Redemption Amount of all Convertible Notes remaining unpaid and any other obligations of the Company which rank pari passu with the Note Obligations; and

(D) fourthly, the balance, if any in payment to the liquidator.

(v) The trust mentioned above at Section 8.1(m)(iv)(D) may be performed by the Trustee or any Noteholder paying over to the liquidator for the time being the relevant amounts received by the Trustee or the Noteholder on terms that the liquidator is to distribute those amounts in accordance with the ranking of priority or payment set out in the Trust Deed. The receipt of the liquidator will be a good discharge to the Trustee or any Noteholder for the performance of that trust.

(m) **Security and ranking**

The Company's obligations under the Trust Deed will be secured under the Transaction Security Interests, being a general security deed (excluding real property and water assets) to be entered into between the Company, its wholly owned subsidiaries and the Trustee. The Trustee holds the rights under the Transaction Security Interests on trust for the benefit of the Trustee and each Noteholder.

The Transaction Security Interests will, at all times, be subordinate to the Senior Debt in a winding up of the Company. The priority arrangements between the Trustee and the Company's senior lender will be regulated by the Intercreditor Deed.

Once all outstanding moneys have been irrevocably paid in full, or all Convertible Notes have been converted or redeemed in accordance with the Note Terms, the Trustee must, as soon as practicable, sign discharge forms to release the Transaction Security Interests.

(n) **Permitted New Debt**

The Company will seek the written consent of the Trustee for any amount above the Permitted New Debt.

(o) **Retirement, Removal and Appointment of New Trustee**

The Trustee may retire at any time after giving the Company 60 days' notice in writing. The retirement will not take effect until a new trustee who complies with the requirements in the Corporations Act has been appointed and has taken office as the new trustee.

The Company may, subject to the provisions of the Trust Deed, the Corporations Act, and by at least thirty (30) days' written notice to the Trustee, remove the Trustee from office if:

(i) the Trustee ceases to comply with the requirements under the Corporations Act;

(ii) the Trustee has:

(A) not paid any monies required to be paid by the Trustee in relation to the Trust Deed within 10 Business Days of receipt of all relevant information (including bank account details, if applicable) necessary for the Trustee to effect payments; or

(B) not observed or performed any of its material obligations under the Trust Deed or has otherwise acted fraudulently or with gross negligence or is in wilful default (and, if such is capable of rectification, it is not rectified within 10 Business Days of notice to the Trustee of its occurrence);

(iii) the Trustee ceases to be a trustee company;

(iv) a special resolution of Noteholders determines that the Trustee should be removed;

(v) the Trustee ceases to carry on business or goes into liquidation or an administrator or receiver is appointed or the Trustee enters into a scheme of arrangement (other than for the purposes of or in connection with a solvent reconstruction or amalgamation) or goes into liquidation, provisional liquidation or administration or has a receiver or receiver and manager appointed over any part of the assets or undertakings of the Trustee (not being assets or undertakings of the Trustee held in its capacity as trustee of another trust) which is not removed or withdrawn within thirty (30) days after the date of the appointment; or

(vi) the Trustee defaults in performance or observing any of its obligations under the Trust Deed and:

(A) that default is incapable of remedy and has had or is likely to have a material adverse effect on the ability of the Company to perform or observe its obligations to Noteholders; or

(B) if that default is a material default and is capable of remedy, that default has not been remedied within 10 Business Days of receiving written notice of the default from the Company requiring that default to be remedied.

(p) **Amendment without Noteholder consent**

(i) The Company and the Trustee are entitled without any authority or assent on the part of the Noteholders to amend or add to the Trust Deed if in the opinion of the Trustee such amendment or addition:

(A) is of a formal, minor or technical nature, or is made to correct a manifest error;

(B) is expedient or requisite to enable the Convertible Notes to be listed or remain listed for quotation on the ASX or to be offered for subscription or sale under the laws for the time being in force in any place;

(C) is, in the opinion of the Trustee, not likely to be materially prejudicial to the interests of the Noteholders and two Directors of the Company on behalf of the board of Directors of the Company have so certified to the Trustee;

(D) is necessary and expedient to enable the Company to claim any deduction or rebate for income tax purposes in respect of interest payable on any Convertible Notes provided that the amendment is not materially prejudicial to the interests of Noteholders as a whole;

(E) is necessary to comply with the provisions of any statute or the requirements of any statutory authority or the ASX Listing Rules; or

(F) is otherwise not materially prejudicial to the interests of Noteholders generally or not, and is not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to Noteholders generally.

(q) **Meetings**

(i) Each registered Noteholder is entitled to at least 14 days' notice of, and to attend and vote at, meetings of Noteholders in which an ordinary resolution is proposed, and at least 21 days' notice of, and to attend and vote at, meetings of Noteholders in which a special resolution is proposed.

(ii) Noteholders with at least 10% of the principal amount outstanding of the Convertible Notes may give a written direction to the Company to convene a meeting of Noteholders, and the Company must convene a meeting.

(iii) There will be a quorum for a meeting of Noteholders if two or more Noteholders are present (in person or by proxy or attorney) and the Noteholders who are present hold at least 10% of the principal amount outstanding of the Convertible Notes.

(iv) Each Noteholder (or proxy or attorney of a Noteholder) present at the meeting is entitled to one vote on a show of hands, and on a poll is entitled to one vote for each Convertible Note held.

(v) The meeting of Noteholders has the following powers exercisable by Special Resolution only:

(vi) power to sanction any modification or compromise or arrangement in respect of the rights of Noteholders against the Company;

(vii) power to assent to any modification of the Trust Deed, any supplemental deed, or the conditions of issue of the Convertible Notes;

(viii) power to give any sanction, direction or request which is required to be given with the consent of the Noteholders;

(ix) power to release the Trustee from anything done or omitted to be done; and

(x) power to remove the Trustee.

Other than as disclosed in this Prospectus, the Trust Deed is comprised of terms and conditions that are considered standard for a document of this nature.

### 8.2 Intercreditor Deed

The Offer is conditional on the Group and the Trustee entering into an intercreditor deed with the Senior Lender (**Intercreditor Deed**). The Intercreditor Deed will provide that:

(a) all amounts owing in respect of the Notes and the security granted in favour of the Trustee (**Transaction Security**) will be subordinated to, and rank behind, all amounts owing by the Group to the Senior Lender (**Senior Debt**) and the security granted in respect of the Senior Debt;

(b) enforcement rights in respect of the Notes and the Transaction Security cannot be exercised by the Trustee without the Senior Lender's consent; and

(c) the payment of cash interest on the Notes will only be permitted so long as the Group remains in compliance with its obligations under the Senior Debt documents.

The Senior Lender has provided its in-principle agreement to the issue of the Notes. The long-form Intercreditor Deed has not been executed as at the date of this Prospectus and this description is based on the terms on which the Senior Lender has provided its in-principle agreement to the issue of the Notes.

### 8.3 Commitment letters

The Company has entered into commitment letters with entities associated with Mr Richard Magides and entities associated with Mr Ed Peter, being the Company's two largest Shareholders, pursuant to which each has committed to take up its full Entitlement under the Offer and, in the case of the entities associated with Mr Peter and the entities associated with Mr Magides, to apply for Shortfall Notes, subject to Shareholder approval.

The key terms of the commitment letters are that:

(a) the entities associated with Mr Magides have irrevocably committed to subscribe for their full Entitlements and, subject to Shareholder approval, such number of Shortfall Notes as results in an aggregate subscription of 2,800,000 Notes ($2,800,000);

(b) the entities associated with Mr Peter have irrevocably committed to subscribe for their full Entitlements and, subject to Shareholder approval, such number of Shortfall Notes as results in an aggregate subscription of 2,800,000 Notes ($2,800,000)

(c) each commitment is conditional on the Offer proceeding to completion and, in respect of the Shortfall Notes, on receipt of Shareholder approval, and terminates only if the Company elects not to proceed with the Offer; and

(d) no fees are payable by the Company in connection with the commitments.

The commitment letters are not underwriting agreements and do not guarantee the level of subscriptions that will be achieved under the Offer.

## 9. TAXATION IMPLICATIONS

The following is a summary of the Australian income tax, GST and stamp duty consequences for certain Noteholders who subscribe for the Notes under the Offer and who hold Notes and Shares acquired on conversion of Notes on capital account for Australian tax purposes. It does not constitute tax advice and should not be relied upon as such.

This summary is not intended to be exhaustive and it does not reflect the Australian tax consequences unique to each Noteholder's particular circumstances. Further, the summary does not address the taxation consequences of holding Notes under the laws of any jurisdiction other than Australia. You should seek advice from your own taxation adviser, financial adviser or other professional adviser before deciding to invest in the Notes. In particular, this summary does not consider the tax consequences for Noteholders who:

(a) acquire the Notes otherwise than under the Offer;

(b) hold the Notes and Shares acquired on conversion of Notes in their business of share trading or dealing in securities, or who otherwise hold their Notes or Shares acquired on conversion of Notes on revenue account or as trading stock;

(c) are subject to the "taxation of financial arrangements" provisions in Division 230 of the Income Tax Assessment Act 1997 (**1997 Act**);

(d) are a non-resident that has a permanent establishment in Australia for tax purposes;

(e) are an "associate" (as defined for Australian income tax purposes) of the Company; or

(f) Are an Australian tax resident who holds the Notes or Shares on conversion of Notes in the course of carrying on a business at or through a permanent establishment outside of Australia.

This summary is not intended to be, nor should it be construed as being, investment, legal or tax advice to any particular Noteholder. Australian tax laws are complex and subject to change periodically. This general summary is based on Australian income tax, GST and stamp duty laws and regulations, interpretations of such laws and regulations, and administrative practices as at the date of this Prospectus. Shareholders and Noteholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences related to this Prospectus under the laws of their country of residence, as well as under Australian law. These comments relate to Australian tax law only.

The Company, its agents, officers and advisors do not accept any liability or responsibility for any of the tax consequences related to this Prospectus or the acquisition, holding, disposal, redemption or conversion of a Note or any Share in the Company. Accordingly, each prospective Noteholder should seek their own independent tax advice, which is specific to their particular circumstances, as to the Australian and any applicable foreign tax consequences of investing in, holding and disposing of the Notes.

### 9.2 Tax treatment of Notes

The Notes should be classified as a debt interest for the purposes of the Income *Tax Assessment Act 1936* (**1936 Act**) and the 1997 Act and on the assumption that it also qualifies as "traditional securities" for the purposes of sections 26BB and 70B of the 1936 Act.

### 9.3 Notes

(a) **Interest Payable on Notes**

***Australian resident Noteholders***

As the Notes should be classified as debt interests for the purposes of the 1936 Act and the 1997 Act, Australian resident Noteholders should include the interest on the Notes in their assessable income in the year of income in which the interest is derived from them.

***Non-resident Noteholders***

Interest payable to non-residents is generally subject to Australian interest withholding tax.

Interest paid on the Notes to non-resident Noteholders may be exempt from Australian interest withholding tax under section 128F where the issue of the Notes satisfies the public offer test in that section. The issue of the Notes will not satisfy the public offer test if, at the time of issue, the Company knew or had reasonable grounds to suspect that the Notes, or an interest in the Notes, were being or would be acquired, directly or indirectly, by an associate of the Company in the circumstances set out in subsection 128F(5). Because the Offer is made to Shareholders and the Company has substantial non-resident Shareholders who may participate in the Offer, the Company considers it possible that the section 128F exemption will not be available in respect of the Notes, albeit the Company does not consider any of its non-resident Shareholders to be associates of the Company.

Where the withholding tax exemption under section 128F does not apply, interest on the notes paid to non-resident Noteholders may be subject to Australian interest withholding tax at the rate of 10% of the gross amount of that interest, subject to any reduction available under a double tax agreement between Australia and the Noteholder's country of residence. Most of Australia's double tax agreements preserve a maximum rate of 10% for interest, and non-resident Noteholders should not assume that treaty relief will reduce that rate.

Under the Note Terms, the Company may withhold or deduct from any amount payable to a Noteholder any amount it is required by law to withhold or deduct, and where an amount is withheld or deducted the full amount payable is deemed to have been duly paid and satisfied. The Company has no obligation to pay any additional amount to a Noteholder by way of gross up in respect of any such withholding or deduction. The economic cost of any Australian interest withholding tax will therefore be borne by the non-resident Noteholder.

Non-resident Noteholders should obtain their own independent advice as to the Australian and foreign tax consequences of acquiring, holding, converting, disposing of and having redeemed their Notes, including as to the availability of any relief under a double tax agreement and as to any credit available in their country of residence for Australian interest withholding tax.

(b) **Conversion to Shares**

***Australian resident Noteholders***

Where an Australian resident Noteholder elects to convert their Notes into Shares, any gain made or loss incurred by the Noteholder should generally be disregarded under section 26BB or 70B (as applicable).

Similarly, no capital gain or loss for CGT purposes should arise at the time of conversion.

***Non-resident Noteholders***

As with Australian resident Noteholders, non-resident Noteholders should not be subject to Australian tax on the conversion of the Notes to Shares.

However, non-resident Noteholders may be subject to tax on the conversion of the Notes to Shares in their respective tax jurisdictions.

Accordingly, non-resident Noteholders should obtain their own independent advice as to the taxation consequences of converting the Notes in their country of residence.

(c) **Cost Base and Disposal of the Shares Resulting from the Conversion of Notes**

***Australian resident Noteholders***

Where a Noteholder elects to convert their Notes into Shares, the first element of the cost base and reduced cost base in the Shares for CGT purposes should be determined by apportioning the cost base or reduced cost base (as applicable) of the Notes over the Shares on a reasonable basis.

For CGT purposes, Noteholders should be deemed to have acquired the Shares at the time of conversion of the Notes.

The subsequent disposal of Shares should give rise to a capital gain or capital loss. Broadly, a capital gain should arise if the capital proceeds from the disposal of the Shares by the Noteholder exceed the cost base of the Shares while a capital loss should arise if the capital proceeds from the disposal of the Shares are less than the reduced cost base of the Shares.

An individual, complying superannuation entity or trustee Noteholder may be entitled to a discount on the amount of the assessable capital gain (after application of any available capital losses) arising from the disposal of Shares if the Shares have been held for at least 12 months from the date of their acquisition for CGT purposes (the **CGT discount**). The CGT discount percentage is 50% for individuals and trusts and 33.33% for complying superannuation entities. A resident corporate tax entity is not able to obtain the CGT discount.

Under Treasury Laws Amendment (Tax Reform No. 1) Bill 2026, the following CGT measures will apply from 1 July 2027 :

- The 50% CGT discount for individuals, partnerships and certain trusts will be removed and replaced with capital gains tax cost base indexation, for assets held for more than 12 months. Broadly, the cost base indexation would increase the cost base of an asset by reference to inflation, so that only the inflation-adjusted gain is subject to tax.
- A minimum tax rate of 30% will apply to real capital gains accruing from 1 July 2027 (with no impact until the income is realised).

The changes are to apply to gains arising on all CGT assets held by individuals, trusts and partnerships.

For assets held prior to 1 July 2027 and disposed of after that date, transitional arrangements will apply such that the portion of any capital gain attributable to the period before 1 July 2027 would remain eligible for the existing 50% CGT discount, while the portion attributable to the period from 1 July 2027 would be subject to the new cost base indexation and minimum tax arrangements.

It is intended that the CGT outcomes for complying superannuation entities should generally not be impacted by the CGT changes.

***Non-resident Noteholders***

Non-resident Noteholders should generally only be subject to Australian CGT on the disposal of Shares where they, together with "associates" hold 10% or more of the issued capital of the Company and the Shares are an "indirect Australian real property interest". The determination of whether a Share is an indirect Australian real property interest is made at the time of the relevant CGT event.

Where a non-resident is subject to Australian CGT upon disposal of a Share the consequences are broadly the same as outlined above for residents, subject to the operation of any relevant double tax agreement, with the exception that the CGT discount is not generally available to non-residents.

If a non-resident Noteholder, together with "associates", holds 10% or more of the issued capital of the Company, they should obtain their own independent advice as to the Australian taxation consequences of disposing of their Shares.

Non-resident Noteholders may also be subject to tax on the disposal of Shares in their respective tax jurisdictions and they should obtain their own independent advice as to the taxation consequences in their country of residence.

The Australian Government has introduced legislation proposing changes to the foreign resident CGT regime, including an expanded definition of taxable Australian property (**TAP**) and a revised principal asset test. If enacted, these changes may broaden the circumstances in which a non-resident Noteholder is subject to Australian CGT on the disposal of Shares acquired on conversion of the Notes.

At the date of this Prospectus, the proposed changes have not become law. Noteholders should seek independent advice on the implications of the proposed reforms to their individual circumstances.

(d) **Redemption of Notes by the Company (at Maturity or Early)**

***Australian resident Noteholders***

Where the Company redeems the Notes, and the redemption proceeds are equal to the Issue Price of the Notes, the Noteholder should not realise any assessable gain or deductible loss on the redemption. To the extent the redemption proceeds exceeds the Issue Price, any gain should be included in the Noteholder's assessable income under section 26BB of the 1936 Act. To the extent the redemption proceeds are less than the Issue Price, any loss should be deductible in the hands of Noteholders under section 70B of the 1936 Act.

***Non-resident Noteholders***

Where the Company redeems the Notes, and the redemption proceeds are equal to the Issue Price of the Notes, the Noteholder should not realise any Australian assessable gain or deductible loss on the redemption.

Non-resident Noteholders may be subject to tax on the redemption of the Notes in their respective tax jurisdictions.

Accordingly, non-resident Noteholders should obtain their own independent advice as to the taxation consequences of the redemption of their Notes.

(e) **Tax file number/Australian Business Number withholding**

The Company will be required to withhold an amount of Australian tax at the highest marginal tax rate plus Medicare levy (currently 47%) on payments of interest under the Notes and remit the relevant amount withheld to the ATO unless:

(i) the Noteholder has provided the Company with either:

(A) their Australian tax file number (**TFN**);

(B) for investors who acquire and hold their Notes in the course of carrying on an enterprise, their Australian Business Number (**ABN**); or

(C) the relevant investor is otherwise exempt from providing this information (e.g. where an investor is a non-resident and the interest would otherwise be subject to interest withholding tax but for the exemption in section 128F of the 1936 Act described above).

If interest under the Notes is subject to TFN/ABN withholding, Australian resident Noteholders should be able to claim the amount withheld as a credit against their Australian income tax liability in their tax return.

## 9.4 GST

There should be no Australian GST payable on the issue or receipt of the Notes or in respect of the payment of interest on the basis that the supply of the Notes should either be an input taxed financial supply (within the meaning of Division 40 of A New Tax System (Goods and Services Tax) Act 1999 (GST Act)) (in the case of Australian resident Noteholders) or a GST-free supply (under item 2(a) section 38-190(1) of the GST Act) (in the case of non-resident Noteholders). The redemption of the Notes and the disposal of the Notes should similarly not give rise to any Australian GST liability, on the basis that these transactions should constitute either input taxed financial supplies or GST-free supplies (in the case of non-resident Noteholders).

Noteholders should seek their own independent advice as to whether any GST on costs they incur in relation to acquiring, holding or disposing of the Notes would be recoverable.

The conversion of Notes into Shares should not give rise to any GST liability, as the issue of shares should be an input taxed financial supply (within the meaning of Division 40 of the GST Act) or, in the case of non-resident Noteholders, a GST-free supply under section 38-190 of the GST Act.

### 9.5 Stamp duty

Under current law, no stamp duty should be payable by Noteholders on the issue, receipt, transfer or redemption of the Notes so long as at all times the Company is listed and all of its issued share capital and all the Notes are quoted on the ASX and no Noteholder (alone or together with associates or as part of one arrangement with other Noteholders) acquires or holds a 90% or more interest in the Company.

## 10. ADDITIONAL INFORMATION

### 10.1 Litigation

As at the date of this Prospectus, the Company and its subsidiaries are not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company or any of its subsidiaries.

### 10.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

    (i) the annual financial report most recently lodged by the Company with the ASIC;

    (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

    (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

| DATE | DESCRIPTION OF ANNOUNCEMENT |
|---|---|
| 28 August 2026 | Preliminary Final Report |
| 28 August 2026 | Non-renounceable Entitlement Offer of Convertible Notes |
| 27 August 2026 | Change of Director's Interest Notice |
| 26 August 2026 | Change in substantial holding |
| 24 August 2026 | Change in substantial holding |
| 14 August 2026 | Release of Shares from Voluntary Escrow |
| 13 August 2026 | Final Director's Interest Notice |
| 13 August 2026 | Director Retirement - Wade Dabinett |
| 31 July 2026 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 26 June 2026 | Divestment of 'Duxton Apples' Assets |
| 22 June 2026 | Change of Director's Interest Notice |
| 17 June 2026 | Change of Director's Interest Notice |
| 3 June 2026 | Change of Director's Interest Notice |
| 19 May 2026 | Change in substantial holding |
| 15 May 2026 | Change of Director's Interest Notice |
| 11 May 2026 | Change of Director's Interest Notice |
| 30 April 2026 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 16 April 2026 | Change in substantial holding |
| 19 March 2026 | Cowaribin Settlement |
| 17 March 2026 | Change of Director's Interest Notice |
| 6 March 2026 | Change of Director's Interest Notice |
| 26 February 2026 | Half Yearly Report and Accounts |
| 20 February 2026 | Release of Shares from Voluntary Escrow |
| 5 February 2026 | Divestment of Cowaribin Property |
| 30 January 2026 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 28 January 2026 | Company Update - Forbes Divestment |
| 27 January 2026 | Update - Notification of buy-back - DBF |
| 13 January 2026 | Settlement of Merriment Property |
| 19 December 2025 | Update - Notification of buy-back - DBF |
| 16 December 2025 | Update - Notification of buy-back - DBF |
| 11 December 2025 | Update - Notification of buy-back - DBF |
| 11 December 2025 | Notification of buy-back - DBF |
| 11 December 2025 | Commencement of Share Buy Back |
| 11 December 2025 | Change in substantial holding |
| 3 December 2025 | Change of Director's Interest Notice |

| DATE | DESCRIPTION OF ANNOUNCEMENT |
|---|---|
| 3 December 2025 | Change of Director's Interest Notice |
| 2 December 2025 | Divestment of Merriment Property |
| 28 November 2025 | Annual General Meeting Results |
| 28 November 2025 | Application for quotation of securities - DBF |
| 27 November 2025 | Update - Proposed issue of securities - DBF |
| 27 November 2025 | Results of Share Purchase Plan |
| 21 November 2025 | AGM Online Stream Details |
| 19 November 2025 | Change in substantial holding |
| 7 November 2025 | Dispatch of Share Purchase Plan Booklet |
| 4 November 2025 | Change of Director's Interest Notice |
| 4 November 2025 | Change of Director's Interest Notice |
| 3 November 2025 | Change in substantial holding |
| 3 November 2025 | Change in substantial holding |
| 31 October 2025 | Notice under Section 708A(5) of the Corporations Act |
| 31 October 2025 | Application for quotation of securities - DBF |
| 30 October 2025 | Proposed issue of securities - DBF |
| 30 October 2025 | Placement Settlement and SPP Launch |
| 30 October 2025 | Application for quotation of securities - DBF |
| 30 October 2025 | Application for quotation of securities - DBF |
| 30 October 2025 | Implementation of Strategic Merger |
| 29 October 2025 | Ceasing to be a substantial holder |
| 29 October 2025 | Notice of Annual General Meeting/Proxy Form |
| 24 October 2025 | Update - Proposed issue of securities - DBF |
| 23 October 2025 | Change in substantial holding |
| 23 October 2025 | Proposed issue of securities - DBF |
| 23 October 2025 | Update - Proposed issue of securities - DBF |
| 23 October 2025 | Proposed issue of securities - DBF |
| 22 October 2025 | Change of Director's Interest Notice |
| 21 October 2025 | Court Approval of Scheme |
| 14 October 2025 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 10 October 2025 | Results of Meeting |
| 10 October 2025 | Merger Company Scheme Meetings Results |
| 10 October 2025 | EGM Voting Update |
| 8 October 2025 | Indicative outcome of Elections for Scheme Consideration |
| 7 October 2025 | Change of Director's Interest Notice |
| 6 October 2025 | EGM Webcast Details |
| 3 October 2025 | TOV: DBF - Panel Declines to Conduct Proceedings |

| DATE | DESCRIPTION OF ANNOUNCEMENT |
|---|---|
| 3 October 2025 | DBF - Panel Declines to Conduct Proceedings |
| 3 October 2025 | Change of Director's Interest Notice |
| 3 October 2025 | Notice Required Under ASX Listing Rule 3.13.1 |
| 26 September 2025 | Final Director's Interest Notice |
| 26 September 2025 | Change of Director's Interest Notice |
| 26 September 2025 | Retirement of Director |
| 23 September 2025 | Change of Director's Interest Notice |
| 19 September 2025 | TOV: DBF - Panel Receives Application |
| 19 September 2025 | DBF - Panel Receives Application |
| 19 September 2025 | Pause in Trading |
| 15 September 2025 | Change of Director's Interest Notice |
| 4 September 2025 | Updated Investment Management Agreement |
| 4 September 2025 | Notice of Extraordinary General Meeting/Proxy Form |
| 4 September 2025 | Scheme Book - Duxton Dairies (Cobram) Pty Ltd |
| 4 September 2025 | Scheme Book - Duxton Orchards Pty Ltd |
| 4 September 2025 | Scheme Book - Duxton Dried Fruits Pty Ltd |
| 4 September 2025 | Scheme Book - Duxton Bees Pty Ltd |
| 4 September 2025 | Registration of Merger Company Scheme Books with ASIC |
| 27 August 2025 | Change of Director's Interest Notice |
| 21 August 2025 | Cowaribin & Merriment Placed on Market |
| 20 August 2025 | Strategic Merger Update |
| 8 August 2025 | Change of Director's Interest Notice - EP SD |
| 7 August 2025 | Change in substantial holding |
| 7 August 2025 | Appendix 4G and Corporate Governance Statement |

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.duxtonfarms.com.

### 10.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

| | | |
|---|---|---|
| **Highest** | $0.58 | 22 and 25 May 2026 |
| **Lowest** | $0.41 | 19 and 20 August 2026 |
| **Last** | $0.43 | 27 August 2026 |

## 10.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

  (i) the formation or promotion of the Company; or

  (ii) the Offer.

***Security holdings***

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in Section 10.5.

## 10.5 Directors' interests in Securities

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

| DIRECTOR | SHARES | ENTITLEMENT | PERCENTAGE (%)[1] |
|---|---|---|---|
| Edouard (Ed) Peter | 17,426,702[2] | 1,584,246 | 16.27% |
| Stephen Duerden | 253,665[3] | 23,060 | 0.24% |
| Rachel Triggs | Nil | Nil | – |
| Paul Burke | Nil | Nil | – |

**Notes:**

1. Based on the number of Shares held by or on behalf of the Director as at the date of this Prospectus, as a percentage of the total number of Shares on issue.
2. Mr Peter holds:
   (a) 3,000 Shares directly;
   (b) 9,226,069 Shares in his capacity as trustee for The Peter Family Trust;
   (c) 1,989,641 Shares through BNP Paribas NOMS Pty Ltd;
   (d) 4,257,530 Shares through Duxton Capital Investments Pty Ltd;
   (e) 328,067 through EFP Nominees;
   (f) 400,000 Shares through EFP Holdings Group;
   (g) 349,790 Shares through Duxton Agricultural Holdings;
   (h) 1,159 Shares through Duxton Vineyard Land Co;
   (i) 55,642 Shares through Duxton Dairy Investments;
   (j) 41,950 Shares through Duxton Capital (Australia); and
   (k) 773,854 Shares through Sandhurst Trustees Limited.

   Mr Peter's holdings include Shares received as consideration under the schemes of arrangement implementing the Merger, under which entities associated with Mr Peter were vendors of shares in the merged entities. Refer to the scheme booklet dated 4 September 2025.

   These figures have been taken from Mr Peter's most recent Appendix 3Y and differ to the figure set out in Section 5.5 due to disclosure of non-controlled economic interests.

3. Mr Duerden holds:
   (a) 217,030 Shares indirectly through Merlion Investments Pty Ltd (owned by The Duerden Family Trust.
   (b) 2,157 Shares directly; and
   (c) 34,478 Shares indirectly through The Duerden Family Trust.

The Board recommends all Shareholders take up their Entitlements. The Board advises that entities associated with Mr Ed Peter have committed to subscribe for an aggregate of 2,800,000 Notes, comprising his full Entitlement and, subject to Shareholder approval, Shortfall Notes (refer to Section 8). Mr Stephen Duerden reserves his right to take up his Entitlements in whole or in part at his discretion. The Company will advise ASX of the final Director participation in accordance with the ASX Listing Rules.

***Remuneration***

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

| DIRECTOR | FINANCIAL YEAR ENDING 30 JUNE 2027 | FINANCIAL YEAR ENDED 30 JUNE 2026 | FINANCIAL YEAR ENDED 30 JUNE 2025 |
|---|---|---|---|
| Edouard (Ed) Peter[1] | Nil. | Nil. | Nil. |
| Stephen Duerden[1] | Nil. | Nil. | Nil. |
| Rachel Triggs | $68,333 | $68,333 | $50,175 |
| Paul Burke | $60,000 | $60,000 | $70,151 |

**Notes:**

1. Messrs Peter and Duerden are engaged as directors of the Investment Manager (Duxton Capital (Australia) Pty Ltd) (**Duxton Capital**)) and historically have received no remuneration from the Company. The Company has entered into a management agreement with Duxton Capital, pursuant to which Duxton Capital, receives management fees and performance fees. For the financial year ended 30 June 2026, the total fees payable to Duxton Capital Australia under the management agreement and under previous advisory agreements amounted to $1,920,000 (excluding GST). For the financial year ended 30 June 2025, the total fees payable to Duxton Capital under the management agreement amounted to $1,007,762 (excluding GST).

## 10.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue, holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

 (i) its formation or promotion; or

 (ii) the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(a) the formation or promotion of the Company; or

(b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin approximately $55,000 (excluding GST and disbursements) for these services.

MSC Group has agreed to act as Trustee under the Trust Deed. The fees payable by the Company to the Trustee are set out in Section 8.1(h) of this Prospectus.

## 10.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Notes), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the Share Registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

MSC Group has given its written consent to being named as the Trustee in this Prospectus in the form and context in which it is named. MSC Group has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 10.8 Expenses of the offer

The total expenses of the Offer are estimated to be approximately $179,206 (excluding GST and assuming full subscription) as set out in the table below:

| | $ |
|---|---|
| ASIC Fees | 3,206 |
| Trustee Fees | 25,000 |
| Legal fees | 55,000 |
| Share registry, printing and other expenses | 96,000 |
| **Total** | **179,206** |

## 10.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Share Registry and they will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.duxtonfarms.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## 10.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## 10.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Note certificates. As the Notes will not be quoted on ASX, the Notes will not be held on the CHESS subregister. The Notes will be registered on an issuer sponsored subregister maintained by the Share Registry, and Noteholders will receive holding statements recording their holding. Shares issued on conversion of the Notes will be able to be held on the CHESS subregister or the issuer sponsored subregister in the usual way.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Notes issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## 10.12 Privacy Act

If you complete an application for Notes, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Notes, the Company may not be able to accept or process your application.

## 11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

## 12. GLOSSARY

**$** means the lawful currency of the Commonwealth of Australia.

**Sydney time** means the time observed in Sydney, New South Wales.

**Applicant** means a Shareholder who applies for Notes pursuant to the Offer or a Shareholder or other party who applies for Shortfall Notes pursuant to the Shortfall Offer.

**Application** means an application to subscribe for Notes under this Prospectus.

**Application Form** means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

**Application Monies** means money submitted by Applicants in respect of Applications.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

**ASX Listing Rules** means the listing rules of ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**Cash Interest** means interest accruing on the Outstanding Face Value of a Note at the rate of 7.5% per annum, payable in cash in accordance with the Note Terms.

**Closing Date** means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

**Company** or **Duxton Farms** means Duxton Farms Ltd (ACN 129 249 243).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Conversion Election Period** means, in respect of an Election Date, the period commencing 20 Business Days before that Election Date and ending 5 Business Days before that Election Date.

**Conversion Notice** means a notice given by a Noteholder to the Company electing to convert Notes in accordance with Section 6.1.4.

**Conversion Period** means the period commencing from the date of issue of the Notes and ending on the Maturity Date, during which a Noteholder may convert Notes only in a Conversion Election Period.

**Conversion Price** means, in respect of an Election Date, the greater of 90% of the lowest 30-day volume weighted average price of Shares (as traded on ASX) over the 11-month period (1 October – 31 August) immediately preceding the first day of the Conversion Election Period for that Election Date, and $0.20, as set out in Section 6.1.4(b).

**Conversion Share** means a fully paid, registered and freely tradable Share, which arises upon election by a Noteholder to convert a Note issued under the Offer.

**Convertible Note** has the same meaning as a Note.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**CS Facility** has the same meaning as 'prescribed CS Facility' in the Corporations Act.

**CS Facility Operator** means the operator of a CS Facility.

**Directors** means the directors of the Company as at the date of this Prospectus.

**Duxton Capital** means Duxton Capital (Australia) Pty Ltd (ACN 164 225 647), the Company's investment manager.

**Election Date** means each annual anniversary of the Issue Date occurring before the Maturity Date, and the Maturity Date.

**Election Notice** means an irrevocable written notice given by a Noteholder to the Company, not less than 5 Business Days before the relevant annual anniversary of the Issue Date, electing to receive Cash Interest or PIK Interest in accordance with the Note Terms.

**Eligible Shareholder** means a Shareholder as at the Record Date whose registered address is in Australia, New Zealand, Luxembourg, Switzerland or Singapore, and who satisfies the applicable eligibility criteria set out in Section 4.10.

**Entitlement** means the entitlement of an Eligible Shareholder to subscribe for Notes under the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Event of Default** means an event of default under the Trust Deed, as summarised in Section 8.1.

**Face Value** means the initial face value of a Note, being $1.00.

**First Interest Payment Date** means the first annual anniversary of the Issue Date.

**FY26** means the financial year ending 30 June 2026.

**Group** means the Company and its subsidiaries.

**Ineligible Shareholder** means a Shareholder as at the Record Date who is not an Eligible Shareholder.

**Intercreditor Deed** means the intercreditor deed to be entered into between the Group, the Trustee and the Senior Lender, as described in Section 8.2.

**Interest Payment Date** means each annual anniversary of the Issue Date up to and including the Maturity Date.

**Investment Management Agreement** means the investment management agreement between the Company and Duxton Capital, pursuant to which Duxton Capital provides investment management services to the Company in consideration for management and performance fees, as amended or updated from time to time.

**Issue Date** means the date on which the Notes are issued under this Prospectus.

**Issue Price** means the issue price of a Note under the Offer, being $1.00.

**Maturity Date** means the date which is four (4) years after the Issue Date.

**Merger** means the acquisition by the Company of all of the shares it did not already hold in Duxton Dried Fruits Pty Ltd, Duxton Bees Pty Ltd, Duxton Orchards Pty Ltd and Duxton Dairies (Cobram) Pty Ltd, implemented by schemes of arrangement on 30 October 2025.

**MSC Group** or **Trustee** means Melbourne Securities Corporation Ltd (ACN 160 326 545) (AFSL 428289), being the Trustee.

**Note Terms** means the terms and conditions of issue of the Notes.

**Noteholder** means a holder of a Note.

**Notes** means the redeemable, secured convertible notes offered pursuant to this Prospectus, the terms of which are set out in Section 6.1 of this Prospectus.

**Offer** means the pro-rata non-renounceable entitlement issue of Notes to Eligible Shareholders on the terms and conditions set out in this Prospectus.

**Official Quotation** means official quotation on ASX.

**Outstanding Face Value** means, in respect of a Note at any time, the Face Value of that Note as increased by any PIK Interest capitalised in accordance with the Note Terms, less any part of that amount which has been repaid.

**Permitted Finance Arrangement** means indebtedness:

(a) pursuant to the Senior Debt;

(b) as expressly permitted by the Senior Debt; or

(c) any indebtedness incurred or guaranteed after the Issue Date for the purpose of replacing, refinancing or extending the maturity of or the Notes.

**Permitted New Debt** means ordinary, unsecured indebtedness for moneys borrowed or raised pursuant to any financial accommodation not exceeding an aggregate amount of $15 million which will be subordinate to the Notes, as summarised in Section 8.1.

**PIK Interest** means interest accruing on the Outstanding Face Value of a Note at the rate of 12% per annum, which is capitalised annually in accordance with the Note Terms.

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at the commencement of this Prospectus.

**Redemption Notice** means a notice requiring the Company to redeem Notes in accordance with Section 6.1.3.

**Register** means the register of Noteholders maintained by or on behalf of the Company.

**Section** means a section of this Prospectus.

**Senior Debt** means all present and future indebtedness and other monetary obligations of the Company or any subsidiary owing to a bank or other financial institution, including under any syndicated or bilateral bank facility and any refinancing of it, together with any guarantee or indemnity in respect of that indebtedness, but excluding the Notes.

**Senior Lender** means the Company's senior secured lender, Commonwealth Bank of Australia (including, as applicable, CBA Corporate Services Pty Ltd).

**Security Deed** means the general security deed (excluding real property and water assets) to be entered into between the Group and the Trustee, securing the Company's obligations in respect of the Notes.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Shortfall** means the Notes not applied for under the Offer (if any).

**Shortfall Application Form** means the shortfall application form either attached to or accompanying this Prospectus.

**Shortfall Notes** means those Notes issued pursuant to the Shortfall Offer.

**Shortfall Offer** means the offer of the Shortfall on the terms and conditions set out in Section 4.5.

**Transaction Document** means:

(a) the Trust Deed;

(b) the Note Terms;

(c) the Security Deed;

(d) the Intercreditor Deed; and

(e) any document or agreement entered into or given under (a) to (d) above.

**Transaction Security Interest** means:

(a) the Security Deed; and

(b) any other security interest granted to the Trustee in relation to the Trust Deed.

**Trust Deed** means the trust deed dated 28 August 2026 between the Company and the Trustee, summarised in Section 8.1.