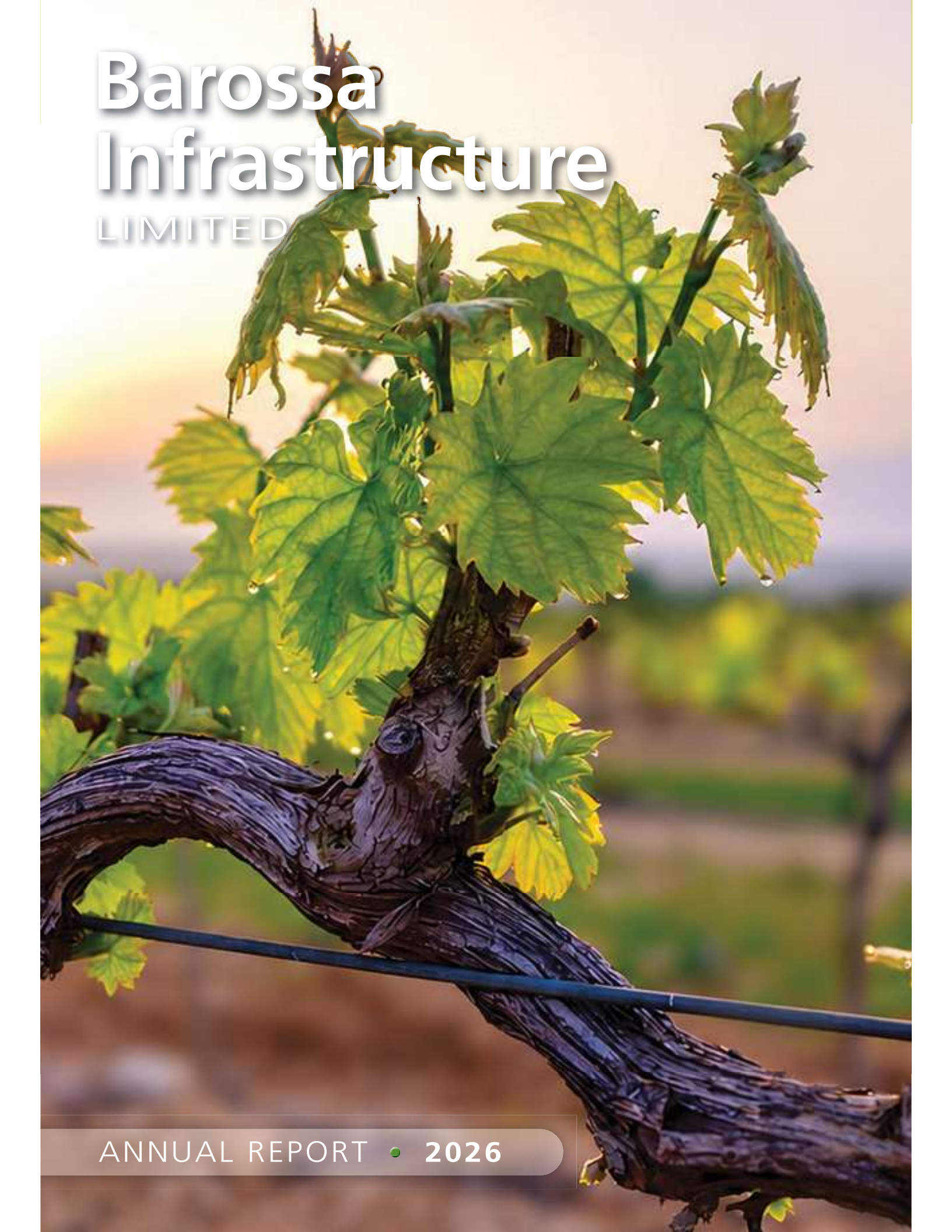




Barossa Infrastructure LIMITED

ANNUAL REPORT • 2026

Corporate Directory

Domicile of Barossa Infrastructure Ltd: Australia

Barossa Infrastructure Ltd
incorporated in: South Australia

Legal form of Barossa Infrastructure Ltd:
Unlisted Public Company

Board of Directors

John Kerr (Chair)
Grant Burge
Samuel Dahlitz
Geoffrey Davis
Timothy McCarthy
Louisa Rose
Victor Patrick

General Manager

Simon Schutz

Company Secretary

Geoffrey Davis

Auditors

William Buck (SA)

Customer Service Centre

2 Basedow Road
Tanunda, SA 5352
Phone 08 8563 2300

Registered Office

A.C.N. 084 108 958
Barossa Infrastructure Ltd
C/- Level 3, 149 Flinders Street
Adelaide, SA 5000

Website

<http://barossainfrastructure.com.au>

Contents

Chair's Report	4
General Manager's Report	6
Directors' Report	8
Statement of Profit or Loss and Other Comprehensive Income	14
Statement of Changes in Equity	15
Statement of Financial Position	16
Statement of Cash Flows	17
Notes to and Forming Part of the Financial Statements	18
Directors' Declaration	39
Auditor's Independence Declaration	40
Audit Report	41

Year at a Glance

OPERATING PERFORMANCE

10,347_{ML}
delivered
(down 16%
on 2025)

Reliable
system -
minimal
downtime

Security
of supply
paramount -
goal
achieved

FINANCIAL PERFORMANCE

Profit for year
\$1.35
million
down 11% on prior year

Customer rebate of
\$1.11m paid

\$2.49
million
Cost of leasing River Murray
Water Rights - up \$144K
on prior year

Strong cash position
\$11.73
million

Including term deposits
of \$9.5m

Unrealised gain on
owned River Murray
Water Entitlements

\$14.9
million

LONG TERM SECURITY OF SUPPLY

Customer
contracts to
2040

Water
Transport
Agreement
to
2040

Both
renewable to
2060

River Murray
Water Rights
owned or
long term
leased
10,025_{ML}



Key Issues

After two consecutive years of significantly below average rainfall, FY26 saw good winter, spring and autumn rainfall but low summer rainfall. By agreement of the Board, some 400ML of Off Peak water was brought forward into the Premium period to help cover this summer shortfall. In total, 10GL of water was delivered to customers in FY26; down 2.3GL on the prior year.

The Company remains in a strong financial position and was able to report a profit after providing a \$100/ML rebate to customers. The strong financial position also allowed the Board to approve extended payment terms on the April invoice.

River Murray Water Rights

It is a requirement that the Company holds River Murray water allocations for all water transported to BIL by SA Water. The Company holds a mixture of entitlements that are owned or on long-term leases and forwards, with temporary allocations purchased as needed to meet varying customer demands. The mix of entitlements is also spread over several trading zones on the River Murray, with the majority from South Australia. In FY26 the Company purchased 120ML of South Australian entitlements and renewed a long-term water lease for three years duration.

Consideration of Further Expansion

Infrastructure SA is undertaking an independent assessment of SA Water's infrastructure between the

River Murray and BIL. This will inform the State's preparedness to support further expansion of BIL to meet the water security needs of the Barossa. Until this additional water delivery capacity is secured, we are unable to expand.

We continue to engage with Barossa Australia and the Department for Environment and Water, and lobby Ministers and their advisors on the need for additional water to overcome climatic shortfalls and for modest future growth. We are well placed and ready to respond when the appropriate people recognise the value of the region and the need for this water.

Financial

The Company made an after tax profit of \$1,347,451 for the year, compared to the FY25 after tax profit of \$1,510,750.

The lower profit is attributed to lower sales volumes delivered in the 2026 financial year, compared to last year. Sales volumes available for use in the current water year (25/26), have been reduced by some 668ML of water brought forward from the 25/26 water year and used in the 24/25 water year. The customer rebate was funded by higher than budgeted water sales and interest earned on term deposits.

Net assets are reported at \$28,622,881 up from \$27,275,430 in 2025.

The Company holds \$11.73 million (2025: \$13.97 million) of cash (including term deposits) at year end. The reduction in cash reserves in the FY26 is a result of the purchase of River Murray Water Rights and the funding of the FY25 customer rebate.

With current Infrastructure Levies now fully invoiced, and with some assets reaching 25 years of service, these funds will provide the ability to respond to any urgent or planned works required to keep the scheme operating reliably into the future.

Health, Safety and Environment

No health and safety incidents or near misses were reported to the Board. Likewise, no environmental issues were reported.

Board and Corporate Governance

The Company remains integral and committed to the long-term sustainability of irrigation throughout the Valley.

During the year, the Board commissioned an independent review of its performance which found the board was “high functioning” and “aligned on purpose”. Further governance fundamentals were considered sound and there is “a cohesive board culture and effective oversight of performance and risk.”

The Board reviews components of the Risk Action Plan at each meeting. The Board Charter and Code of Conduct were recently updated. The Asset Management Planning process was expanded out to 2060 (the end date of the current agreements between Customers and BIL, and between BIL and SA Water). These plans are used to provide sound estimates of expected future asset replacement costs over time, which are included in longer term pricing and funding plans.

Gayle Grieger retired as a Director of BIL in May 2026, and the Board thanks her for 22 years of service. Processes for appointing a replacement director have commenced.

The Year Ahead

The coming year will mark 25 years since BIL first supplied water to the Barossa Valley. This is a fantastic achievement that will be celebrated soon after the 2027 vintage.

I wish to acknowledge the valuable contributions made by all Directors and BIL staff to the success of the Company.

And thank all shareholders for their continuing support.



John L Kerr

Chair

8 September 2026



Customer Water Use

Significant summer rainfall deficits, and water brought forward to the previous summer, resulted in a shortage of Premium water for some customers in late summer. The Board-approved brought forward Off Peak water was utilised by 26 customers who paid an additional charge for this privilege. This was only possible because of modest water use in November and December, which resulted in BIL being below its summer volume limit with SA Water.

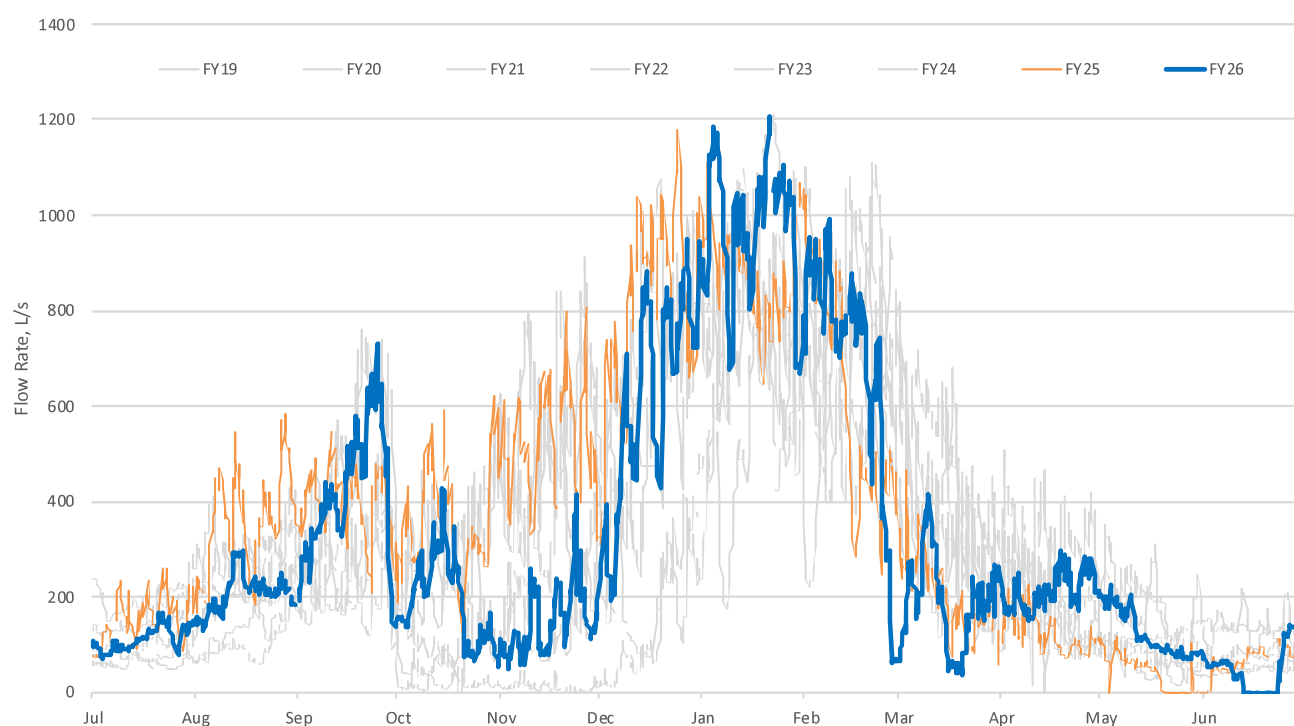
The volume of water that passed through Fromm Square (our connection point to SA Water) in January 2026 was the largest of any month in the scheme's 25 years. September 2025 was the second largest September.

The chart below shows the Company's flow rate through Fromm Square across the past eight financial years. The aim of the chart is to show the envelope of flow rates we typically operate within (the grey lines), and then how FY26 compared (the bold blue line). FY25 is in orange to allow a direct comparison to the year prior. You can see that from July through to December, flow rates were generally in the middle of the envelope. Flow rates in January and February were at the higher end of the range, before dropping sharply in March.

Operations

The Company's network of pipes, pumps, control valves and water storage again performed well throughout the year and, importantly, during the growing season. The number of leaks and bursts remained low, with repairs

Fromm Sq Flow



undertaken quickly. Sediment in the water remains our largest cause of maintenance.

We had one significant leak in June, when a rubber ring between two lengths of pipe failed on the 960mm mild steel cement lined trunk main between Williamstown and Lyndoch. While the repair took only 4 days, the scheme was offline for 10 days due to heavy rainfall which made excavation unsafe. We were again able to keep water to customers in the north via the Hoffmann storage. My thanks go to the landowner on which the leak occurred for being accommodating of the disruption to their vineyard.



My thanks also go to Infrastructure Maintenance Services and Water Treatment Engineering for their regular operations and maintenance of the scheme, and in particular their fast response when issues arise.

River Murray

The Company's owned and leased entitlements yielded 100% allocations in FY26.

South Australian allocations in FY27 have been announced at 100%, therefore BIL customers will have access to 100% of their BIL water. Our Victorian water may not reach 100% allocations, and we have managed this risk by purchasing additional temporary water ahead of time to ensure we have sufficient water to meet BIL's customers' needs.

A number of elements of the Murray Darling Basin Plan are due to be finalised in late 2026. BIL, with other members of the National Irrigators Council, has sought to ensure any further volumes of water removed from the productive pool are minimised.

Recycled Water

Barossa Council supplied BIL 277ML of treated recycled water to the Gomersal Rd area in FY26, up approximately 50ML on the prior year. A brief report that includes water quality results and dilution rates is available on our website.

Customers

A new IT system to manage customer information, invoicing, permanent sales and temporary trades, and maintenance on our assets will be rolled out early in the new Water Year. A customer portal will follow shortly after. This portal will allow customers to access information about their daily water use and water account balance directly from their phone or computer.

Simon Schutz

B.E. (Civil) (Hons), B.Sc., CPEng
General Manager

8 September 2026

Directors' Report

The Directors present their report together with the financial report of Barossa Infrastructure Limited ("the Company") for the financial year ended 30 June 2026 and the auditor's report thereon.

Directors

The Directors of the Company at any time during or since the financial year are:

Name, Qualifications and Independence Status	Experience and Special Responsibilities
Grant Walker Burge Director <i>Appointed 14 September 1998</i> 	Vigneron Chief Executive Burge Corp Pty Ltd, Burge Barossa Pty Ltd, Illaparra Winery Pty Ltd, Burge Vineyard Services Pty Ltd, SA Vintners Pty Ltd Burge Barossa Bottling and Distribution Pty Ltd Burge Pastoral Co Pty Ltd, Burge Estates Barossa Valley Strategic Water Management Study 'Vision 2045' Baron of the Barossa – Inducted 1990 Former Chief Executive Grant Burge Wines Pty Ltd Past Director Krondorf Ltd, Mildara Ltd, Rycroft Vineyards Pty Ltd, Grant Burge Wines Pty Ltd Past Member Barossa Water Resources Board Past Councillor The Barossa Council Past President & Committee Member Barossa Winemakers Association Past Committee Member SA Wine Industry Association Past Committee Member Barossa Tourism Association Past Committee Member Lyndoch Football Club Patron Lyndoch Cricket Club Major Sponsors Barossa & Light and Gawler Football Association
Samuel Paul Dahlitz Director <i>Appointed 29 April 2019</i> 	Vigneron and Vineyard Contractor Director Dahlitz Estate Pty Ltd Director Hallett Valley Vineyards Pty Ltd Director Stonewell Contracting Pty Ltd Committee Member Lone Pine Tanunda Branch of Agricultural Bureau of SA 1993-2019 Barons of Barossa Vigneron of the Year 2013

Name, Qualifications and Independence Status

Experience and Special Responsibilities

Geoffrey Maxwell Davis

B Ec, FCA, CTA

Independent Director

Company Secretary

Appointed 3 August 1999

Member Executive Committee

Chartered Accountant, Principal Geoff Davis & Associates

Past Chairman AC Johnston Pty Ltd (Pirramimma Wines)

Past Partner Ernst & Young

Past Member of Seven Hill Cellars

Past Chair of Saint Ignatius College Council

Past Member SA Egg Board



Gayle Robin Grieger

B Sc (Hon), PhD

Independent Director

Appointed 2 February 2004

Resigned 5 May 2026

Environmental Policy and Planning Manager,

Department for Environment and Water

Member Australian Soil Science Society

Past Member Australian Society of Viticulture & Oenology

Past Committee Member 7th South Australian Rural Women's Gathering



Directors' Report

Name, Qualifications and Independence Status	Experience and Special Responsibilities
--	---

John Leslie Kerr

B Ec, FCA, F Fin

Chair

Appointed 10 September 2024

Independent Director

Appointed 2 May 2017

Member Executive Committee



Chartered Accountant

Director – Capital Strategies Pty Ltd

Director – Capital Family Office Pty Ltd

Chair – The Creeks Pipeline Company Ltd

Past Member – Premier's Climate Change Council (2008-2011)

Past Board Member – Cancer Council of South Australia Inc (2003-2010)

Past Chair – Advisory Board – South Australia Centre for Economic Studies (2000-2008)

Timothy James McCarthy

Director

Appointed 28 February 2017



Vigneron

Director Janimiti Pty Ltd

Viticulture Operations Manager – Vinarchy

Past Barossa Grape and Wine Association Board Member

Past Grape Barossa Committee Member

Past Member Coonawarra Grape Growers Committee

Past Member Padthaway Grape Growers Committee

Past Member Limestone Coast Wines Technical Committee

2015-2011 National Vineyard Manager, Pernod Ricard Winemakers

2011-2007 Regional Manager South East, Pernod Ricard Winemakers

2007-2005 Vineyard Manager Yarra Valley, Fosters Group

Name, Qualifications and Independence Status

Experience and Special Responsibilities

Louisa Elizabeth Rose

BSc, BAppSC, D.Univ.(hc)

Independent Director

Appointed 15 January 2025



Winemaker, Brand Ambassador & Head of Sustainability, Hill-Smith Family Estates
Farmer Eden Valley
Director South Australian Wine Industry Association
Board Member International Wineries for Climate Action
Grand Master (Chair) Barons of Barossa Inc
Chair AGW National Wine Biosecurity Committee
Past Chair Australian Wine Research Institute
Past Chair University of Adelaide Alumni Council
Past Chair SA Wine Industry Council
Past Board Member Barossa Grape and Wine Association
Fellow Australian Society of Viticulture and Oenology

Victor John Patrick

Independent Director

Appointed 28 April 2008

Member Executive Committee



Director Graymoor Estate Joint Venture
Director Farmer Eden Valley/Kalangadoo
Diploma – Viticulture, Vinification, Wine Chemistry & Technology Oenological
Diploma Agriculture
Inducted to Barons of Barossa - 2021
Order of Australian Medal - 2018
Roseworthy Old Collegians Assoc. – Award of Merit - 2012
Past 2004-1996 Director Viticulture Foster's Group
Past 1996-1987 Director Global Viticulture Mildara Blass Ltd
Past 1987-1985 Ass. General Manager Vineyards Southcorp Wines
Past Chairman Wine Grape Growers Australia
Past Member Wine Grape Council of SA
Past Member SA Wine Industry Assoc. Environment Committee
Past Member University of Adelaide School of Agriculture Food & Wine Advisory Board
Past Chairperson SE Soil Conservation Board
Past Chairperson SA Wine Industry Council
Past President SA Wine Industry Association
Past Member SA Soil Conservation Board
Past Member Lower SE Water Resources Committee
Past Member SE Catchment Management Board
Past Member SA Water Resources Council

Directors' Report

Directors' Meeting Attendance

For the year ended 30 June 2026, there have been 8 meetings of Directors. Those Directors and their attendance at meetings are as follows:

Director	Board Meetings	
	A	B
G W Burge	8	8
S P Dahlitz	7	8
G M Davis	6	8
G R Grieger	6	7
J L Kerr	8	8
T J McCarthy	8	8
L E Rose	7	8
V J Patrick	6	8

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

Principal Activities

The principal activities of the Company during the year consisted of:

- The delivery of water to customers from the pipeline
- The continual addressing of technical and operating matters to ensure the reliable operation of the pipeline system
- Securing sufficient River Murray Water Rights to enable delivery of water in accordance with the water transport agreement with SA Water
- Exploring opportunities to expand the scheme to meet shareholder/customer requirements

Review of Operations

The net profit, after providing for income tax, amounted to \$1,347,451 (2025: \$1,510,750). No water restrictions applied to River Murray Water Rights for the 2026 year and customers were entitled to take 100% of their contracted amounts. Water sales volumes used were down 19% on the previous year as a result of rainfall being 6% above the average for the 2026 financial year, compared to below average rainfall of 41% in the previous year. The volume available to BIL in the 2025/26 water year was also reduced by 668ML, due to an agreement with SA Water that allowed customers to bring forward water from the 2025/26 water year for use in the 2024/25 water year. Rainfall between

December and February was 9mm in total, coupled with temperatures above average. The dry conditions resulted in an increase in customer demand, with customers requiring additional water for use in the Premium water period. BIL approached SA Water for additional water, but they were unable to meet the request and therefore the Board resolved that customers could bring forward Off Peak water for use in the Premium period. The Board also resolved to pay a rebate in June 2026 of \$100/ML on owned Premium and Off Peak water held at 16th June 2026, funded by higher than budgeted water sales and interest earned on term deposits. The total of the rebate amounted to \$1,117,843 and was credited to customer's accounts in June 2026.

State of Affairs

No share capital was issued during the year and total share capital on 30 June 2026 is \$15,395,637.

The expected impact of climate change and a desire for modest future growth in the Barossa provides a continued demand for water and the desire by some shareholders to expand the Scheme to meet demand.

In the opinion of the Directors there were no other significant changes in the state of affairs in the Company that occurred during the financial year under review.

Directors

Total compensation for all Directors, last voted upon by shareholders at the 2025 AGM, is not to exceed \$300,000 per annum. Directors' fees and the 12% super guarantee for 2026 amounted to \$232,362.

Environmental Regulation

The project for delivery of River Murray Water to the Barossa Region is subject to strict environmental regulation. Initially an independent consultant prepared the environmental report to assist in the Company's application to the Development Approval Commission and the relevant Water Catchment Board. Environmental approvals have been obtained for the expanded supply of 11GL. The Company works closely with the Department for Environment and Water and Landscape South Australia Northern and Yorke for ongoing monitoring of water usage and changes in water tables.

Likely Developments

The objective of the Company continues to be the reliable delivery of quality water to its customers at the lowest appropriate commercial price. The Company will complete its twenty fourth full “water year” on 30 September 2026.

BIL continues to seek additional sources of water for viticulture in the Barossa region. Discussions in respect of this are ongoing.

Indemnification

The Company has agreed to indemnify all Directors of the Company against all liabilities to another person that may arise from their position as Directors of the Company, except where the liability arises out of conduct involving lack of good faith. The agreement stipulates that the Company will meet the future amount of any such liabilities, including costs and expenses.

The Company has paid premiums amounting to \$16,092 to insure against such liabilities. The insurance premiums relate to:

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

Water Allocations for 2026-27

The State Government announced on the 15th July 2026 that 100% of water allocations would apply from the 16th July 2026.

Events Subsequent to Reporting Date

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in future years.

Corporate Governance

The Company strives for best practice in this area through a structure of rules, practices and processes used to direct and manage its operations. The basic principles of its governance are accountability, transparency, fairness and responsibility to ensure it acts in the best interests of shareholders, suppliers, staff, other stakeholders and the Barossa community.

The Company's constitution requires that at least two Directors are 'independent' in that they have no financial or other interest in vineyards or wineries in the Barossa. The Board has adopted and reviews annually the skills matrix to identify the skills and experiences required as it implements its ongoing Board renewal program. An independent review was undertaken during the year of the performance of the Board, and found that the Board was operating effectively.

A Risk Management Plan has been adopted and is continuously reviewed and approved by the Board. Risks are identified and a plan to remove, manage or otherwise mitigate the risk is put in place. Risks include Work, Health and Safety, environmental risks, climate change, the critical Water Transport Agreement, River Murray Water allocations and the health of the Australian wine industry and sustainability.

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The Auditor's Independence Declaration by William Buck (SA) is set out on page 40 and forms part of the Directors' Report for the financial year ended 30 June 2026.

This report is made in accordance with a resolution of the Directors.



J L Kerr
Director



G M Davis
Director

Tanunda, S.A.
8 September 2026

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Sale of Water		11,585,138	13,831,728
Less: Customer Rebate		(1,117,843)	(2,235,686)
Cost of Sales		(11,410,569)	(12,513,679)
Gross Loss		(943,274)	(917,637)
Infrastructure Levies Revenue		3,349,690	3,349,690
Other Income		5,739	40,235
Administrative Expenses		(1,195,322)	(1,128,774)
Results From Operating Activities		1,216,833	1,343,514
Financial Income		584,471	679,582
Financial Expenses		(1,298)	(2,838)
Net financing income		583,173	676,744
Profit Before Tax		1,800,006	2,020,258
Income Tax Expense	4 (a)	(452,555)	(509,508)
Profit After Tax		1,347,451	1,510,750
Total Comprehensive Income		1,347,451	1,510,750

The accompanying notes form part of these financial statements

Statement of Changes in Equity

For the year ended 30 June 2026

	Attributable to equity holders of the Company		
	Issued Capital \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2024	15,395,637	10,369,043	25,764,680
Total comprehensive income			
Profit after tax	-	1,510,750	1,510,750
Balance at 30 June 2025	15,395,637	11,879,793	27,275,430
Balance at 1 July 2025	15,395,637	11,879,793	27,275,430
Total comprehensive income			
Profit after tax	-	1,347,451	1,347,451
Balance at 30 June 2026	15,395,637	13,227,244	28,622,881

The accompanying notes form part of these financial statements

Statement of Financial Position

As at 30 June 2026

	Note	2026 \$	2025 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	2,231,639	1,470,534
Trade and Other Receivables	6	507,413	952,504
Other Assets	7	5,176,669	4,477,591
Investments	8	9,500,000	12,500,000
Current Tax Asset	4 (c)	239	-
Total Current Assets		17,415,960	19,400,629
Non-current Assets			
Other Assets	7	7,914,029	8,493,582
Property, Plant and Equipment	9	13,349,496	14,117,509
Intangible Assets	10	8,513,306	7,313,397
Right of Use Assets	13	8,038	49,054
Total Non-current Assets		29,784,869	29,973,542
TOTAL ASSETS		47,200,829	49,374,171
LIABILITIES			
Current Liabilities			
Trade and Other Payables	11	1,639,810	2,646,198
Employee Benefits	15	61,611	61,252
Current Tax Liability	4 (c)	-	165,004
Lease Liabilities	13	8,495	44,796
Contract Liabilities	16	3,465,187	3,468,103
Total Current Liabilities		5,175,103	6,385,353
Non-current Liabilities			
Lease Liabilities	13	-	8,495
Contract Liabilities	16	12,989,697	15,443,887
Deferred Tax Liability	4 (d)	413,148	261,006
Total Non-current Liabilities		13,402,845	15,713,388
TOTAL LIABILITIES		18,577,948	22,098,741
NET ASSETS		28,622,881	27,275,430
EQUITY			
Issued Capital	12	15,395,637	15,395,637
Retained Earnings	12	13,227,244	11,879,793
TOTAL EQUITY		28,622,881	27,275,430

The accompanying notes form part of these financial statements

Statement of Cash Flows

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES			
Cash Receipts from Customers		10,853,942	14,049,962
Cash Paid to Suppliers and Employees		(11,915,235)	(11,758,581)
Cash (used in)/from Operating Activities		(1,061,293)	2,291,381
Interest Received		119,587	134,663
Income Tax Paid		(549,960)	(429,414)
Net Cash (used in)/from Operating Activities	14	(1,491,666)	1,996,630
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Acquisition of Property, Plant and Equipment		(180,376)	(98,855)
Proceeds from Disposal of Property, Plant and Equipment		10,909	-
Acquisition of Intangibles		(1,153,822)	-
Proceeds from Investments	8	3,000,000	-
Funds Invested		-	(3,000,000)
Interest received on Investments		576,060	452,163
Net Cash from/(used in) Investing Activities		2,252,771	(2,646,692)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		-	-
Net Cash used in Financing Activities		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		761,105	(650,062)
Cash and Cash Equivalents at 1 July		1,470,534	2,120,596
Cash and Cash Equivalents at 30 June	5	2,231,639	1,470,534

The accompanying notes form part of these financial statements

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 1: MATERIAL ACCOUNTING POLICIES

Barossa Infrastructure Limited (the "Company") is a company domiciled in Australia. The financial statements were approved by the Board of Directors on 8th September 2026. The Company is a for-profit entity.

(a) Basis of Accounting

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

(b) Basis of Measurement

The financial statements are presented in Australian dollars and have been prepared on the historical cost basis.

Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 July 2026, however they are not considered to have a significant impact on the Company's financial statements.

(c) Use of Estimates and Judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

- note 1 (d) – revenue from contracts with customers and infrastructure levies under AASB 15
- note 1 (g) and (h) – useful lives of fixed assets, intangibles and amortisation

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

(d) Revenue Recognition

Revenue is recognised when the Company transfers control of the goods or service to the customer. Revenue is recognised to the extent there is no future obligation. Where there is future obligation, a portion is deferred over the expected contract period. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer. The Company's revenue does not have a significant financing component so the transaction (invoice) price is considered to be their amortised cost.

The Company's revenue is disaggregated by major products and services. The Company's main revenue streams are as follows:

Sale of water

For the sale of water, revenue is recognised when the water passes through the customer's meter and the related risks and rewards of ownership transfer.



Unused water

The estimated water charge for unused water is spread lineally over the water year at any financial reporting date.

Infrastructure levies

The customer contract for the supply of water requires the payment of levies based on the quantity of water contracted. Revenue from infrastructure levies is recognised over the contract term, including renewals.

Finance Income

Finance income comprises interest income on funds invested and interest charged on overdue accounts in accordance with the customer contract. Interest income is recognised as it accrues in the Statement of Profit or Loss, using the effective interest method.

Sale of Non-current Assets

The gain or loss on non-current asset sales is recognised as revenue or expense at the date in which control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

Contract Balances

Information about receivables and contract liabilities from contracts with customers are disclosed in Note 6 and Note 16 respectively.

(e) Income Tax – Note 4

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or receivable that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- unused tax losses to the extent that it is not probable that future tax profits will be available against which they can be used

Note 1 continued overleaf

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 1: MATERIAL ACCOUNTING POLICIES *continued*

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if certain criteria are met.

(f) Financial Instruments

(i) Non-derivative financial assets and financial liabilities – recognition and derecognition

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Other non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses.

The Company classifies its financial instruments as financial assets at amortised cost and financial liabilities at amortised cost. The classification depends on the purpose for which the financial instruments were acquired, which is determined at initial recognition based upon the business model of the Company.

The Company has the following non-derivative financial assets:

- Cash and cash equivalents
- Loans and receivables

(ii) Non-derivative financial assets – measurement

Amortised Cost

The Company classifies its financial assets at amortised cost if the asset is held with the objective of collecting contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest. These include trade receivables and bank term deposits. Bank term deposits are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are financial assets



at amortised cost and are included in current assets, except for those with maturities greater than 12 months after the reporting date.

(iii) Non-derivative financial liabilities – measurement

On initial recognition, the Company measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. After initial recognition trade payables and interest bearing loans and borrowings are stated at amortised cost.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(iv) Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with AASB 112.

(g) Property, Plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment and intangibles other than goodwill, are initially recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of property, plant and equipment is recognised in profit or loss.

The costs of assets constructed or internally generated by the Company, other than goodwill, include the cost of materials and direct labour. Directly attributable overheads and other incidental costs are also capitalised to the asset.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Complex Assets

The components of major assets that have materially different useful lives, are effectively accounted for as separate assets, and are separately depreciated.

Useful Lives

All assets, excluding River Murray Water Rights, have limited useful lives and are depreciated over their estimated useful lives on a prime cost or diminishing value basis.

Note 1 continued overleaf

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 1: MATERIAL ACCOUNTING POLICIES *continued*

Assets are depreciated from the date they are installed and ready for use, or in respect of internally constructed assets, from the date an asset is completed and held ready for use.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation is expensed.

The depreciation rates used for each class of asset are as follows:

	2026	2025
Pipeline & Installation	3.75% - 40%	3.75% - 40%
Water Storage – 500ML	8.99% - 20%	8.99% - 20%
Pumps & Installation	3.75% - 50%	3.75% - 50%
Meters & Installation	10% - 40%	10% - 40%
Office Furniture & Equipment	7.5% - 100%	7.5% - 100%
Motor Vehicles	16.6% - 25%	16.6% - 25%
Leasehold Improvements	2.5% - 100%	2.5% - 100%

(h) Intangible Assets

(i) River Murray Water Rights

River Murray Water Rights, that are acquired by the Company and are considered to have an indefinite life, are stated at cost less any impairment losses (see 1(i)). The Company is required to test intangible assets for impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that the intangible asset may be impaired.

(ii) Other Intangible Assets

Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses.

(iii) Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(i) Impairment

(i) Non-derivative financial assets

The Company considers evidence of impairment for financial assets measured at both a specific asset and a collective level. All individually significant assets are assessed for specific impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics. In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit



or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Financial assets measured at amortised cost

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives the recoverable amount is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 1: MATERIAL ACCOUNTING POLICIES *continued*

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has not elected to separate non-lease components and account for the lease and non-components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate from its external financing source.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company's assessment of whether it will exercise a purchase, extension or termination option or if there is a revised substantial fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.



2026 2025
\$ \$

Note 2: PERSONNEL EXPENSES

Wages, salaries and directors' fees	609,156	602,848
Other associated personnel expenses	3,748	3,613
Contributions to defined contribution superannuation funds	73,099	73,954
(Decrease)/Increase in liability for annual leave	(2,050)	1,386
Increase in liability for long service leave	2,410	23,377
	686,363	705,178

Note 3: AUDITOR'S REMUNERATION

Auditors of the Company: William Buck (SA)		
Audit of the financial statements	32,800	31,600
	32,800	31,600

Note 4: INCOME TAX EXPENSE

(a) Recognised in the statement of comprehensive income

Current period	300,413	552,892
Deferred tax expense		
Increase/(Decrease) in temporary differences	152,142	(43,384)
Total income tax expense	(452,555)	(509,508)

(b) Numerical reconciliation between tax expense and pre-tax accounting profit

Profit before tax	1,800,006	2,020,258
Income tax using company tax rate of 25% (2025 : 25%)	450,002	505,065
Increase in income tax expense due to:		
Non-deductible expenses	2,553	4,443
Income tax expense on pre-tax net profit	452,555	509,508

Note 4 continued overleaf

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 4: INCOME TAX EXPENSE *continued*

	2026	2025
	\$	\$
(c) Current Tax (Asset)/Liability		
Balance at beginning of year	165,004	138,498
Overprovision of tax liability	(1)	-
Income tax paid: operating activities - prior year	(165,003)	(138,498)
Current year's income tax expense on pre-tax profit	452,555	509,508
Current year's timing differences for accounting and income tax purposes	(152,142)	43,384
	300,413	552,892
Less Instalments Paid	300,652	387,888
Current Tax (Asset)/Liability	(239)	165,004
(d) Deferred Tax Assets and Liabilities		
Deferred tax liability is attributable to :		
Property plant and equipment	1,216,402	1,332,247
Accrued interest income	54,342	82,136
Leasing Expense	114	1,059
Prepaid Expenses - Other	749,988	651,243
Prepaid Expenses – SA Water Transport (Note 7b)	603,266	631,849
Prepaid Expenses – SA Water Infrastructure (Note 7a)	1,489,244	1,589,651
Accrued water sales - unused	51,350	22,695
	4,164,706	4,310,880
Deferred tax asset is attributable to:		
Employee benefits	15,563	15,458
Contract liabilities	3,735,995	4,034,416
	3,751,558	4,049,874
Net Deferred Tax Liability	(413,148)	(261,006)
(e) Movement in temporary differences during the year all recognised in income		
Contract liability	(298,421)	(138,060)
Property, plant and equipment	115,845	116,481
Interest income	27,794	(23,189)
Prepaid Expenses – Other	(98,745)	(36,047)
Prepaid Expenses – SA Water Transport (Note 7b)	28,583	(25,603)
Prepaid Expenses – SA Water Infrastructure (Note 7a)	100,407	100,408
Accrued water sales	(28,655)	42,930
Employee benefits	105	6,274
Lease costs	945	190
Net movement	(152,142)	43,384

2026	2025
\$	\$

(f) Dividend Franking Account

The amount of franking credits available to shareholders of Barossa Infrastructure Ltd for subsequent financial years is \$5,006,677 (2025 : \$4,456,717). The ability to utilise the franking credits is dependent upon the capacity to declare dividends.

Note 5: CASH AND CASH EQUIVALENTS

Cash and cash equivalents	2,231,639	1,470,534
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Cash and cash equivalents comprise of cash at bank.

Note 6: TRADE AND OTHER RECEIVABLES

Trade Debtors	289,363	714,541
Net GST Receivable	218,050	237,963
	507,413	952,504

Note 7: OTHER ASSETS

Current

Prepayments – SA Water Infrastructure (Note 7a)	401,631	401,631
Prepayments – SA Water Transport (Note 7b)	169,258	169,258
Prepayments - Other	3,219,799	2,691,995
Accrued Income – Water Sales	1,168,613	886,163
Accrued Income – Interest	217,368	328,544
Total Current Other Assets	5,176,669	4,477,591

Non-Current

Prepayments – SA Water Infrastructure (Note 7a)	5,555,343	5,956,974
Prepayments – SA Water Transport (Note 7b)	2,243,806	2,413,064
Prepayments – Other	114,880	123,544
Total Non-Current Other Assets	7,914,029	8,493,582

Note 7 continued overleaf

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 7: OTHER ASSETS *continued*

	2026	2025
	\$	\$
(Note 7a)		
Prepayments – SA Water Infrastructure		
Carrying Amount at Beginning of Year	6,358,605	6,760,236
Less: Amortisation	(401,631)	(401,631)
Carrying Amount at End of Year	5,956,974	6,358,605

This is the portion of the increased capacity fee paid to SA Water to specifically build infrastructure to enable the project to move from 8GL to 11GL. The fee is amortised over the period of the contract with SA Water to 2040.

(Note 7b)

Prepayments – SA Water Transport

Carrying Amount at Beginning of Year	2,582,322	2,751,580
Less: Amortisation	(169,258)	(169,258)
Carrying Amount at End of Year	2,413,064	2,582,322

Note 8: INVESTMENTS

Term Deposits – Bendigo Bank	2,000,000	6,000,000
Term Deposit – Bank SA	7,500,000	6,500,000
	9,500,000	12,500,000

Funds were invested with Bendigo Bank and Bank SA during the year with varying maturity dates not exceeding 12 months.

2026

\$

2025

\$

Note 9: PROPERTY, PLANT & EQUIPMENT**Pipeline and Installation**

At cost	29,465,016	29,423,210
Less: Accumulated Depreciation	(20,683,407)	(20,221,931)
Total Pipeline and Installation	8,781,609	9,201,279

Water Storage

At cost	4,428,473	4,428,473
Less: Accumulated Depreciation	(2,330,935)	(2,122,361)
Total Water Storage	2,097,538	2,306,112

Pumps and Installation

At cost	5,437,645	5,433,956
Less: Accumulated Depreciation	(3,298,566)	(3,092,049)
Total Pumps and Installation	2,139,079	2,341,907

Meters and Installation

At cost	2,659,411	2,648,066
Less: Accumulated Depreciation	(2,483,321)	(2,441,597)
Total Meters and Installation	176,090	206,469

Capital Works in Progress

At cost	54,598	5,612
Less: Accumulated Depreciation	-	-
Total Capital Works in Progress	54,598	5,612

Office Equipment

At cost	74,923	69,638
Less: Accumulated Depreciation	(54,990)	(53,915)
Total Office Equipment	19,933	15,723

Motor Vehicles

At cost	92,954	74,415
Less: Accumulated Depreciation	(22,288)	(44,412)
Total Motor Vehicles	70,666	30,003

Leasehold Improvements

At cost	25,151	25,151
Less: Accumulated Depreciation	(15,168)	(14,747)
Total Leasehold Improvements	9,983	10,404

Total Property Plant & Equipment net book value**13,349,496****14,117,509***Note 9 continued overleaf*

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 9: PROPERTY, PLANT & EQUIPMENT *continued*

	2026	2025
	\$	\$
Reconciliations		
Pipeline and Installation		
Carrying Amount at Beginning of Year	9,201,279	9,603,798
Acquisitions	41,806	76,343
Depreciation	(461,476)	(478,862)
Carrying Amount at End of Year	8,781,609	9,201,279
Water Storage		
Carrying Amount at Beginning of Year	2,306,112	2,535,462
Depreciation	(208,574)	(229,350)
Carrying Amount at End of Year	2,097,538	2,306,112
Pumps and Installation		
Carrying Amount at Beginning of Year	2,341,907	2,566,058
Acquisitions	3,689	3,577
Depreciation	(206,517)	(227,728)
Carrying Amount at End of Year	2,139,079	2,341,907
Meters and Installation		
Carrying Amount at Beginning of Year	206,469	240,811
Acquisitions	11,345	14,944
Depreciation	(41,724)	(49,286)
Carrying Amount at End of Year	176,090	206,469
Capital Works in Progress		
Carrying Amount at Beginning of Year	5,612	3,894
Acquisitions	57,622	1,812
Transfers to Assets and Expenses	(8,636)	(94)
Carrying Amount at End of Year	54,598	5,612
Office Equipment		
Carrying Amount at Beginning of Year	15,723	16,008
Acquisitions	8,959	6,451
Disposals	-	(184)
Depreciation	(4,749)	(6,552)
Carrying Amount at End of Year	19,933	15,723
Motor Vehicles		
Carrying Amount at Beginning of Year	30,003	37,016
Acquisitions	64,452	-
Disposals	(7,170)	-
Depreciation	(16,619)	(7,013)
Carrying Amount at End of Year	70,666	30,003

	2026	2025
	\$	\$
Leasehold Improvements		
Carrying Amount at Beginning of Year	10,404	10,837
Depreciation	(421)	(433)
Carrying Amount at End of Year	9,983	10,404
Total Depreciation Expense for Year	940,080	999,224

Note 10: INTANGIBLE ASSETS

River Murray Water Rights – at cost

Carrying Amount at Beginning of Year	7,313,397	7,313,397
Acquisitions	939,900	-
Carrying Amount at End of Year	8,253,297	7,313,397

The Board has chosen to carry River Murray Water Right at cost and has assessed the recoverable amount, which is in excess of the carrying amount, on the active market basis. The current market value of River Murray Water Rights is \$23.2m, resulting in an unrealised gain of \$14.9m.

In assessing the useful life of River Murray Water Rights consideration is given to the contractual right granted to each non-cancellable share of water access entitlement to the River Murray resources. In light of the water access entitlement rights being non-cancellable and the Company's intention to continue using such water access entitlement rights in its operations, no factor could be identified that would result in the water access entitlement rights having a finite useful life and accordingly are assessed as having an indefinite useful life.

Software – at cost

Carrying Amount at Beginning of Year	-	-
Acquisitions	260,009	-
Carrying Amount at End of Year	260,009	-

The Company entered into an agreement during the year for the modernisation of its customer and operations management platform. The development of the platform is expected to be finished and ready for use by October 2026.

Total Intangible Assets at cost	8,513,306	7,313,397
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Note 11: TRADE AND OTHER PAYABLES

Current

Trade Creditors	64,988	43,730
Other Creditors and Accruals	1,574,822	2,602,468
	1,639,810	2,646,198

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

	2026	2025
	\$	\$

Note 12: MOVEMENTS IN EQUITY

Ordinary Shares

Balance at the Beginning of the Year	15,395,637	15,395,637
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Total Share Capital	15,395,637	15,395,637
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No ordinary shares were issued during the year (2025 : Nil).

Retained Earnings

Retained earnings at beginning of year	11,879,793	10,369,043
Profit for the year	1,347,451	1,510,750

Balance at end of year	13,227,244	11,879,793
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Note 13: LEASES

The Company leases office premises and storage facilities under non-cancellable leases. The right-of-use assets and related lease liabilities are as follows:

Right of Use Assets

Opening balance	49,054	89,203
Adjustment on original recognition	585	2,165
Depreciation for the year	(41,601)	(42,314)
Closing balance	8,038	49,054

Lease Liabilities

Opening balance	53,291	94,200
Adjustment on original recognition	585	2,165
Repayments during the year	(45,381)	(43,074)
Additions to lease liabilities	-	-
Closing balance	8,495	53,291

Lease liabilities – current	8,495	44,796
Lease liabilities – non-current	-	8,495
Closing balance	8,495	53,291

	2026	2025
	\$	\$
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	8,495	44,796
One to five years	-	8,495
	8,495	53,291

The Company leases River Murray Water Rights. However, given the nature of these water entitlements (i.e. intangible assets) the Company has elected to not apply AASB 16 to these arrangements.

Note 14: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

Profit after tax	1,347,451	1,510,750
Adjustments for:		
Depreciation and Amortisation	1,552,571	1,612,428
(Profit)/Loss on Sale of Non-Current Assets	(3,739)	184
Customer Rebate	1,117,843	2,235,686
Interest received on Investments	(458,889)	(546,623)
Income Tax Expense	452,555	509,508
Operating profit before changes in working capital	4,007,792	5,321,933
Changes in assets and liabilities (attributable to the operating activities of the Company):		
Increase in Receivables	(1,343,329)	(2,377,825)
Decrease in Contract Liabilities	(2,457,107)	(1,568,950)
Net GST Received/(Paid)	25,070	(21,459)
(Increase)/Decrease in Prepayments & Accrued Income	(807,587)	823,620
Increase/(Decrease) in Creditors	17,248	(7,302)
(Decrease)/Increase in Accruals	(384,153)	231,263
Increase in Provisions and Employee Benefits	360	24,764
Income Taxes Paid	(549,960)	(429,414)
Net Cash (used in)/from Operating Activities	(1,491,666)	1,996,630

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

2026
\$

2025
\$

Note 15: EMPLOYEE BENEFITS

Aggregate Liability for Employee Entitlements

Current

- Liability for annual leave	7,456	9,507
- Liability for long service leave	54,155	51,745
	61,611	61,252

Number of Employees at Year End	5	5
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Note 16: DEFERRED INCOME/CONTRACT LIABILITIES

Current

Contract Liabilities	3,465,187	3,468,103
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Total Current Deferred Income/Contract Liabilities	3,465,187	3,468,103
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Non-Current

Contract Liabilities	12,989,697	15,443,887
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Total Non-current Deferred Income/Contract Liabilities	12,989,697	15,443,887
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Changes in the contract liabilities balance during the year is as follows:

Carrying amount at the beginning of year	15,443,887	16,985,681
Revenue recognised during the year	(3,349,690)	(3,349,690)
Revenue deferred to future years	895,500	1,807,896

Total Non-current Deferred Income/Contract Liabilities	12,989,697	15,443,887
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2026	2025
\$	\$

Note 17: RELATED PARTY DISCLOSURES

Key management personnel compensation

The key management personnel compensation included in 'personnel expenses' (see note 2) are as follows:

Short-term employee and director benefits	444,388	446,057
Other long term benefits	3,378	23,536
Post employment benefits	53,326	45,641
	501,092	515,234

Apart from the details disclosed in this note, no key management personnel have entered into a material contract with the Company since the end of the previous financial year. There were no material contracts involving key management personnel interests existing at year end, other than water contracts entered into by the key management personnel as customers of the water project and water leases on the same terms and conditions as all other investors/customers and lessors.

The Company Secretary of Barossa Infrastructure Limited, G M Davis, holds a position in another entity that results in him having control or significant influence over this entity. G M Davis is a key management person who is the principal of the firm Geoff Davis & Associates, Chartered Accountants, resulting in him having significant influence over the financial and operating policies of that entity.

Geoff Davis & Associates has provided secretarial and consulting services to the Company in the ordinary course of business for the year ended 30 June 2026.

The terms and conditions of the transactions with G M Davis and his related entity, was no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-related parties on an arm's length basis.

Directors' holdings of shares

The interests of Directors of the reporting entity and their Director related entities, in shares with the Company at year end are as follows:

	2026	2025
	Number Held	Number Held
G W Burge	-	-
Burge Corp Pty Ltd	563,500	563,500
S P Dahlitz	-	-
Dahlitz Estate Pty Ltd	19,250	19,250
T J McCarthy	-	-
M McCarthy	17,500	17,500

Total Number of Shares in the Company held by Directors and their Director Related Entities:	600,250	600,250
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Note 17 continued overleaf

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 17: RELATED PARTY DISCLOSURES *continued*

Transactions with Related Parties	Transaction value year ended 30 June		Balance outstanding as at 30 June	
	2026 \$	2025 \$	2026 \$	2025 \$
Grant W. Burge Burge Corp Pty Ltd <i>Revenue - Trade and Other Receivables</i> - Water Sales - Infrastructure Levies <i>Expense - Trade and Other Payables</i> - Water Lease - Customer Rebate <i>Prepaid Expense</i> - Water Lease	219,608 60,000 103,651 32,200 106,242	349,209 60,000 101,123 64,400 103,651	- 27,800 - - -	- - - 4,400 -
Samuel P. Dahlitz Dahlitz Estate Pty Ltd <i>Revenue</i> - Water Sales <i>Expense - Trade and Other Payables</i> - Customer Rebate	 14,659 1,400	 22,344 2,800	 - 1,400	 - 2,800
Timothy J. McCarthy Michael McCarthy <i>Revenue</i> - Water Sales <i>Expense - Trade and Other Payables</i> - Customer Rebate	 10,341 1,000	 9,944 2,000	 - 1,000	 - 2,000
Geoffrey M. Davis Geoff Davis & Associates <i>Expense - Trade and Other Payables</i> - Accountancy Fees - Company Secretarial Fees	 - 30,000	 26,900 21,000	 - 2,750	 5,324 3,850

Note 18: FINANCIAL INSTRUMENTS

(i) Credit Risk

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	Note	Carrying Amount	
		2026	2025
		\$	\$
Cash and cash equivalents	5	2,231,639	1,470,534
Trade and other receivables	6	507,413	952,504
Investments	8	9,500,000	12,500,000
		12,239,052	14,923,038

Impairment losses

The aging of the Company's trade receivables at the reporting date was:

	Gross 2026	Gross 2025
	\$	\$
Not past due	156,800	509,120
Past due 31-60 days	102,131	-
Past due 61-90 days	-	51,091
Past due 91 days and >	30,432	154,330
	289,363	714,541

The Company does not expect to recognise any impairment in relation to trade receivables based on past history. The Company has not experienced any credit loss over the history of its operations and does not expect to in the future.

(ii) Liquidity Risk

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

Non-derivative financial liabilities	Carrying	Contractual cash flows	6 months or less	6 – 12 months	1 – 2 years	2 – 5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
Trade and other payables	1,639,810	(1,639,810)	(1,639,810)	-	-	-	-
Lease liability	8,495	(8,673)	(5,782)	(2,891)	-	-	-
	1,648,305	(1,648,483)	(1,645,592)	(2,891)	-	-	-

In addition, the Company maintains a \$1 million overdraft facility to cover seasonal fluctuations of cash flow that is secured over the assets of the Company. Interest would be payable at the rate of 10.89%.

Note 18 continued overleaf

Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2026

Note 18: FINANCIAL INSTRUMENTS *continued*

(iii) Interest Rate Risk

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	Carrying Amount	
	2026	2025
	\$	\$
Fixed rate instruments		
Financial liabilities – Lease liabilities	8,495	53,291
Variable rate instruments		
Financial assets – Cash and cash equivalents	2,231,639	1,470,534
Financial assets – Investments	9,500,000	12,500,000
	11,731,639	13,970,534

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial liabilities at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Note 19: COMMITMENTS

The Company entered into an agreement during the year for the modernisation of its management platform, with a completion date of October 2026.

The Company also entered into non-cancellable agreements to lease River Murray Water Rights for periods from 1 to 5 years. Payments under these arrangements are as follows:

Within one year	316,259	85,123
Later than one year	1,988,214	3,781,029
	2,304,473	3,866,152

Note 20: EVENTS SUBSEQUENT TO REPORTING DATE

In July 2026, the Company entered into an agreement for a 5 year extension for the lease of its office premises at a cost of \$185,920. Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in future years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2026

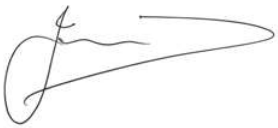
Subsection 295(3A)(a) of the Corporations Act 2001 does not apply to the Company as the Company is not required to prepare consolidated financial statements by Australian Accounting Standards.

Directors' Declaration

In the opinion of the Directors of the Company:

- (a) the financial statements and notes that are set out on pages 14 to 38, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) the Directors draw attention to note 1 (a) to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors.



J L Kerr
Director



G M Davis
Director

Tanunda, S.A.
8 September 2026

Auditor's Independence Declaration



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Barossa Infrastructure Limited

As lead auditor for the audit of Barossa Infrastructure Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck (SA)
ABN 38 280 203 274

M.D. King

M.D. King
Partner
Adelaide

Dated this 8th day of September 2026

Independent auditor's report to the members of Barossa Infrastructure Limited

Report on the audit of the financial report



Our opinion on the financial report

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

- giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Company, which comprises:

- the statement of financial position as at 30 June 2026,
- the statement of comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

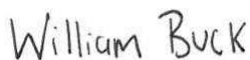
Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.



William Buck (SA)
ABN: 38 280 203 274



M.D. King
Partner

Dated this 8th day of September, 2026 in Adelaide, South Australia.



Customer Service Centre

2 Basedow Rd,
Tanunda,
SA 5352
Phone 08 8563 2300

Registered Office

Barossa Infrastructure Ltd
A.C.N. 084 108 958
C/- Level 3, 149 Flinders St,
Adelaide, SA 5000

