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December 2024 Half Year Results

18 February 2025 | ASX : DRR



Deterra
ROYALTIES

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Non-IFRS Financial Information

This document may contain non-IFRS financial measures including Underlying EBITDA, EBITDA, EBIT, Underlying NPAT, free cash flow, and net debt amongst others. Deterra management considers these to be key financial performance indicators of the business and they are defined in Deterra's Half Year 2025 Financial Report, available at www.deterraroyalties.com. Non-IFRS measures have not been subject to audit or review.





All figures are expressed in Australian dollars unless stated otherwise.

This presentation has been authorised for release to ASX by Deterra's Managing Director.

Deterra – high quality resource royalties



Lower risk exposure to mining through royalties and streams

-  Cornerstone MAC iron ore royalty
-  Royalty over world-scale Thacker Pass lithium project
-  Active and disciplined in pursuit of investment opportunities
-  Substantial liquidity available for value accretive transactions

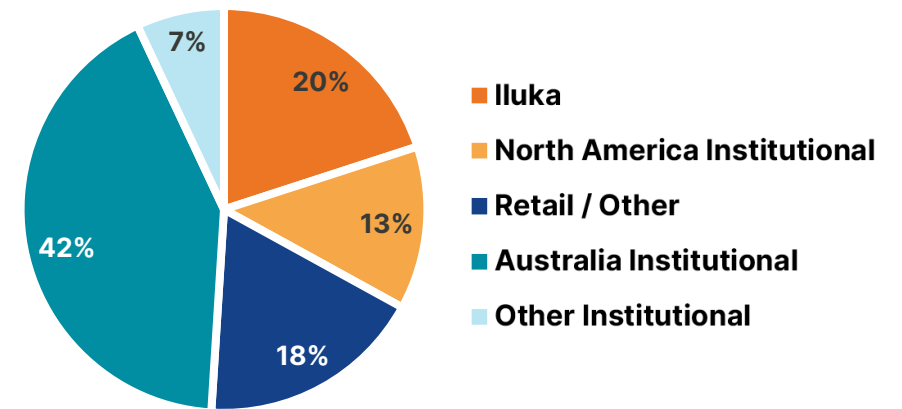
BOARD AND KEY MANAGEMENT

Non-Executive Chair	Jennifer Seabrook
Managing Director and Chief Executive Officer	Julian Andrews
Non-Executive Director	Graeme Devlin
Non-Executive Director ²	Adele Stratton
Non-Executive Director	Jason Neal
Chief Financial Officer	Jason Clifton

CAPITAL STRUCTURE

Share price ¹	\$4.25
Shares on issue	528.8m
Market capitalisation ¹	\$2.2bn
Cash (31 Dec 2024)	\$5.5m
1H25 Net Profit after Tax	\$63.9m

Share Register³



1. As at 17 February 2025
 2. Iluka Resources Limited nominee
 3. As of 31 December 2024

1H25 Portfolio Highlights



Producing assets performing strongly

- Mining Area C (MAC) delivered record production volumes from the Central Pilbara hub¹, offsetting iron ore price movement
- Gold offtakes delivered record ounces and prices²

Key development assets advancing

- Thacker Pass closed General Motors and US Department of Energy funding and doubled project deposit and production plan³
- La Preciosa expected to begin processing of underground material in second half 2025⁴

Net profit after tax \$64 million

- Fully franked interim dividend of 9.0 cents per share declared⁵

Continue to evaluate value accretive investments

1. BHP Operational Review 31 December 2024
2. Deterra consolidates Trident's financial results from 2 September 2024
3. Lithium Americas Corporation announcement and corporate presentation dated 7 January 2025
4. 2025 Outlook and 2024 Achievements, Avino Silver & Gold Mines Ltd., 6 February 2025
5. Future declaration, timing, amount and payment of future dividends remain at the discretion of the Board of Directors

1H25 Financial Highlights



New revenue sources offset lower iron ore price

Underlying EBITDA¹ \$106 million, down 7%

- Mining Area C royalty revenue \$104 million, down 12% on 1H24, on stronger volumes offset by lower realised iron ore price
- Gold offtakes generated \$7 million net margin² on record gold prices and continuing volatility
- Underlying EBITDA margin of 94 per cent

Integration of Trident portfolio complete

- Operating cost synergies realised, at top of anticipated range (\$4-5 million a year)
- Cash flow positive excluding one-off transaction costs

Strong balance sheet

- Net debt at 31 December 2024 \$308 million, within 0-15 per cent long term target net debt/enterprise value leverage range³
- \$500 million of credit facilities, with \$186m undrawn

1. See notes on slide 2 – Non-IFRS Measures. Underlying EBITDA excludes \$12 million of one-off transaction costs associated with the acquisition of Trident Royalties plc.

2. Deterra consolidates Trident's financial results from 2 September 2024

3. Enterprise Value defined as Market Capitalisation as at 14 February 2025 plus Net Debt at 31 December 2024

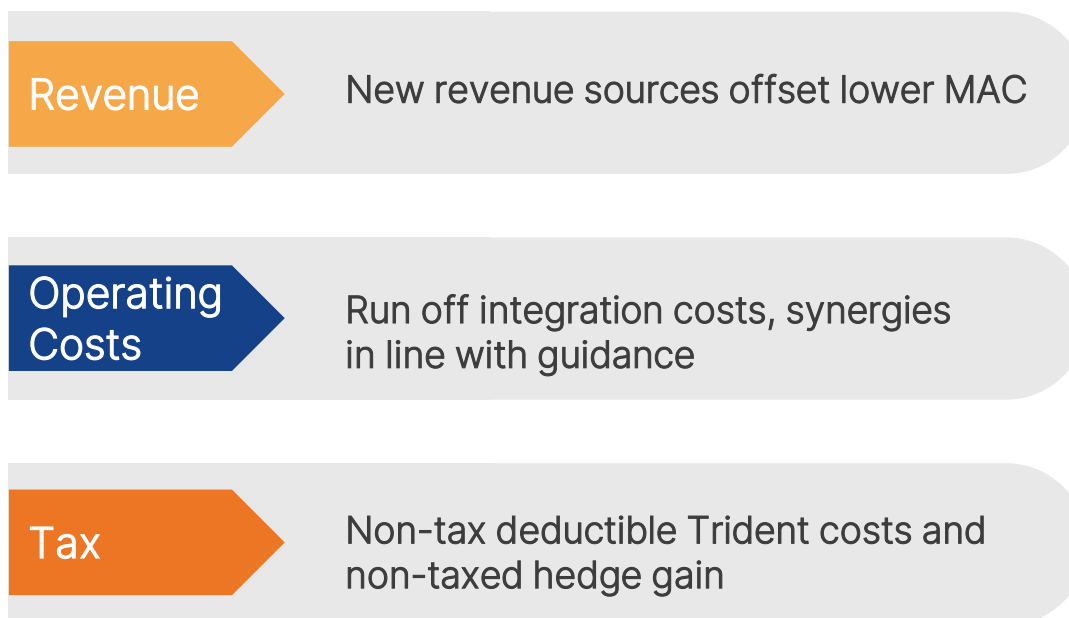
1H25 Financial Performance

Solid underlying result reflecting new revenue sources



Profit and Loss (\$m) ¹	Page	1H25 ²	1H24	Mvmt \$	Mvmt %
MAC royalty	7	103.7	118.4	(14.7)	(12%)
Gold offtakes	8	7.2	n/a	7.2	n/m
Other revenue		1.4	0.5	0.9	n/m
Total Revenue		112.3	118.9	(6.6)	(6%)
Operating costs	9	(6.4)	(5.6)	(0.8)	14%
Underlying EBITDA		105.9	113.3	(7.4)	(7%)
One off Trident costs	9	(12.0)	0.0	(12.0)	
EBITDA		94.0	113.3	(19.3)	(17%)
Depreciation and amortisation	9	(3.2)	(0.2)	(3.0)	
Net finance costs	9	(6.6)	(0.7)	(5.9)	
Non cash hedge/reval gain	9	10.0	0.0	10.0	
Profit Before Tax		94.3	112.4	(18.1)	(16%)
Tax expense		(30.3)	(33.7)	3.4	(10%)
Effective tax rate		32.2%	30.0%		
Net profit after tax		63.9	78.7	(14.8)	(19%)
Adjusted for (on a post tax basis):					
One off Trident costs		10.8	0.0		
Non cash hedge gain		(6.2)	0.0		
Underlying NPAT		68.5	78.7	(10.2)	(13%)

Per share information	1H25	1H24
Basic weighted avg shares (m)	528.8	528.6
Basic EPS (c/share)	12.09	14.89
Dividend per share (c/share)	9.00	14.89
Dividend payout ratio	74.5%	100%



1. See notes on slide 2 – Non-IFRS Measures

2. Deterra consolidates Trident financial results from 2 September 2024

MAC royalty revenue



Higher sales volumes offset by lower AUD realised iron ore pricing

Performance against 1H24

Royalty Revenue

- Royalty Receipts \$103.7M

12%

MAC Performance

- Sales volume 63.6 Mdmt

13%

- Avg. realised revenue per tonne \$132/dmt

22%

Capacity Payment

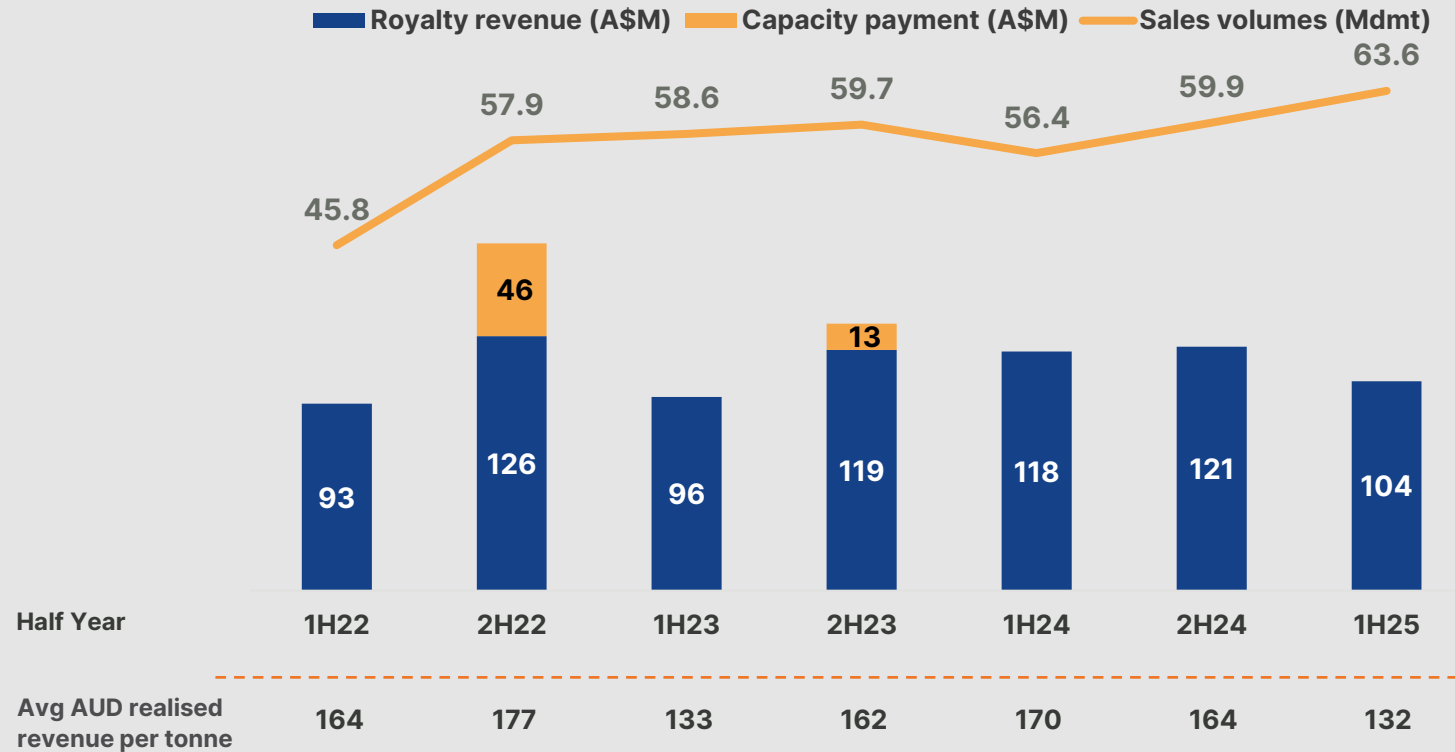
- To be tested end of FY2025

- Threshold set at 118 Mdmt

118

MAC half year receipts: volume and realised price

AUD million, Million dry metric tonne, A\$/tonne (FOB, Western Australia)



Gold offtake revenue



Higher ounces delivered and strong gold price

Performance against 1H24

Gold Offtake Performance 1H25¹

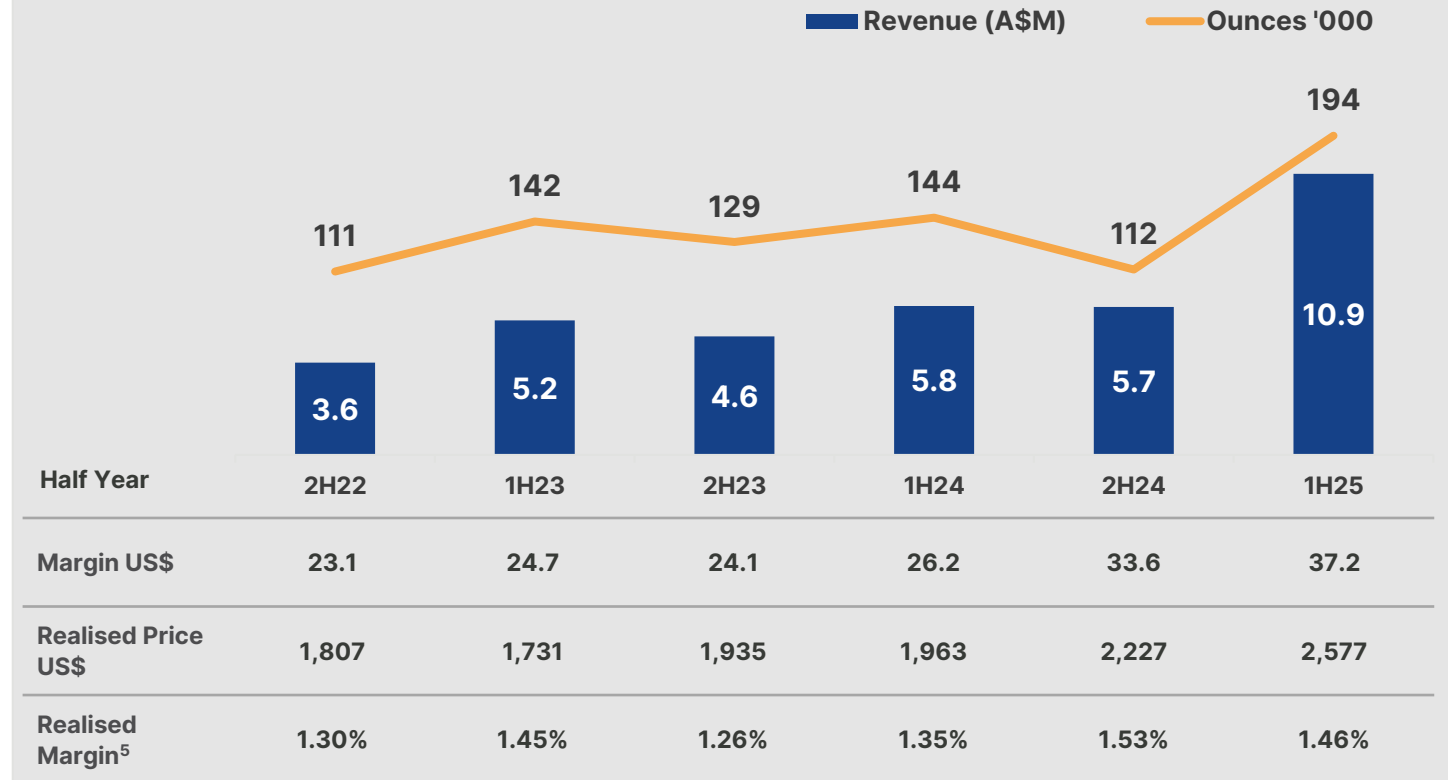
- Delivered ounces 193.6koz ↑ 35%
- Realised net revenue per ounce US\$37/oz ↑ 42%
- Realised margin – 1.46%

Gold Offtake – Deterra Financials²

- Deterra attributable ounces 136.9koz
- Offtake realised margin \$7.2m
- Offtake depreciation (\$2.8m)
- Offtake revaluation \$4.2m

Gold offtake half year receipts: volume and realised margin^{1,3}

AUD million⁴, ounces delivered, US\$/ounce



Average realised margin of 1.40%

1. Reflects six months operational periods including prior to Deterra acquisition during Trident ownership
 2. Deterra consolidates Trident financial results from 2 September 2024
 3. Net realised margin defined as sale price less cost of sales
 4. US\$ amounts converting using the historical average exchange rate for the period sourced from S&P Capital IQ
 5. Realised margin calculated as US\$ margin divided by US\$ gold purchase price

1H25 Operating Costs: recurring and one-off

	1H25	vs 1H24		Ongoing
Recurring:				
Operating costs	\$6.4m	up \$0.8m	<ul style="list-style-type: none"> Period of increased staff overlap Synergies across insurance, director fees, listing and compliance fees 	BD expenditure variable depending on activity
Depreciation and amort	\$3.2m	up \$3.0m	<ul style="list-style-type: none"> Gold offtakes (4 months) 	Similar annual profile
Non-cash gold offtake fair value revaluation gain	+\$3.9m	n/a	<ul style="list-style-type: none"> 1H25 Financial asset revaluation 2 Sept 2024 – 31 Dec 2024 	Dependant on gold price margin assumptions and remaining delivery schedules
Net finance costs	\$6.6m	up \$6.0m	<ul style="list-style-type: none"> 4 months net debt @ BBSW + ~135bps plus other fees 	
Non - recurring:				
One off Trident costs	\$12.0m	n/a	<ul style="list-style-type: none"> Advisor, legal, tax, accounting and redundancies, office closures in-line with September guidance 	
Non-cash gain on hedge for Trident acquisition cost	+\$6.2m	n/a	<ul style="list-style-type: none"> Non-cash loss 2H24 \$4.1m, non-cash gain 1H25 \$6.1m, total net life of hedge non-cash \$2.0m gain 	

Balance Sheet



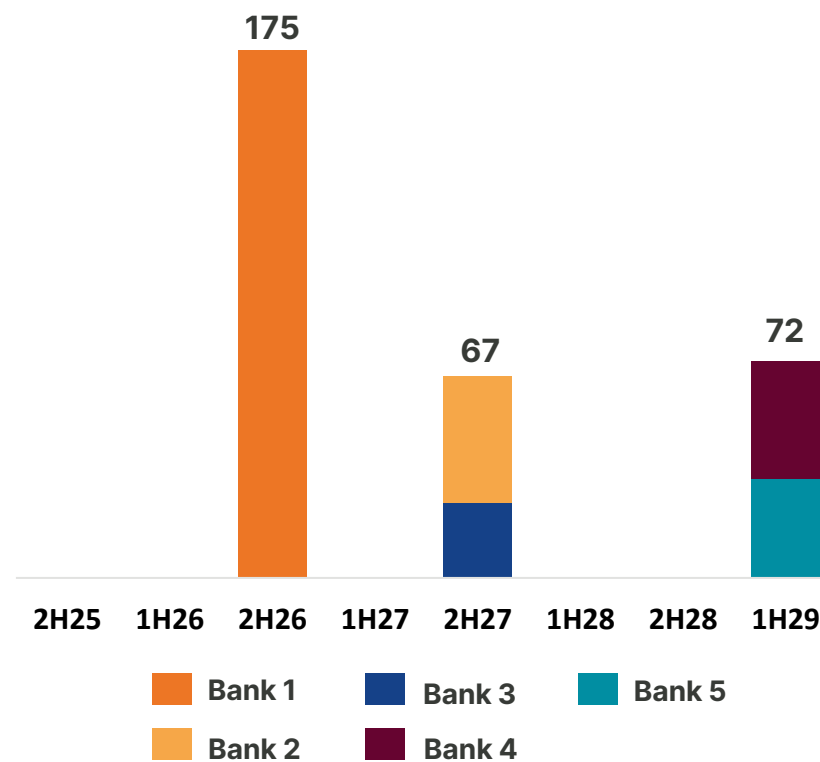
Remains strong and in line with capital management framework

- \$500 million revolving credit lines across 5 bi-lateral facilities
- c\$200 million available liquidity for investment
- Net debt to Underlying EBITDA covenant <4.0x
- Underlying EBITDA to interest expense covenant >3.0x
- Drawn debt interest expense BBSY + 1.35%
- Target leverage of 0 - 15% of enterprise value

Credit metrics	31 Dec 24	30 Jun 24
Cash	\$5.5m	\$31.1m
Net debt	\$308.5m	(\$31.1m)
Net debt to Underlying EBITDA ^{1,2}	1.4x	n/m
Underlying EBITDA to interest expense ^{2,3}	33.9x	n/m
Net debt / Enterprise Value ⁴	12.1%	n/m

Revolving Credit Facilities Maturity Profile

AUD Million



1. Calculated on past 12 months for EBITDA and interest expense

2. EBITDA calculated as Underlying EBITDA less one off Trident costs and used for banking covenants calculation

3. For the six months ended 31 December 2024

4. Enterprise Value = Market capitalisation as at 17 February 2025 plus net debt at 31 December 2024

Capital management framework

Balances future growth and shareholder returns



Capital management framework

Liquidity

- Maintain flexibility to invest counter-cyclically
- Cash flow and access to funding an important competitive advantage

Leverage

- Optimise use of debt funding for future acquisitions
- Target leverage of 0 - 15% of enterprise value

Cash flow allocation

- Dividend approach balancing returns to shareholders with capacity to invest
- Discipline to return capital when not required for investment or balance sheet management

Dividend policy

A minimum payout of 50% of NPAT, with the Board exercising discretion for higher dividend payout ratios based on factors which include:

- managing current and projected net debt levels and debt service expense; and
- preserving balance sheet liquidity to fund potential investment

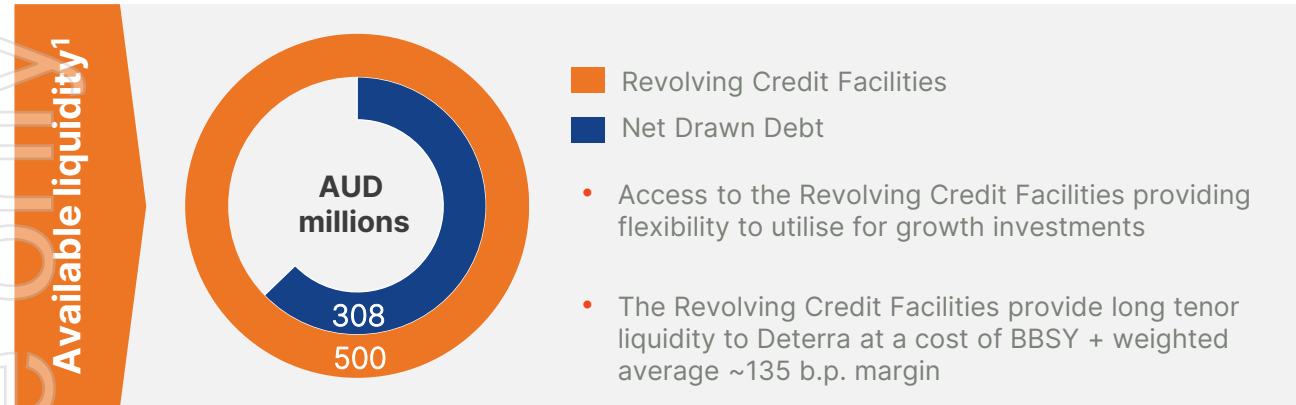
Retained earnings and any proceeds from asset sales, contingent receipts or capacity payments (one-off receipts) are expected to be used to reduce debt where debt remains outstanding, which also enhances liquidity to support ongoing investment

FY2025 interim dividend

- 9.0 cents per share, fully franked

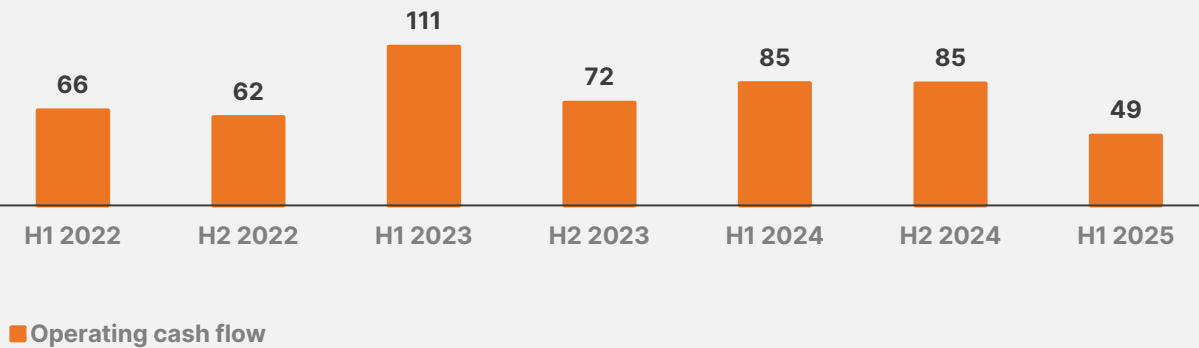
Liquidity

Capacity to fund value-accretive investment through multiple sources



Deterra cash generation

Operating Cash Flow (AUD million)



LEVERS OF FUNDING CAPACITY

Strong cash flow generating capacity

Established cash generating platform from the long-life MAC Royalty

Strong liquidity position

Immediately available funding to respond to new opportunities

Disciplined value accretive investment

Funding capacity increases with value-accretive portfolio growth and diversification

Access to capital markets

Flexibility to leverage debt and equity financing to meet strategic objectives

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Strategy and outlook



Building value through investment and portfolio optionality



Business model provides lower risk exposure to resources activity whilst retaining exposure to the upside through expansions and extensions

Optionality

Portfolio contains short-term catalysts and long-term optionality:

- **Mining Area C:** South Flank approaching nameplate capacity (reached on a run-rate basis in late FY2024¹)
- **Thacker Pass:** full notice to proceed expected early 2025 with production targeted for 2027²
- **La Preciosa:** processing of material expected to start 2HCY25³

Investment

Key focus for disciplined, value accretive investment:

- **Quality:** building on world class foundational MAC Royalty with additional large, long-life, low-cost assets
- **Diversification:** across royalties, commodity, geography, operator and stage of asset
- **Scale:** leverages the scalability of cost structure and delivers liquidity and lower cost of capital
- **Track Record:** through selective and disciplined investment decisions

1 BHP Operational review for the year ended 30 June 2024

2. Lithium Americas Corporation announcement, 7 January 2025

3. 2025 Outlook and 2024 Achievements, Avino Silver & Gold Mines Ltd., 6 February 2025

Consistent and disciplined approach to investment

Prioritising where we have a competitive advantage



Targeting value accretive opportunities

Quality: world class foundation in long-life MAC royalty

Liquidity: cash flow and debt facilities provide investment capacity

Focus: targeting less competitive niche in higher value non-precious metal royalties



Size

Broad mandate driven by ability to add value

“Sweet spot” of A\$100 – 300M



Commodity

- Bulks
- Base
- Battery and electrification



Geography

- Developed mining jurisdictions, including:
- Australia
 - N. America
 - S. America
 - Europe



Stage

- Production
- Near production

Other opportunities considered on merit on a case-by-case basis

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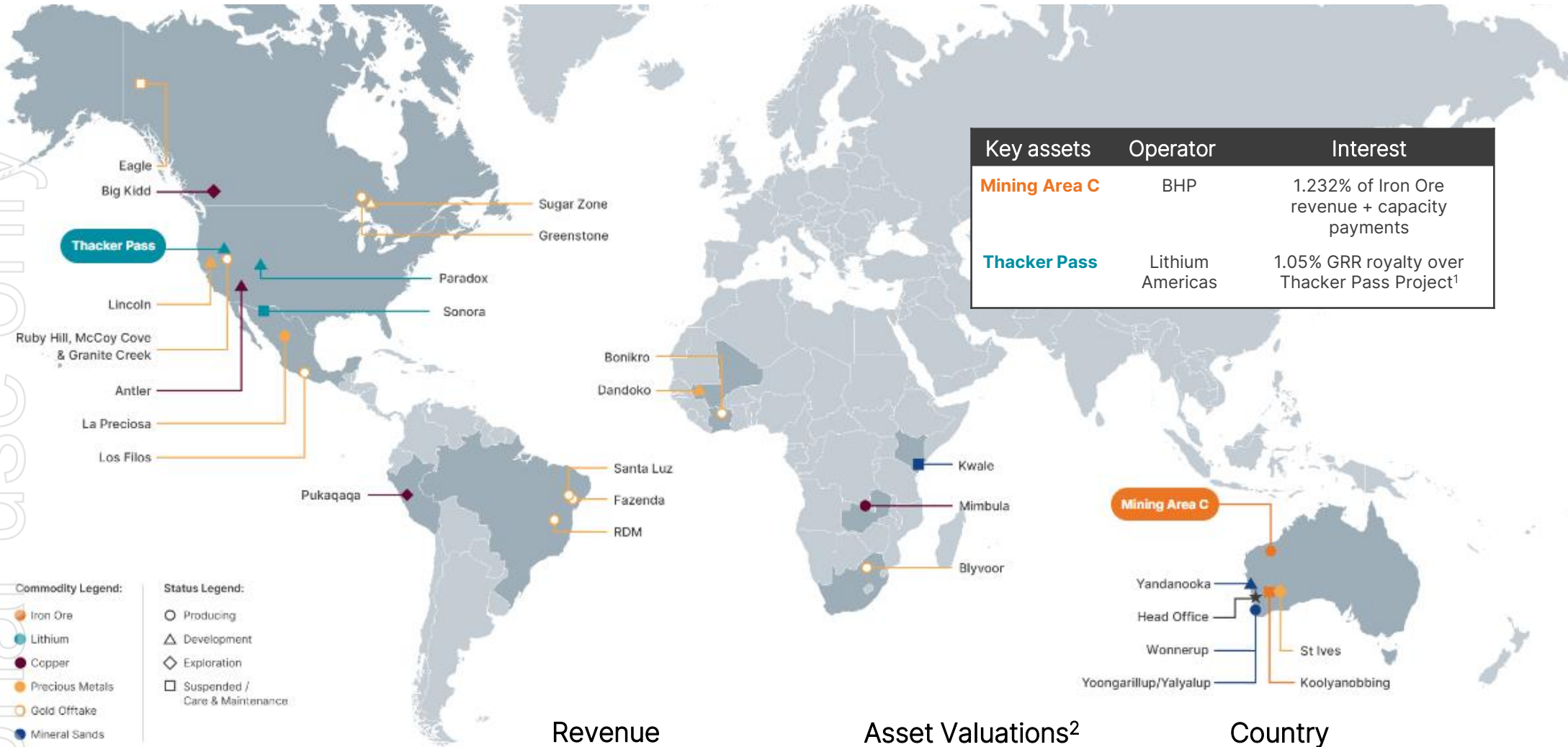
Key Assets



High quality portfolio with growth optionality

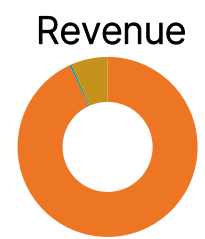


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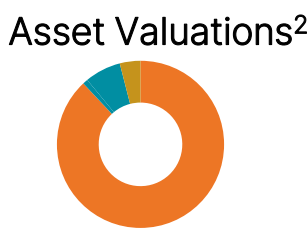
Key assets	Operator	Interest
Mining Area C	BHP	1.232% of Iron Ore revenue + capacity payments
Thacker Pass	Lithium Americas	1.05% GRR royalty over Thacker Pass Project ¹

- Commodity Legend:**
- Iron Ore
 - Lithium
 - Copper
 - Precious Metals
 - Gold Offtake
 - Mineral Sands
- Status Legend:**
- Producing
 - Development
 - Exploration
 - Suspended / Care & Maintenance

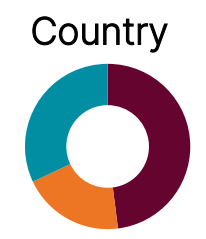


>90% 1H25 revenue from MAC

- Bulks
- Base
- Battery
- Precious



Bulks >85%, Battery 7%, Precious 4%



17 Assets in Tier 1 Jurisdictions

- North America
- Australia
- Other

1. After expected exercise of partial buyback
 2. Bulk comprises MAC asset value based off VA Consensus NAV January 2025. Other asset valuations reflect 1H25 Deterra Financial Report

Foundation Mining Area C iron ore royalty



Operated by BHP, top line exposure to the world's largest iron ore hub¹ with 9% of global seaborne iron ore supply²

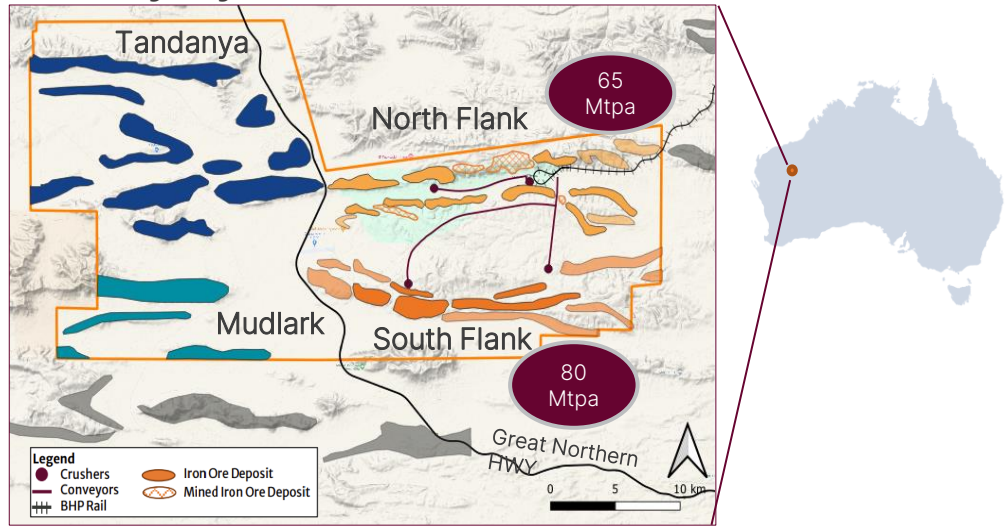
The MAC Operation ¹

Large	145Mtpa hub
Long Life	45+ year mine life
Significant optionality	~ 35% of WAIO total Mineral Resource is located within 50km of MAC processing infrastructure
Low Cost	FY25 cost guidance of US\$18/t-US\$19.5/t

The MAC Royalty

Agreement type	Gross revenue royalty
Royalty rate	1.232 % of AUD denominated revenue from MAC Royalty Area
Payment currency	AUD
Capacity payment	One-off payments of \$1 million per million dry tonne increase in the annual production level from the MAC Royalty Area during any 12 month period ending 30 June above the previous highest annual production level

MAC royalty area³



Key milestones

1994	Mining Area C royalty written
2003	Production commenced at North Flank mine
2018	BHP announced construction commenced on US\$3.6 billion expansion of to South Flank mine
2021	Production commenced at South Flank mine
Q4 FY2024	South Flank reaches nameplate capacity on a run-rate basis, brings total MAC capacity to 145mwtpa ¹

1. BHP – Western Australia Iron Ore South Flank – Site Tour Presentation (4 October 2022) and BHP Operational review for the half year ended 31 December 2024, ASX, 21 January 2025
 2. AME Research, Iron Ore strategic study Q43023
 3. Location and mineralisation outline are for illustrative purposes only. Source: BHP public documents, Google Earth and Western Australian Department of Mines, Industry Regulation and Safety (DMIRS), with Deterra overlay of royalty area

Thacker Pass lithium royalty



Operated by Lithium America Corp, provides top line exposure to world's largest lithium reserve¹

The Thacker Pass Operation²

Large	Phase 1 planned capacity of 40,000tpa LCE
Long Life	Project economics outlined for 85-year life of mine
Significant optionality	Four phase development plan to 160kt LCE production
Low Cost	Years 1-25 C1 cost guidance <\$6500/t LCE ²

The Thacker Pass Royalty

Agreement type	Gross revenue royalty
Buyback rights	LAC right to reduce royalty to 1.75% GRR if LAC buy-back for US\$22m (100% basis); DRR's 60% attributable basis is 1.05% for US\$13.2m, prior to first production
Payment currency	USD
Royalty rate (if Buyback not exercised)	8.0% GRR reducing to 4.0% after US\$22m royalty payments (100% basis); DRR's 60% attributable basis is 4.8% reducing to 2.4% after US\$13.2m royalty payments



Key milestones²

Jun-2021	Bureau of Land Management Record of Decision issued
Apr-2022	Major Operating Permits Received
Jan-2023	General Motors US\$320 million equity investment with long-term off-take
Mar-2023	Early-works construction commences, Bechtel EPCM
Oct-2024	i. General Motors makes a US\$625 million joint venture investment ii. The US DoE US\$2.26 billion loan closed
Jan-2025	LAC releases updated NI 43-101 Technical Report with increased production plan and extended mine life
2025	FNTP targeted early 2025

1. AME lithium industry analysis, 28 January 2025

2. Lithium Americas Corporation announcement and presentation dated 7 January 2025

The power of royalty assets

Lower exposure to capital and operating risk than typical mining investments whilst retaining exposure to the upside through expansions and extensions.



“Top line” cashflows

Royalty revenue derived from asset’s revenue line, or with limited, defined deductions



Commodity price leverage

Direct exposure to underlying commodity price



Project optionality

Asset expansions and extensions drive royalty values



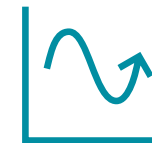
Limited capital cost obligations

No direct exposure to sustaining or expansion capital expenditure



Limited operating cost exposure

No direct exposure to project operating costs



Cost inflation resistance

High margins, and protection against cost inflation

For more information

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Financial Results



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Income Statement



Consolidated statement of Profit or Loss (\$'000)	Half-year ended 31 December 2024	Half-year ended 31 December 2023
Royalty Revenue	105,131	118,984
Income from offtake contracts	7,200	-
Operating Expenses	(6,382)	(5,581)
Amortisation and depreciation like charges	(3,167)	(229)
Trident acquisition one-off costs	(11,986)	-
Operating profit before finance cost	90,796	113,174
Net finance income/(cost)	(6,623)	(729)
Net foreign exchange gains/(losses)	47	(13)
Derivative financial instrument loss	6,158	-
Revaluation of financial asset gain	3,876	-
Profit before tax	94,254	112,432
Income tax expense	(30,342)	(33,711)
Net Profit After Tax (NPAT)	63,912	78,721
Total and continuing earnings per share:		
Basic earnings per share (\$)	0.1209	0.1489
Diluted earnings per share (\$)	0.1207	0.1487

Balance Sheet



Consolidated statement of financial position (\$'000)	31 December 2024	30 June 2024
Cash and cash equivalents	5,516	31,064
Trade and other receivables	63,864	58,660
Income tax assets	3,264	1,487
Prepayments	1,760	1,065
Total Current Assets	74,404	92,276
Royalty intangible assets	323,802	7,982
Offtake financial assets	96,396	-
Property, plant, and equipment	137	156
Prepayments	466	415
Right-of-use assets	406	465
Total Non-Current Assets	421,207	9,018
Total Assets	495,611	101,294
Trade and other payables	5,211	2,686
Provisions	228	223
Lease liability	103	95
Derivative financial instrument	-	4,174
Total Current Liabilities	5,542	7,178
Lease liability	348	402
Borrowings	314,000	-
Contingent consideration	1,735	-
Deferred tax	72,875	13,362
Total Non-Current Liabilities	388,958	13,764
Total Liabilities	394,500	20,942
Net Assets	101,111	80,352

Underlying EBITDA and NPAT



Net Profit After Tax (NPAT) (\$'000)	Half-year ended 31 December 2024	Half-year ended 31 December 2023
Net Profit After Tax	63,912	78,721
Income tax expense	30,342	33,711
Amortisation and depreciation like charges	3,167	229
Net finance costs	6,623	729
Revaluation of financial assets	(3,876)	-
Derivative financial instrument gain	(6,158)	-
Net foreign exchange gains/(losses)	(47)	13
EBITDA	93,963	113,403
EBITDA %	84%	95%
Other adjustments		
Trident acquisition one-off costs	11,986	-
Underlying EBITDA	105,949	113,403
Underlying EBITDA %	94%	95%
Revenue	112,331	118,984
Net Profit After Tax to Underlying NPAT reconciliation (\$'000)	Half-year ended 31 December 2024	Half-year ended 31 December 2023
Net Profit After Tax	63,912	78,721
One off Trident costs (tax effected)	10,757	-
Less hedge gain (tax effected)	(6,158)	-
Underlying NPAT	68,511	78,721

(1) See notes on slide 2 – Non-IFRS Measures