

29 July 2024

ASX: DRR

QUARTERLY ROYALTY REVENUE UPDATE

Deterra Royalties Limited (ASX: DRR) (**Deterra** or **Company**) is pleased to confirm total royalty receipts for the June 2024 quarter of \$58.5 million bringing total royalty receipts for FY24 to \$240.6 million. Deterra had three producing royalties in the quarter, comprising:

- Mining Area C (MAC), which generated iron ore revenue royalties of \$58.1 million and no capacity payment in the quarter.
- Two Western Australian mineral sands operations which generated \$0.4 million combined.

During the quarter the 15.5% increase in sales volumes from the ramp-up of the South Flank mine was offset by lower realised iron ore pricing, resulting in decreased royalty revenue on the prior quarter (down 7.5%). Total annual production did not result in a capacity payment for the financial year.

AUD million	Deterra royalty receipts					
	Sep 2023	Dec 2023	Mar 2024	Jun 2024	QoQ (%)	YTD
Mining Area C						
Royalty revenue ¹	56.0	62.4	62.8	58.1	(7.5%)	239.3
Capacity payments	-	-	-	-		-
Other Royalties	0.3	0.3	0.3	0.4		1.3
Total	56.3	62.7	63.1	58.5	21.6%	240.6

The company receives an ongoing royalty of 1.232% of Australian dollar denominated quarterly FOB revenue from the MAC royalty area. Additional one-off capacity payments of A\$1 million per one million dry metric tonne (MdmT) increase in annual mine production are determined for the period ending 30 June. The current demonstrated annual capacity level remains at 118MdmT.

¹ Iron ore sales typically reflect average iron ore index prices for the month of shipping, with adjustments for ore quality. Deterra's royalty receipts are based on sales invoiced during the period which may reflect, in part, provisional pricing. Accordingly, quarterly revenues can be impacted by the timing of adjustments to align achieved pricing to provisional pricing from the prior quarter.

Mining Area C production and sales information

	Sep 2023	Dec 2023	Mar 2024	Jun 2024	QoQ (%)	YTD
BHP Reported MAC production (million wet metric tonnes)²	30.4	30.7	29.3	34.2	16.7%	124.6
MAC sales (Mdmmt)³	28.9	27.5	27.8	32.1	15.5%	116.3

The Company expects to release its FY24 full results on or about 20 August 2024.

This document was approved and authorised for release by Deterra's Managing Director.

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² Source: BHP Operational Review for the year ended 30 June 2024 and similar prior Operational Reviews.

³ MAC sales volumes are reported on a dry basis and will vary from BHP reported production due to product moisture factors and the timing of sales and inventory movements in any reporting period.