

1 November 2021

ASX: DRR

## QUARTERLY ROYALTY REVENUE UPDATE

Deterra Royalties Limited (ASX: DRR) (**Deterra** or **Company**) is pleased to confirm total royalty receipts for the September 2021 quarter of \$59.7 million. Deterra had three producing royalties in the period, comprising:

- Mining Area C (MAC), which generated iron ore revenue royalties of \$59.6 million; and
- Two Western Australian mineral sands operations which generated \$0.1 million combined.

MAC iron ore revenue royalties increased by 12.9% compared to the June 2021 quarter as increasing sales volumes from the ramp-up of the South Flank mine offset falls in iron ore prices.

### Deterra royalty receipts

AUD million	Jun 2021	Sep 2021	QoQ (%)	YTD
<b>Mining Area C</b>				
Royalty revenue <sup>1</sup>	52.8	59.6	12.9%	59.6
Capacity payments	2.0	-	-	-
<b>Other Royalties</b>				
	0.1	0.1	-	0.1
<b>Total</b>	<b>54.9</b>	<b>59.7</b>	<b>8.7%</b>	<b>59.7</b>

<sup>1</sup> 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.

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 (Mdm) increase in annual mine production are determined for the period ending 30 June. The current demonstrated annual capacity level is currently set at 59Mdm.

#### Mining Area C production and sales information

	Jun 2021	Sep 2021	QoQ (%)	YTD
<b>BHP Reported MAC production (million wet metric tonnes)<sup>2</sup></b>	18.7	22.3	19.0%	22.3
<b>MAC sales (Mdm)<sup>3</sup></b>	16.9	21.0	24.2%	21.0

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

**Ian Gregory**  
Company Secretary

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<sup>2</sup> Source: BHP Operational Review for the year ended 30 September 2021 and similar prior Operational Reviews.

<sup>3</sup> 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.