Half Year FY2024 Results Presentation

16 February 2024

Deterra
ROYALTIES

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Non-IFRS Financial Information

This document may contain non-IFRS financial measures including EBITDA, EBIT, 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 the Deterra’s 2023 Annual 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.

1H24 Highlights

High quality assets delivering strong financial performance

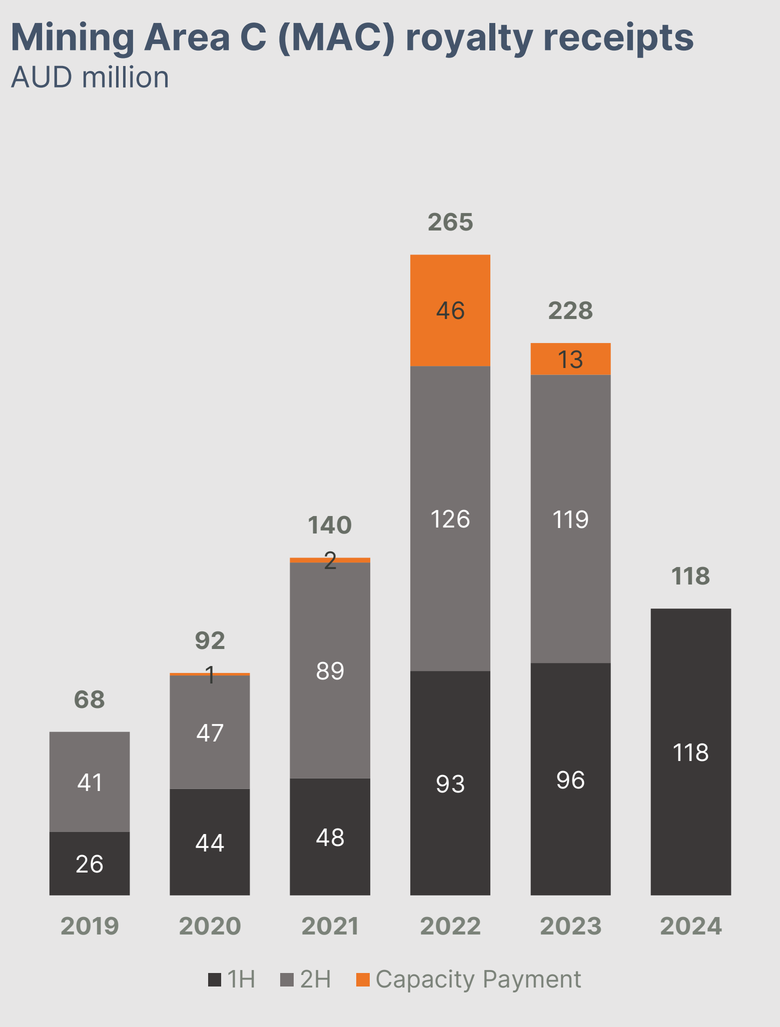
REVENUE
$119 million
NPAT $79 million, 95% EBITDA[1] Margin
Mining Area C (MAC) production 61 Mwmt

Supporting shareholder returns

14.89¢/share
Fully franked 1H24 Interim Dividend
>$480 million total dividends since listing[2]

Building a platform for investment and growth

$500 million
Undrawn credit facility
Significant facilities available for value accretive transactions



(1) See notes on slide 2 – Non-IFRS Measures
(2) Paid or declared, excludes dividend paid prior to demerger

Financial Results

Simple business model continues to deliver strong financial performance

1H24 Highlights

High quality assets continue to deliver strong financial performance

REVENUE	$119 million
EBITDA[1]	$113 million
NPAT	$79 million
DIVIDENDS	$79 million

95%
EBITDA MARGIN

PAYOUT
100%
NPAT

14.89 ¢/sh
Interim (Declared), fully franked

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

1H24 Highlights: Revenue

Stronger AUD realised iron ore pricing offsets lower sales volume at MAC

MAC Performance — 1H2024 v. 1H2023

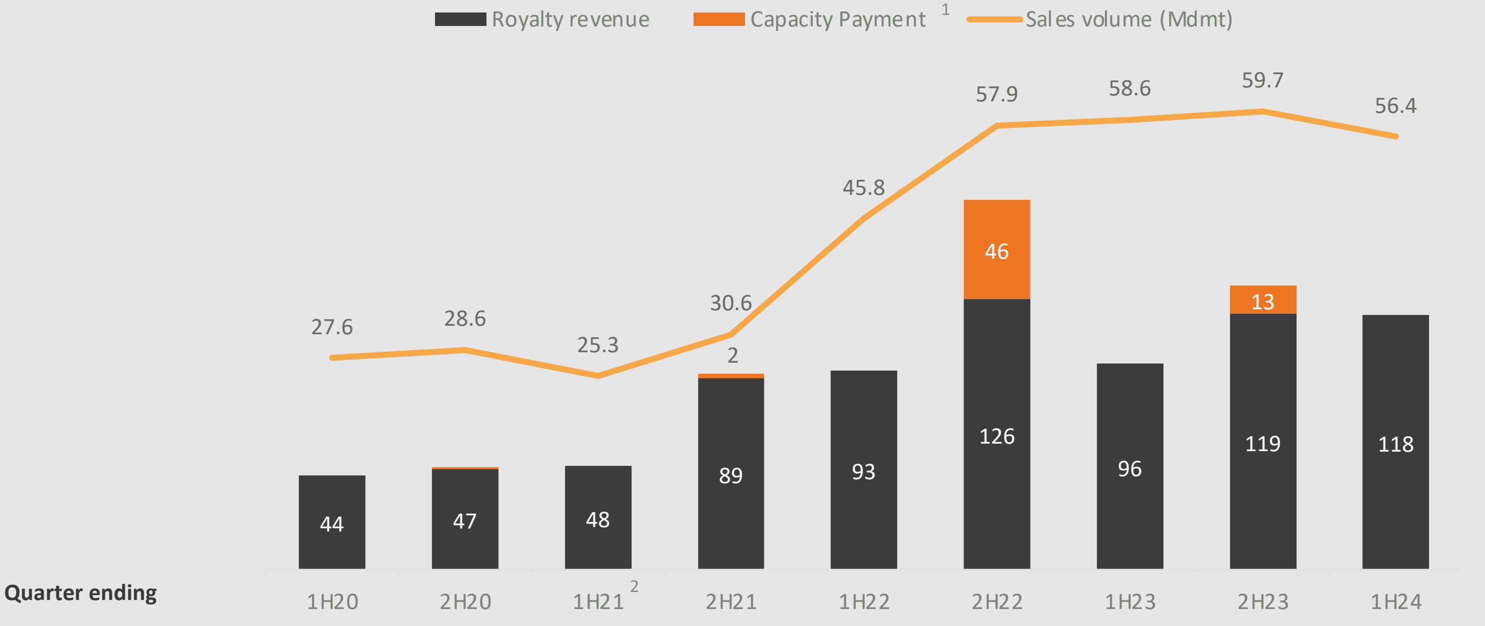
- Sales volume: 56.4 Mdmt — 4% (down)
- Avg. realised price: $170/dmt — 28% (up)
- Revenue royalty receipts: $118.4M — 23% (up)

Other producing royalties — 1H2024 v. 1H2023

- Combined mineral sands: $539k — 21% (up)

MAC half yearly receipts: volume and realised price

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

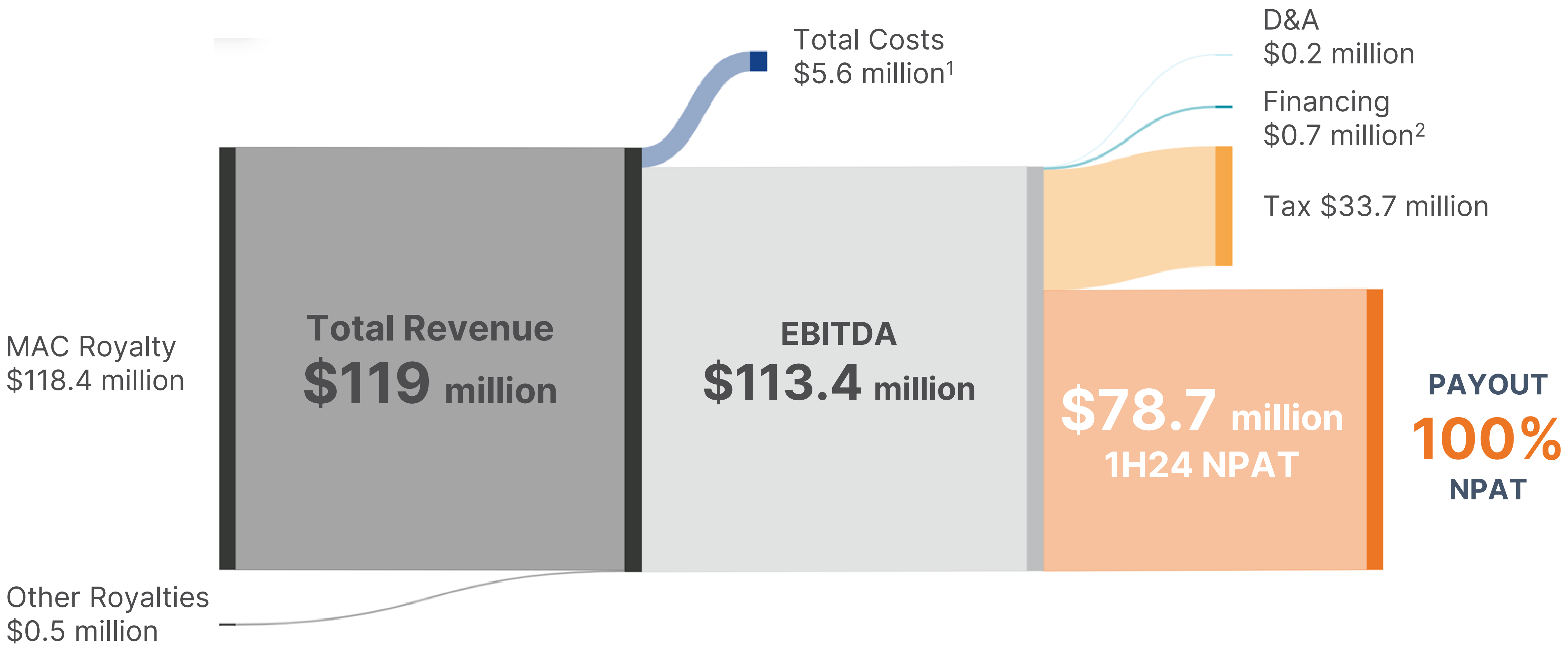


Quarter ending	1H20	2H20	1H21 [2]	2H21	1H22	2H22	1H23	2H23	1H24
Implied sales price (A$/dmt)	129	133	156	236	164	177	133	162	170

Note: (1) Any applicable capacity payment is assessed and payable annually, as part of the June quarter payment (2) Deterra demerged from Iluka Resources Ltd on 2 November 2020. Deterra received royalty revenues from the quarter commencing 1 October 2020. For more details refer to Deterra Royalties Annual Report 2021.

Simplified Income Statement

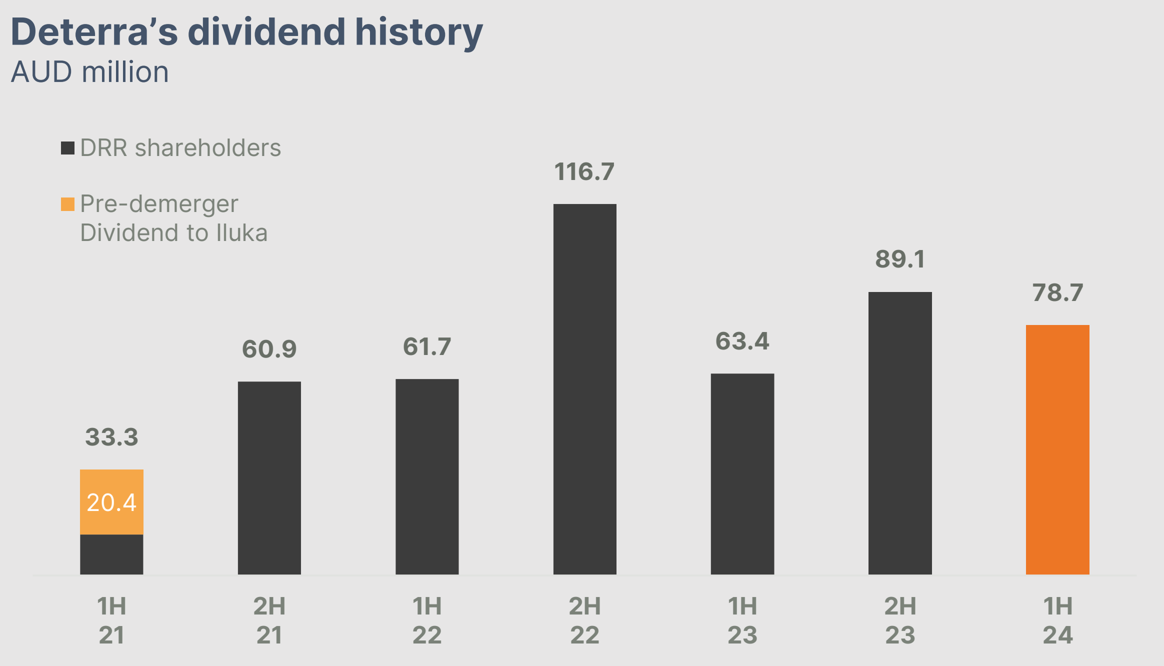
Illustrative 1H24 statement of profit or loss



(1) Total Costs of $5.6 million includes $4.3 million of operating expenses and $1.3 million of business development project expenses.
(2) Net Financing Costs of $0.7 million includes finance costs of $1.6 million less finance income of $0.9 million.

A track record of strong shareholder returns

Disciplined capital management and return of excess cash to shareholders



Declared

1H24 interim dividend of 14.89¢ / share (fully franked)

- Record date: 23 February 2024
- Payment date: 21 March 2024

Returns

- Discipline to return capital when not required for investment or balance sheet management
- More than $480 million returned to shareholders since FY21[1] listing (fully franked)

Optimise Use of Debt

- Undrawn bi-lateral facilities of $500 million provide significant liquidity and flexibility

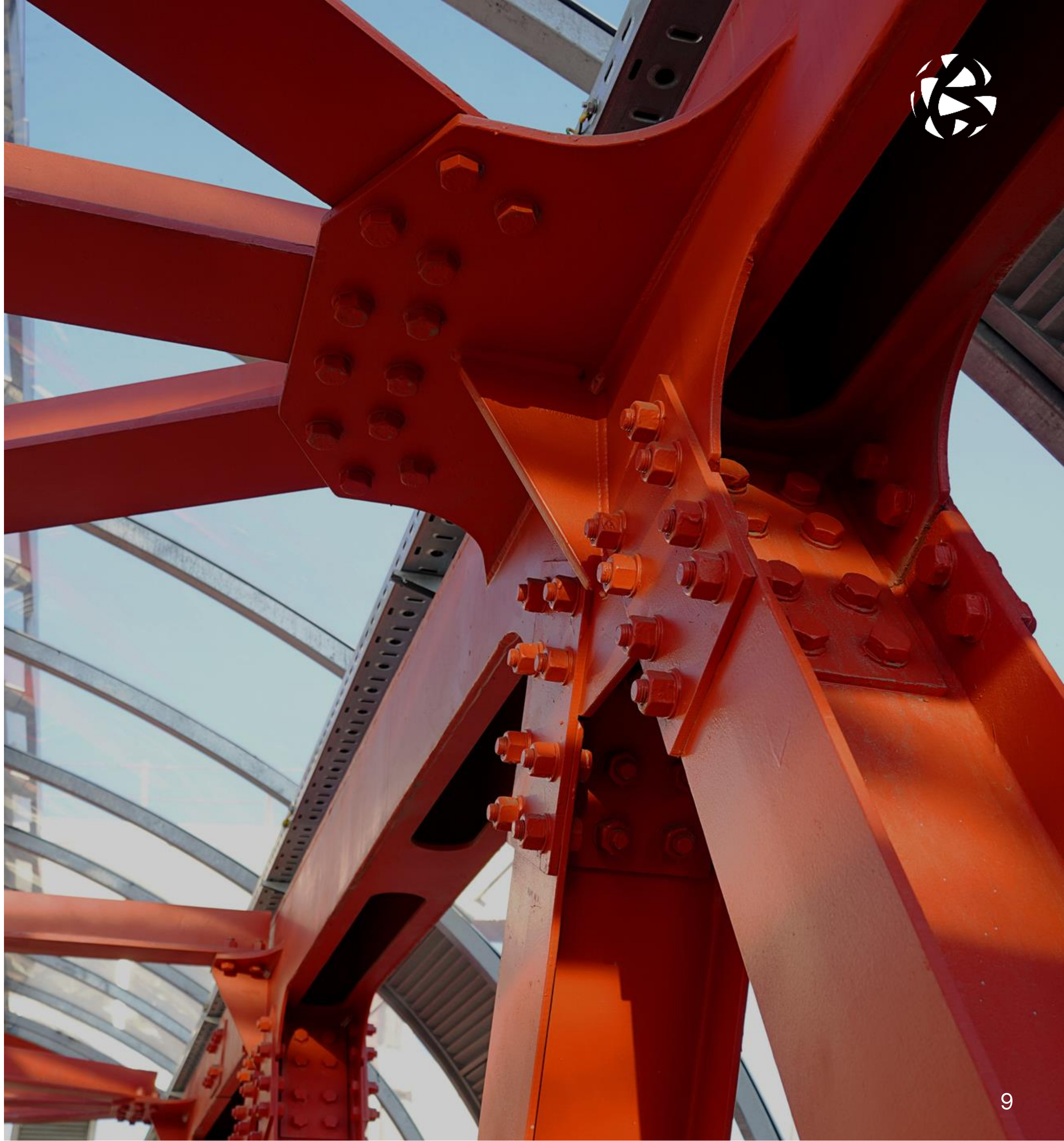
Maintain Targeted Leverage

- Maintaining flexibility to invest counter cyclically
- Targeted range of 0-15% of enterprise value over time via capital management
  - Expectation that cash flow from royalties will be utilised to maintain leverage in target range

(1) Excludes Pre-Demerger Dividend to Iluka of $20.4M

Strategy and Outlook

Building a platform for investment and growth



Targeting value accretive growth

Opportunity to become a leading listed royalty company outside precious metals

Targeted growth

Prioritising opportunities where we have a competitive advantage

- **Quality**: world class foundation in long-life MAC Royalty
- **Liquidity**: cash flow and debt facilities provide differentiated investment capacity
- **Focus**: targeting less competitive niche in higher value non-precious metal royalties

Steady increase in the level of business development activity

- Increase in number of targets assessed, particularly in:
  - base, battery metals
  - earlier, development stage
- Investment in additional team capacity

Market conditions reflect tighter capital markets and volatile commodity pricing

- Deterra is well positioned through:
  - established cash flow and access to liquidity
  - long term perspective

Consistent investment criteria

Primary royalties Create new royalties

Secondary royalties Acquire existing royalties

Value and ESG			
Size	**Commodity**	**Geography**	**Stage**
Broad mandate driven by ability to add value “Sweet spot” of A$100 – 300M	• Bulks • Base metals • Battery metals	Developed mining jurisdictions, incl: • Australia • N. America • S. America • Europe	• Production • Near production

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

Capital framework for growth and returns

Returning excess cash in the context of maintaining liquidity for future investments

Deterra's **capital management framework** is designed to ensure sufficient liquidity for investment whilst maintaining discipline on cash allocation

	Framework	Outcome for 1H24
Liquidity	• Critical to the business model "through the cycle" to fund investment activity • Cash flow and access to funding is an important competitive advantage, particularly in high cost of capital environment	• Existing bi-lateral facilities of $500 million • Net cash $24.9 million (31 December 2023)
Leverage	• Optimise use of debt funding for future acquisitions • Will fluctuate with acquisition activity, but ability to 'recycle' liquidity and debt capacity is key • Target leverage of 0 to 15 per cent of enterprise value	• No drawn debt (31 December 2023)
Cash flow allocation	• Board will exercise discretion on payout ratio to balance returns to shareholders with the capacity to invest in growth, having regard to balance sheet and investment outlook	• Final dividend of 100% of NPAT, fully franked

A better way to invest in resources

Our business model gives exposure to expansions and extensions at no cost, but with lower capital and operating risk than typical mining investments

“Top line” cashflows

Royalty revenue derived from asset’s revenue line

Commodity price leverage

Direct exposure to underlying commodity price

Project optionality

Asset expansions and extensions drive value of royalty investments

No capital cost obligations

Royalty owner is free carried through future project capital requirements

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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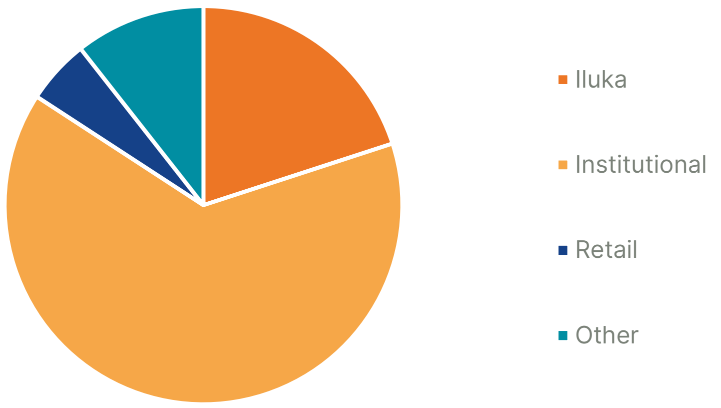
Corporate overview

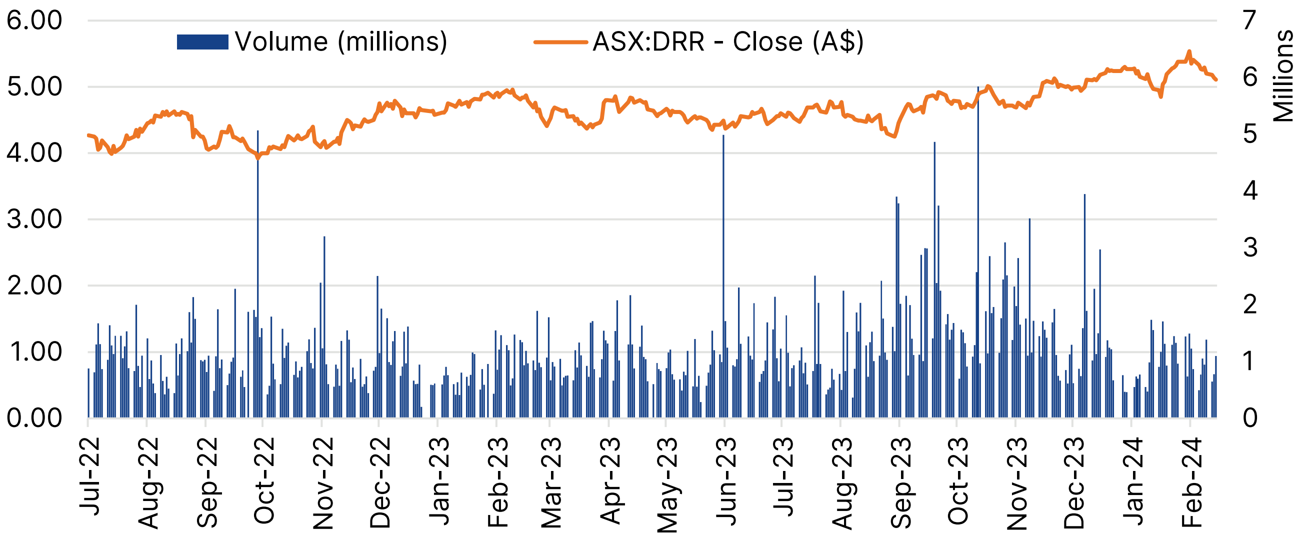
Share price[1]	$5.11
Shares on issue	528.6m
Market capitalisation[1]	$2.7bn
Cash (31 Dec 2023)	$24.9m
1H24 Interim Dividend declared	14.89¢
Royalty agreements	6

Managing Director, CEO	Julian Andrews
Independent Non-Executive Chair	Jenny Seabrook
Independent Non-Executive Director	Graeme Devlin
Independent Non-Executive Director[2]	Joanne Warner
Independent Non-Executive Director	Jason Neal
Non-Executive Director[3]	Adele Stratton
Chief Financial Officer	Jason Clifton

Register composition[4]



Share price performance[1]



(1) I S&P Capital IQ, as of 14 February 2024; (2) Dr Warner has announced her retirement from the Board effective 31 March 2024; (3) Iluka Resources Ltd nominee; (4) As of 12 December 2023

Income Statement

Consolidated statement of Profit or Loss ($'000)	Half-year ended 31 Dec 2023	Half-year ended 31 Dec 2022
Royalty Revenue	118,984	96,409
Operating Expenses	(4,293)	(4,143)
Business Development Expenses	(1,288)	(537)
Depreciation and Amortisation	(229)	(199)
Operating profit before finance cost	**113,174**	**91,530**
Net finance income/(cost)	(729)	(648)
Net foreign exchange gains/(losses)	(18)	(6)
Profit before tax	**112,432**	**90,876**
Income tax expense	(33,711)	(27,495)
Net Profit After Tax (NPAT)	**78,721**	**63,381**
Total and continuing earnings per share:		
Basic earnings per share ($)	0.1489	0.1199
Diluted earnings per share ($)	0.1487	0.1198

Balance Sheet

Consolidated statement of financial position ($'000)	31 Dec 2023	30 Jun 2023
Cash and cash equivalents	24,938	29,491
Trade and other receivables	62,888	73,104
Income tax assets	1,771	620
Prepayments	1,714	558
Total Current Assets	**91,311**	**103,773**
Royalty intangible assets	8,138	8,289
Property, plant, and equipment	168	99
Prepayments	586	1,141
Right-of-use assets	522	171
Total Non-Current Assets	**9,414**	**9,700**
Total Assets	**100,725**	**113,473**
Trade and other payables	350	768
Provisions	159	130
Lease liability	87	70
Total Current Liabilities	**596**	**968**
Lease liability	450	116
Borrowings	-	-
Deferred tax	17,363	20,251
Total Non-Current Liabilities	**17,813**	**20,367**
Total Liabilities	**18,409**	**21,335**
Net Assets	**82,316**	**92,138**

EBITDA

Earnings before interest tax and depreciation (EBITDA[1]) ($'000)	**Half-year ended 31 Dec 2023**	**Half-year ended 31 Dec 2022**
Net Profit After Tax	**78,721**	**63,381**
add back income tax expense	33,711	27,495
Profit before tax	**112,432**	**90,876**
add back Net finance costs and FX gains	742	654
Operating profit before finance cost (EBIT)	**113,174**	**91,530**
EBIT	113,174	91,530
add back Depreciation and Amortisation	229	199
EBITDA	**113,403**	**91,729**
Revenue	118,984	96,409
EBITDA margin (%)	95%	95%

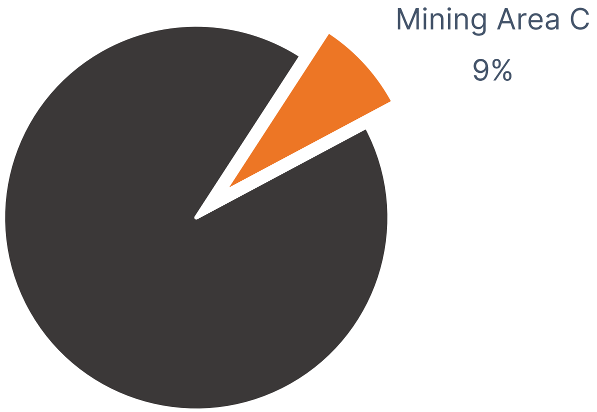
(1) See notes on slide 2 – Non-IFRS Measures

High quality asset – the Mining Area C Royalty

The South Flank expansion is BHP's newest and most technically advanced operation and will make Mining Area C the world's largest iron ore hub, producing some of the lowest cost and lowest carbon emitting iron ore in the world.

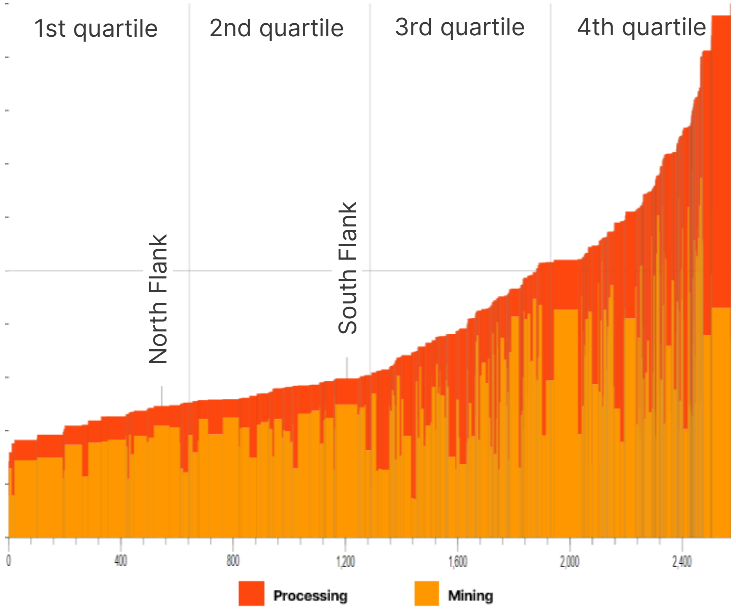
Large Scale

At full capacity Mining Area C will account for 9% of global seaborne iron ore supply (1,606Mdmt in 2025)[1]



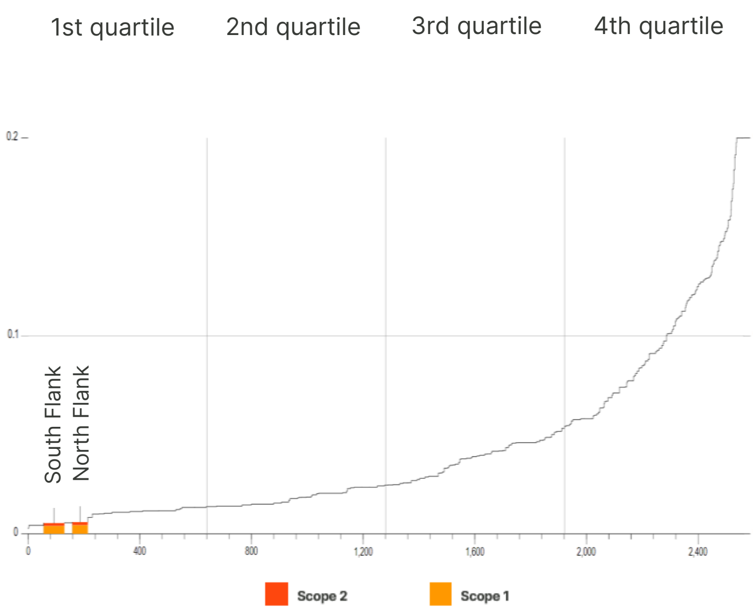
Low Costs

Iron ore FOB cash cost curve (2025F)[2]



Low Emissions

Iron ore GHG Intensity curve (2025F)[3]



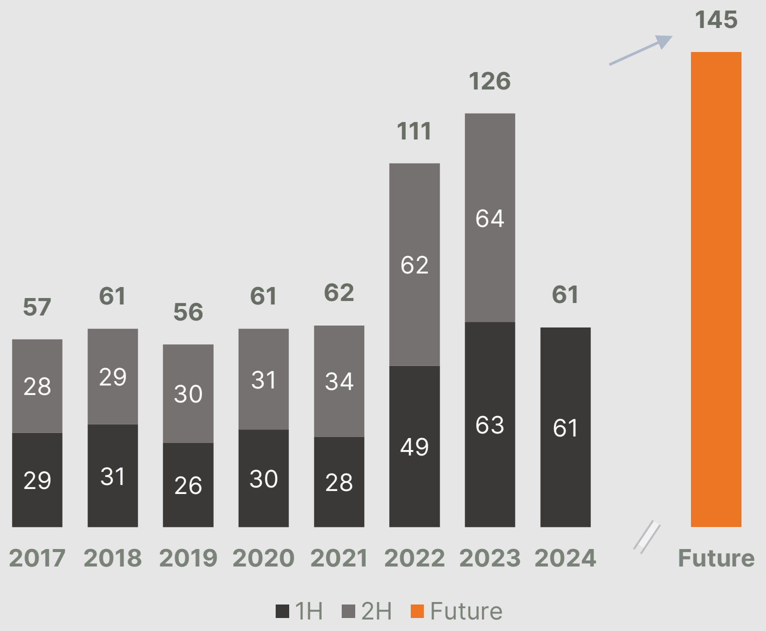
(1) Source: AME Research. Iron Ore Strategic Study Q4 2023
(2) Source: AME Research. Total cash costs are defined as direct cash cost associated with mining and processing. Units are US$/t
(3) Source: AME Research. GHG emissions intensity. Scope 1 plus Scope 2. Units are kg CO_2e/T

High quality asset – the Mining Area C Royalty

Low risk exposure to a long-life operation with near term growth and potential for further extension

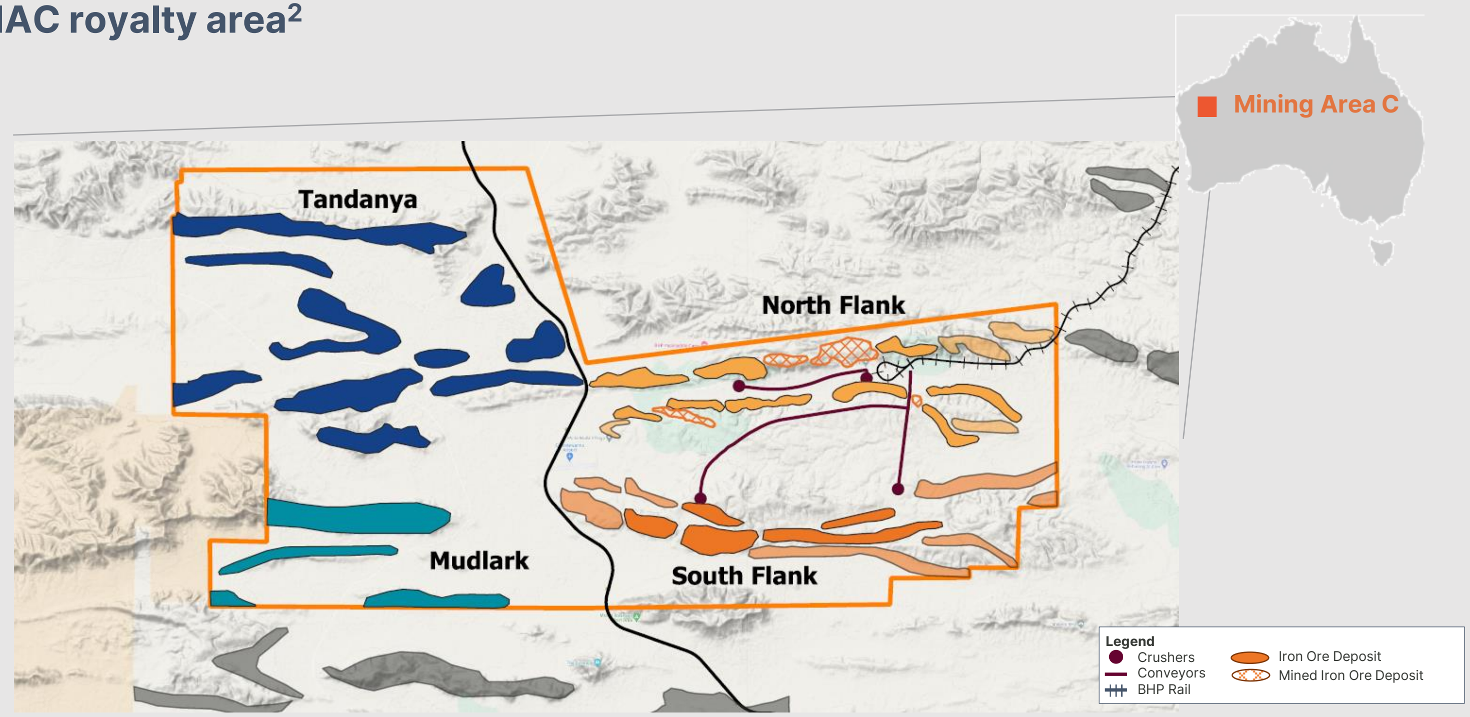
Realising organic growth through South Flank expansion

Mining Area C (MAC) production
Financial years, Mwmt[1]



Further resource extension potential in a low-risk jurisdiction

MAC royalty area[2]



(1) Source: BHP Operational Review for the half year to 31 December 2023 and similar prior Operational Reviews, available at www.asx.com.au; BHP delivers first production from South Flank (20 May 2021), available at www.BHP.com.
(2) 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.