

25/08/2025

ASX: DRR

## US\$22 MILLION SALE OF LA PRECIOSA SILVER ASSETS

Deterra Royalties Limited (ASX: DRR) (**Deterra** or **Company**) is pleased to announce the sale of its non-core La Preciosa silver assets for US\$22 million via a competitive sales process.

### HIGHLIGHTS

- US\$22 million (approx. A\$34 million) sale of the La Preciosa silver royalties and milestone payment (described below) to the project operator, Avino Silver & Gold Mines Ltd. ("Avino", ASM: TSX/NYSE), by way of termination of the La Preciosa royalty interests and release of a contingent milestone payment due by Avino, for the following consideration:
  - US\$13.25 million in cash upon completion of the termination and release; and
  - US\$8.75 million in cash, 12-months from completion.
- Sale expected to generate a **pre-tax profit to Deterra of US\$6.2 million (approx. A\$9.7 million), representing a 31% pre-tax IRR<sup>1</sup>** upon full receipt of the US\$22 million and after payment of the US\$1 million deferred consideration to Coeur<sup>2</sup>.
  - Assets acquired through Trident portfolio for US\$14.8 million<sup>3</sup>.
  - After tax proceeds to be primarily allocated to the reduction of net debt.
- Avino is fully funded to complete the transaction, reporting approximately US\$37 million in cash on hand and no debt (excluding operating equipment leases) as of June 30, 2025.<sup>4</sup>

### Julian Andrews, Managing Director and Chief Executive Officer of Deterra commented:

*"Deterra acquired our portfolio of precious metals assets less than 12 months ago as part of the acquisition of Trident Royalties. As highlighted at the time, precious metals are not core to our strategic investment focus on base, bulk, and battery and electrification commodities. Consistent with our strategy and our disciplined management of capital, we continuously review our portfolio for opportunities to realise value from non-core assets."*

*"Deterra expects to realise a pre-tax profit of over US\$6 million from the disposal, reflecting a 31% pre-tax IRR. The sale of these non-core assets provides further validation of our business model of acquiring royalties over high-quality assets, operated by established project operators."*

*"Avino's success in developing La Preciosa, coupled with the exceptionally strong silver price environment, presented an ideal opportunity to negotiate this mutually beneficial transaction. We wish Avino continued success in the development and ramp up of La Preciosa."*

1. IRR calculated from the effective date of the Trident Royalties Plc scheme of arrangement (2 September 2024) using the Company's fair value of the La Preciosa assets for accounting purposes as at 2 September 2024.

2. Deterra retains an obligation to pay US\$1 million as deferred consideration to Coeur Mining, Inc. ("Coeur", NYSE: CDE), the vendor in the original asset sale to Trident Royalties Plc, no later than upon receipt of the deferred US\$8.75 million, which is being paid in place of the current contingent milestone payment.

3. Represents the Company's fair value of the La Preciosa assets for accounting purposes as at 2 September 2024.

4. Per Avino news release dated 22 July 2025.

## LA PRECIOSA SILVER ROYALTIES & MILESTONE PAYMENT

As part of Deterra's acquisition of Trident Royalties Plc, Deterra acquired the La Preciosa assets effective 2 September 2024, encompassing:

- 1.25% Net Smelter Return (NSR) Royalty over the defined project area;
- 2.00% Gross Value Returns Royalty (GVR) over the remaining La Preciosa tenement areas;
- A contingent milestone payment of US\$8.75 million from Avino (which, subject to certain conditions, Avino may satisfy (at its election) up to 50% of such milestone payment with the issue of Avino shares), due within 12 months of first silver production from the La Preciosa project.

As part of the original acquisition of the assets from Coeur, Deterra is required to pay a deferred consideration of US\$1 million within five business days of (i) receipt of the US\$8.75 million contingent milestone payment (or alternative consideration) or (ii) if earlier, the first anniversary of the first silver production from the La Preciosa project.

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

**Bronwyn Kerr**  
Company Secretary

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## ABOUT DETERRA

Deterra is an ASX-listed diversified resource royalty company committed to providing shareholders with lower risk exposure to mining activity through value-accretive investment in resource projects, through either financing of projects by royalties or streams or the acquisition of similar existing instruments.

Based in Perth, Western Australia, Deterra owns royalties and offtake agreements across 11 countries and six commodities – including two flagship royalties over:

- i) The Mining Area C (MAC) iron ore mine in the Pilbara, Western Australia. MAC is the world's largest iron ore hub<sup>5</sup>, operated by BHP, the world's largest mining company<sup>6</sup>. At full capacity, MAC accounts for 9% of global seaborne iron ore supply<sup>7</sup> and has a multi-decade asset life<sup>8</sup>.
- ii) The Thacker Pass lithium project in Nevada, USA. Major Phase 1 construction activities commenced in Q2 2025 following the finalisation of a funding package from the US

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5. BHP Western Australia Iron Ore site tour presentation: South Flank, ASX 4 October 2022.

6. By market capitalisation.

7. Wood Mackenzie global iron ore strategic planning outlook Q2 2025.

8. BHP marks official opening of South Flank – BHP media release 4 October 2022.

Department of Energy, General Motors and Orion Resource Partners<sup>9</sup>. The project is targeting a total production capacity of 160,000tpa of battery-quality lithium carbonate to be developed in four phases of 40,000tpa each, across an 85-year mine life<sup>10</sup>.

Deterra's assets cover bulk, base, battery and precious metals at various stages of the mine lifecycle.

## **ABOUT AVINO SILVER & GOLD MINES LTD**

Avino is a silver producer from its wholly owned Avino Mine near Durango, Mexico. Avino's silver, gold and copper production remains unhedged. Avino intends to maintain long term sustainable and profitable mining operations to reward shareholders and the community alike through its growth at the historic Avino Property and the strategic acquisition of the adjacent La Preciosa which was finalized in Q1 2022. Early in 2024, the pre-feasibility Study on the Oxide Tailings Project was completed. This study is a key milestone in Avino's growth trajectory. As part of Avino's commitment to adopting sustainable practices, Avino have been operating a dry-stack tailings facility for more than two years now with excellent results. Avino is committed to managing all business activities in a safe, environmentally responsible, and cost-effective manner, while contributing to the well-being of the communities in which it operates.

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9. Lithium Americas Corporation announcement dated 15 May 2025.

10. Lithium Americas Corporation announcement dated 7 January 2025.