

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

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| DETERRA ROYALTIES LIMITED |
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ABN/ARBN

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| 88 641 743 348 |
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Financial year ended:

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| 30 JUNE 2021 |
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Our corporate governance statement¹ for the period above can be found at:²

- These pages of our annual report:
- This URL on our website: www.deterraroyalties.com/corporate/governance

The Corporate Governance Statement is accurate and up to date as at 17 August 2021 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 17 August 2021

Name of authorised officer authorising lodgement: Ian Gregory

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation | | Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵ |
|---|---|--|--|
| PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT | | | |
| 1.1 | A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management. | <input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: www.deterraroyalties.com/corporate/governance | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.2 | A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.3 | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.4 | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate/governance/charters/”).

⁵ If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation | Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵ |
|--|---|---|
| <p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p> | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: www.deterraroyalties.com/corporate/governance</p> <p>and we have disclosed the information referred to in paragraph (c) at: People and Performance Committee Charter www.deterraroyalties.com/corporate/governance</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| <p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at: Remuneration Report 2021</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process in the Remuneration Report 2021 and in the Nominations and Governance Charter: www.deterraroyalties.com/corporate/governance</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation | | Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵ |
|---|---|---|---|
| 1.7 | <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at: Remuneration Report 2021 and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Remuneration Report 2021 and in the People & Performance Committee Charter: www.deterraroyalties.com/corporate/governance</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

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|--|--|--|---|
| PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE | | | |
| 2.1 | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: www.deterraroyalties.com/corporate/governance and the information referred to in paragraphs (4) and (5) at: Nominations and Governance Committee Charter.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.2 | <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p> | <p><input checked="" type="checkbox"/> and we have disclosed our board skills at: Corporate Governance Statement 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.3 | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p> | <p><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: Director's Report 2021 and Board Charter and, where applicable, the information referred to in paragraph (b) and the length of service of each director at: Director's Report 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

Key to Disclosures Corporate Governance Council Principles and Recommendations

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|---|---|---|--|
| 2.4 | A majority of the board of a listed entity should be independent directors. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.5 | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.6 | A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY | | | |
| 3.1 | A listed entity should articulate and disclose its values. | <input checked="" type="checkbox"/> and we have disclosed our values at: Annual Report 2021 | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 3.2 | A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code. | <input checked="" type="checkbox"/> and we have disclosed our code of conduct at: www.deterraroyalties.com/corporate/governance | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 3.3 | A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. | <input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: www.deterraroyalties.com/corporate/governance | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 3.4 | A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy. | <input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: www.deterraroyalties.com/corporate/governance | <input type="checkbox"/> set out in our Corporate Governance Statement |

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|---|--|--|---|
| PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS | | | |
| 4.1 | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: www.deterraroyalties.com/corporate/governance and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 4.2 | <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> | <p><input checked="" type="checkbox"/></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 4.3 | <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p> | <p><input checked="" type="checkbox"/></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

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|---|---|--|---|
| PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE | | | |
| 5.1 | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1. | <input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: www.deterraroyalties.com.au/corporate/governance | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 5.2 | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 5.3 | A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement |
| PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS | | | |
| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | <input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: www.deterraroyalties.com/corporate/governance | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 6.2 | A listed entity should have an investor relations program that facilitates effective two-way communication with investors. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 6.3 | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders. | <input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: Corporate Governance Statement 2021 and at www.deterraroyalties.com/investors . | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 6.4 | A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement |
| 6.5 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | <input checked="" type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement |

Key to Disclosures Corporate Governance Council Principles and Recommendations

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|--|--|--|--|
| PRINCIPLE 7 – RECOGNISE AND MANAGE RISK | | | |
| 7.1 | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: www.deterraroyalties.com/corporate/governance, and the information referred to in paragraphs (4) and (5) at pages at: Corporate Governance Statement 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 7.2 | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <p><input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at : Annual Report 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 7.3 | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p> | <p><input checked="" type="checkbox"/> and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes</p> <p>Risk Management Framework Risk Assessment Statement Risk Register</p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p> |

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|---|---|--|--|
| 7.4 | A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | <input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: Risk Management Framework and Risk Assessment Statement and, if we do, how we manage or intend to manage those risks at: Annual Report 2021. | <input type="checkbox"/> set out in our Corporate Governance Statement |

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|--|--|---|--|
| PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY | | | |
| 8.1 | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: www.deterrroyalties.com.au/corproate/governance and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 8.2 | <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p> | <p><input checked="" type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: Remuneration Report 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p> | <p><input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: Remuneration Report 2021.</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

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|--|---|--|---|
| ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES | | | |
| 9.1 | A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents. | <input type="checkbox"/> and we have disclosed information about the processes in place at: [insert location] | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 9.2 | A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time. | <input type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 9.3 | A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | <input type="checkbox"/> | <input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable |
| ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES | | | |
| - | <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements. | <input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: [insert location] | <input type="checkbox"/> set out in our Corporate Governance Statement |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation | | Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵ |
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| - | <p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p> | <p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p>[insert location]</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

CORPORATE GOVERNANCE STATEMENT

DETERRA ROYALTIES LIMITED

DATE

This Corporate Governance Statement is current as **17 August 2021** and has been approved by the Board of Directors of Deterra Royalties Limited (**Deterra** or **Company**) on that date.

On behalf of the Directors



JENNIFER SEABROOK

Chair

17 August 2021

The Board of Directors is responsible for the operational and financial performance of the Company, including its corporate governance. The Board has adopted a corporate governance framework for the Company, the key features of which are set out in this Corporate Governance Statement. This corporate governance framework is underpinned by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (the ASX Recommendations) which are applicable to ASX-listed entities.

Where the Company's corporate governance practices follow a recommendation in the ASX Recommendations, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation in the ASX Recommendations, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

Deterra's corporate governance policies are available on the Company's website:

<https://deterraroyalties.com/corporate/governance>

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT | | | |
| 1.1 | <p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p> | <i>Compliant</i> | <p>Deterra’s Board Charter, which is disclosed on Deterra’s website (https://deterraroyalties.com/getattachment/bec4e532-30e4-4e48-9032-d8fc08baadcc/Deterra-Board-Charter.aspx), sets out the Board’s specific functions, responsibilities, processes and delegation of duties and powers.</p> <p>Broadly, the key responsibilities of the Board include, but are not limited to:</p> <ul style="list-style-type: none"> • Representing and serving the interests of shareholders. • Setting and monitoring Deterra’s culture, values, risk and governance frameworks. • Keeping shareholders informed of the company’s performance and major developments. • Reviewing the Deterra Board skills matrix and appointing non-executive directors. • Approving strategic objectives and non-financial and financial objectives, and monitoring progress against those objectives. • Monitoring performance of the Chief Executive Officer and senior management, and their implementation of the objectives. • Appointing or removing the Chief Executive Officer and approving his or her remuneration and other terms of employment. • Approving the issue of any shares, options, equity instruments or other securities in the Company. • Considering and approving capital, major acquisitions, expenditures and divestments. • Establishing committees to assist in carrying out its responsibilities. • Adopting charters that set out matters relevant to the composition, responsibilities and administration of committees. • Forming determinations that are required by the Deterra’s constitutional documents or by law or other external regulation. <p>Beyond these matters, the Board has delegated the Chief Executive Officer with the day to day management of Deterra’s business and operations, within any limits imposed by the Board.</p> |

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| 1.2 | <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or putting someone forward for election as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p> | <i>Compliant</i> | <p>The Nominations and Governance Committee is responsible for appointments to the Board. These appointments are based on objective criteria that serve to maintain an appropriate balance of skills and experience.</p> <p>The Nominations and Governance Committee will carry out appropriate reference checks. When considering the appointment of a new Director, the Nominations and Governance Committee may engage the services of an executive recruitment firm to assist in identifying suitable candidates to be shortlisted for consideration for the appointment to the Board.</p> <p>A profile of each Director is included in the Annual Report and in any notice of meeting where a Director is standing for election or re-election.</p> |
| 1.3 | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | <i>Compliant</i> | Deterra has executed written letters of appointment with each Board member and Senior Executive, setting out the terms of their employment, duties and responsibilities, performance, remuneration and other governance matters. |
| 1.4 | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | <i>Compliant</i> | Deterra has a joint Company Secretary arrangement. The Company Secretaries have a direct line of communication with the Chair and all Directors and are responsible for advising the Board and Committees on governance matters, monitoring Board and Committee policy and procedure adherence and supporting the proper functioning of the Board. |
| 1.5 | <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity;</p> | <i>Compliant</i> | <p>Deterra's Diversity and Inclusion Policy is accessible on Deterra's website (https://deterraroyalties.com/getattachment/7c95865f-d873-4015-92ee-096352ae86d0/Deterra-Diversity-and-Inclusion-Policy.aspx).</p> <p>Deterra strives to provide a safe and inclusive workplace that maintains a diverse, sustainable and high achieving workforce. The Company is committed to a workplace culture that attracts and retains employees with diverse backgrounds and skillsets and empowers them to demonstrate our values and achieve high levels of performance.</p> <p>The Diversity and Inclusion Policy includes a requirement for measurable objectives for achieving gender diversity and reports on Deterra's progress towards achieving the diversity objectives.</p> <p>The measurable diversity objectives approved by the approved by the People and Performance</p> |

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| | <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p> | | <p>Committee include:</p> <ul style="list-style-type: none"> • The ratio of Board members should not be less than 40% female • The company will actively seek to achieve diversity at the Senior Executive level as opportunities arise, noting the limited number of Senior Management roles <p>Deterra reports:</p> <ul style="list-style-type: none"> • The proportion of women employees in the organisation is 36.4%. • There are currently no women in senior executive positions, however targeted recruitment initiatives are in place to redress this in 2021/22 • The proportion of women on the Board is 60%. <p>Deterra is not considered a 'relevant employer' under the Workplace Gender Equality Act.</p> |
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2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| 1.6 | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <i>Compliant</i> | <p>Deterra has a formal process for the annual evaluation of the performance of the Board. This is outlined in the Nomination and Governance Charter, which is accessible on Deterra’s website at www.deterraroyalties.com/corporate/governance.</p> <p>During the evaluation period (which commenced on listing in October 2020) an informal internal evaluation was completed by the Chair with each Board member. A formal external evaluation, in accordance with Deterra’s Nomination and Governance Charter, is planned to be completed in the year ending 30 June 2022.</p> |
| 1.7 | <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <i>Compliant</i> | <p>The People and Performance Committee Charter oversees the process for evaluating performance of senior executives, which is accessible on Deterra’s website (https://deterraroyalties.com/getattachment/afd1a274-ef9c-4f65-8b0a-b3176e97f73e/deterra-people-and-performance-committee-charter.aspx). The Managing Director/Chief Executive Officer conducts an annual evaluation of each senior executive’s performance, during which the senior executive’s performance during the previous 12 months is assessed against relevant performance indicators, and role expectations are set for the following year.</p> <p>The People and Performance Committee (in the absence of the Managing Director/Chief Executive Officer) also assesses the performance of the Managing Director/Chief Executive Officer at least once during each financial year. The Chair will meet with the Managing Director/Chief Executive Officer and provide him or her with feedback on the Board’s assessment.</p> <p>A performance evaluation for the Managing Director/Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2021 was completed in July 2021.</p> |

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| | PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE | | |
| 2.1 | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <i>Compliant</i> | <p>Deterra's Nominations and Governance Committee comprises of:</p> <ul style="list-style-type: none"> • Ms Jennifer Seabrook (Independent, Non-Executive Director); • Mr Graeme Devlin (Independent, Non-Executive Director); • Dr Joanne Warner (Independent, Non-Executive Director); and • Ms Adele Stratton (Non-Executive Director). <p>The Chair of the Nominations and Governance Committee is Ms Jennifer Seabrook, who is an Independent Director. Ms Jennifer Seabrook is also the Chair of the Board.</p> <p>The Committee is scheduled to meet twice per annum. The Committee was first established in June 2021 and has only held one meeting during this period.</p> <p>The Nominations and Governance Charter is available to access on Deterra's website at (https://deterraroyalties.com/getattachment/44fa4a4c-b82a-4e57-8e14-1ea3fe65523d/deterra-%E2%80%93-nomination-and-governance-charter.aspx)</p> <p>The Nominations and Governance Committee recommends and approves Director and Chair renewal and succession, and approves the Director selection, appointment and re-election progress. The Nominations and Governance Committee carries out the process of determining the need for screening and appointing new directors. It has adopted a skills matrix to help determine appropriate skills, knowledge, experience, independence and diversity necessary to discharge its duties and responsibilities effectively.</p> <p>Deterra's Nominations and Governance Committee was initiated in June 2021, with the first meeting held in June 2021. Prior to the formation of the Nominations and Governance Committee, the skill sets of the Board were assessed by the People and Performance Committee and these matters were considered at one of the meetings of this Committee. Prior to the demerger of Deterra from Iluka Resources Limited (Iluka), the skill sets required by the Board of Deterra were determined by the Board of Iluka.</p> |

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| | Recommendation | Compliance | Comment |
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| 2.2 | A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership. | <i>Compliant</i> | <p>The Board regularly evaluates the mix of skills, experience, and diversity of its members to ensure that the Board operates effectively and efficiently. The Board believes that a highly credentialed Board, with a diversity of background, skills, and perspectives, will be effective in supporting and enabling delivery of good governance for the Company and value for shareholders.</p> <p>A profile of each Director, setting out their skills, experience, expertise and period of office is set out in the Directors' Report on pages 24 to 25 in the 2021 Annual Report.</p> <p>A summary of the Board skills and experience is provided in Appendix A of this Corporate Governance Statement.</p> |
| 2.3 | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p> | <i>Compliant</i> | <p>Independent Directors of the Board are:</p> <ul style="list-style-type: none"> • Ms Jennifer Seabrook (appointed June 2020); • Mr Graeme Devlin (appointed October 2020); and • Dr Joanne Warner (appointed October 2020). <p>None of the Independent Directors of the Board have an interest, position or relationship of the type described in Box 2.3 accompanying recommendation 2.3 of the ASX Recommendations</p> |
| 2.4 | A majority of the board of a listed entity should be independent directors. | <i>Compliant</i> | The majority of the Board comprises of three Independent Directors, bringing relevant experience and independent contributions to the Board process. The Board has assessed the independence of the Directors in accordance with the definition contained within the ASX Recommendations. |
| 2.5 | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | <i>Compliant</i> | <p>The Chair of the Board of Deterra is Ms Jennifer Seabrook, who is an Independent Director.</p> <p>Deterra maintains a separation between the Chair and the Chief Executive Officer roles. The day to day management of the company is overseen by the Managing Director and Chief Executive Officer, Mr Julian Andrews.</p> |

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| 2.6 | A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their as directors effectively. | <i>Compliant</i> | <p>All new directors are provided with an induction, including comprehensive meetings with senior executives and management, and provision of information on Company and Board policies.</p> <p>Directors appointed to the Board are provided with written materials, incorporating an overview of directors duties for public companies, a detailed appointment letter outlining the Company's expectations and the requirements of the role, as well as identifying director interests and potential conflicts.</p> <p>All Directors are expected to maintain the skills required to effectively discharge their obligations to the Company. Directors are encouraged to undertake continuing professional education.</p> <p>The Board considers the training and development needs of all Directors. The Board is responsible for ensuring that resources are allocated to developing and maintaining the Directors' skills and knowledge, to ensure that the Directors have and maintain the necessary skills and knowledge required to fulfil their role on the Board effectively.</p> |

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| | PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY | | |
| 3.1 | A listed entity should articulate and disclose its values. | <i>Compliant</i> | The Board believes in and supports ethical and responsible decision making. A copy of the Deterra corporate values is disclosed on page 5 of the 2021 Annual Report. |
| 3.2 | A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code. | <i>Compliant</i> | <p>Deterra has established Codes of Conduct that set out the standards of behaviour expected of all its employees, Directors, officers, contractors and consultants. The Codes of Conduct sets out Deterra's commitment to successfully conducting its business, demonstrating and promoting the highest ethical standards and acting in accordance with:</p> <ul style="list-style-type: none"> • Responsibility to shareholders and financial community; • Integrity and honesty; • Protection of assets; • Maintain the confidentiality of the Company's business information; • Employment practices; • Respect for the community; • Respect for individuals; and • Compliance with Codes of Conduct and Reporting. <p>The Codes of Conduct are available to access on Deterra's website:</p> <ul style="list-style-type: none"> • for directors (https://deterraroyalties.com/getattachment/2daebea5-58ab-4717-81d3-d491d61d248f/Deterra-Code-of-Conduct-for-Directors.aspx); and • for employees (https://deterraroyalties.com/getattachment/f2cafe90-0c06-4e2b-9f1d-1e661d291ec0/Deterra-Code-of-Conduct-for-Employees.aspx). <p>Any breaches of the Code of Conduct are communicated to the Audit and Risk Committee. Any matter which may cause significant loss to the Company or damage Deterra's reputation or interests or involves a Senior Executive or Director must be reported to the Chair of the Audit and Risk Committee as soon as possible.</p> |
| 3.3 | A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. | <i>Compliant</i> | <p>The Whistleblower Policy is available to access on Deterra's website (https://deterraroyalties.com/getattachment/ea8d0d48-34b9-46f4-b1e5-389bb314b34d/deterra-whistleblower-policy.aspx). Deterra encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving the Company. The policy will ensure that the reporting person or persons will not be disadvantaged.</p> <p>All reported incidents are communicated to the Chair of the Audit and Risk Committee.</p> |

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| 3.4 | <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p> | <i>Compliant</i> | <p>The Anti-Bribery and Corruption Policy is available to access on Deterra’s website (https://deterraroyalties.com/getattachment/871403c2-f76a-4ec9-8ba9-7823d46202ba/deterra-anti-bribery-and-corruption-policy.aspx).</p> <p>Deterra is committed to conducting its business and activities in accordance with applicable laws, rules and regulations with the highest of integrity. Any breaches or suspected breaches will be communicated to the Chair of the Audit and Risk Committee.</p> |
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2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| | PRINCIPLE 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS | | |
| 4.1 | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to the reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <i>Compliant</i> | <p>The Audit and Risk Committee is comprised of:</p> <ul style="list-style-type: none"> • Mr Graeme Devlin (Independent, Non-Executive Director); • Ms Jennifer Seabrook (Independent, Non-Executive Director); • Dr Joanne Warner (Independent, Non-Executive Director); and • Ms Adele Stratton (Non-Executive Director). <p>The Chair of the Audit and Risk Committee is Mr Graeme Devlin, who is an Independent Director.</p> <p>The Audit & Risk Committee Charter is available to access on Deterra’s website (https://deterraroyalties.com/getattachment/f7f108e8-a5ab-458d-af13-fb232a520b32/Deterra-Audit-and-Risk-Committee-Charter.aspx).</p> <p>The qualifications and experience of the members of the Audit and Risk Committee are outlined in the profiles in the Directors’ Report on pages 24 – 25 of the 2021 Annual Report as well as the Deterra website.</p> <p>During the reporting period, the Committee met twice. Attendance at Committee meetings is set out in the Directors’ Report on page 26 of the 2021 Annual Report.</p> |

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| | Recommendation | Compliance | Comment |
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| 4.2 | The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | <i>Compliant</i> | Deterra's Managing Director/Chief Executive Officer and Chief Financial Officer have provided the Board with the appropriate declarations set out in Recommendation 4.2 of the ASX Recommendations in relation to the full year and half year financial reports for the reporting period. |
| 4.3 | A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor. | <i>Compliant</i> | <p>Any periodic corporate report released to the market is firstly checked against available sources by Deterra's Corporate Development / Investor Relations Manager. Reports are then sent for approval and release by the Managing Director/Chief Executive Officer (except for those that the Managing Director/Chief Executive Officer has delegated to the Chief Financial Officer).</p> <p>The Managing Director/Chief Executive Officer is required to endorse all content prior to approving any releases to the market.</p> |

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| | PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE | | |
| 5.1 | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1. | <i>Compliant</i> | <p>The Market Disclosure and Communications Policy is available to access on Deterra’s website: (https://deterraroyalties.com/getattachment/b925e265-0731-4855-81d8-e665510ee411/Deterra-Market-Disclosure-and-Communications-Polic.aspx).</p> <p>The policy sets out the key obligations of the Company’s Directors, officers, employees and consultants in relation to continuous disclosure as well as the Company’s obligations under the ASX Listing Rules.</p> <p>The Board is committed to promoting investor confidence by providing full and timely information to all security holders and key stakeholders about the Company’s activities. Investor presentations are released on the ASX Market Announcement Platform ahead of presentations, investor roadshows or analyst briefings.</p> <p>Continuous disclosure is discussed at all regular Board meetings and on an on-going basis.</p> <p>The joint Company Secretaries are appointed as Deterra’s disclosure officers.</p> |
| 5.2 | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. | <i>Compliant</i> | The Board receives copies of market announcements immediately on release to the market. |
| 5.3 | A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | <i>Compliant</i> | Deterra's presentations are released to the ASX Market Announcements Platform and distributed on the Company’s website ahead of the actual presentation, investor roadshow or analyst briefing. |

2021 Corporate Governance Statement

| | Recommendation | Compliance | Comment |
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| | PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS | | |
| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | <i>Compliant</i> | <p>The Company's website is available to access on: www.deterraroyalties.com. The Company's website provides information on the Company including its background, objectives, assets, composition of the Board and contact details. The Corporate Governance page (https://deterraroyalties.com/corporate/governance) provides access to key policies, procedures, and charters of Deterra.</p> <p>ASX announcements, reports, notices of meetings and presentations are uploaded to the website (https://deterraroyalties.com/investors/asx-announcements-financials) following release to the ASX and editorial content is updated on a regular basis.</p> |
| 6.2 | A listed entity should have an investor relations program that facilitates effective two-way communication with investors. | <i>Compliant</i> | Deterra has regular engagement with key shareholders. There is a dedicated investor relations section on Deterra's website (https://deterraroyalties.com/investors) and an email address – investor.relations@deterraroyalties.com for shareholders to utilize. |
| 6.3 | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders. | <i>Compliant</i> | <p>The Board encourages the attendance of shareholders at shareholders' meetings and sets the time and place of each meeting to promote maximum attendance by shareholders.</p> <p>The Company, in its inaugural year, will provide an opportunity for shareholders who may not be able to attend the 2021 Annual General Meeting, to submit questions to the Company Secretary. The Chair will consider the submitted questions and attempt to address these at the meeting. Key information and responses will be detailed on Deterra's website, which is available to access on: www.deterraroyalties.com. The 2021 Annual General Meeting will be in a hybrid format, allowing shareholders to either attend physically or online.</p> |
| 6.4 | A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. | <i>Compliant</i> | All substantive resolutions at shareholders' meetings are decided by a poll. Deterra enlists Computershare to assist with poll voting services. This service will be rolled out at the 2021 Annual General Meeting. |
| 6.5 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | <i>Compliant</i> | <p>Shareholders have the option of receiving their communications electronically, and the Company encourages shareholders to transition to electronic communications via its email address investor@deterraroyalties.com.</p> <p>In addition, details of ASX announcements, reports and presentations are distributed via Computershare and are uploaded to the Company's website, which is available to access at https://deterraroyalties.com/investors/asx-announcements-financials.</p> <p>Contact details for Deterra's share registry are made available for security holders on its website and in key communications to shareholders.</p> |

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| | Recommendation | Compliance | Comment |
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| | PRINCIPLE 7: RECOGNISE AND MANAGE RISK | | |
| 7.1 | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of the reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <i>Compliant</i> | <p>The Audit and Risk Committee is comprised of:</p> <ul style="list-style-type: none"> • Mr Graeme Devlin (Independent, Non-Executive Director); • Ms Jennifer Seabrook (Independent, Non-Executive Director); • Dr Joanne Warner (Independent, Non-Executive Director); and • Ms Adele Stratton (Non-Executive Director). <p>The Chair of the Audit and Risk Committee is Mr Graeme Devlin, who is an Independent Director.</p> <p>The Board delegates any day to day management of risk to the Managing Director/Chief Executive Officer and Chief Financial Officer. These responsibilities include implementing and maintaining a system to enable risk to be identified, assessed and managed.</p> <p>The Audit and Risk Committee Charter is available to access on Deterra's website (https://deterraroyalties.com/getattachment/f7f108e8-a5ab-458d-af13-fb232a520b32/Deterra-Audit-and-Risk-Committee-Charter.aspx).</p> <p>During the reporting period the Audit and Risk Committee met twice. Attendance at Committee meetings is set out in the Directors' Report on page 26 in the 2021 Annual Report.</p> |

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| | Recommendation | Compliance | Comment |
|-----|---|------------------|---|
| 7.2 | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <i>Compliant</i> | <p>The Audit and Risk Committee is responsible for the review of Deterra's risk management framework.</p> <p>Deterra has appointed an external consultant to develop its inaugural Risk Management Framework, Risk Assessment Statement and Risk Register. A summary of the key risks identified as part of the risk workshops is included on pages 28 – 29 of the 2021 Annual Report.</p> <p>Prior to this, high level risks were fully assessed and disclosed prior to Deterra's listing in the Demerger Booklet in respect of Deterra's demerger from Iluka.</p> |
| 7.3 | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | <i>Compliant</i> | <p>Deterra does not have an internal audit function. The company only has six staff members and it is deemed that an internal audit function is not necessary.</p> <p>Deterra's Risk Management Framework, Risk Assessment Statement and Risk Register are recognized as being adequate to evaluate and measure risk management effectiveness and internal control processes.</p> <p>The Audit and Risk Committee reviews internal controls with the external auditor and assesses the need for any additional work to test these controls.</p> |
| 7.4 | <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p> | <i>Compliant</i> | <p>Deterra maintains a Risk Register that contains risks and controls specific to Deterra. The register outlines Deterra's exposure to economic, environmental and social risks and the controls to manage such risks.</p> <p>Deterra's key risks are outlined at pages 28 and 29 of the 2021 Annual Report. Deterra through its Board, Audit and Risk and Sustainability Committees monitors its risks and controls for those risks.</p> |

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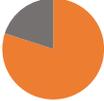
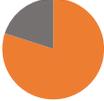
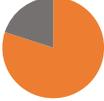
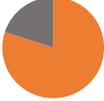
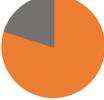
| | Recommendation | Compliance | Comment |
|-----|---|------------------|---|
| | PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY | | |
| 8.1 | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(vi) has at least three members, a majority of whom are independent directors; and</p> <p>(vii) is chaired by an independent director, and disclose:</p> <p>(viii) the charter of the committee;</p> <p>(ix) the members of the committee; and</p> <p>(x) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <i>Compliant</i> | <p>The People and Performance Committee is responsible for Deterra’s remuneration framework and policies. The Committee is comprised of:</p> <ul style="list-style-type: none"> • Dr Joanne Warner (Independent, Non-Executive Director); • Ms Jennifer Seabrook (Independent, Non-Executive Director); • Mr Graeme Devlin (Independent, Non-Executive Director); and • Ms Adele Stratton (Non-Executive Director). <p>The Chair of the People and Performance Committee is Dr Joanne Warner, who is an Independent Director.</p> <p>The People and Performance Committee Charter is available to access on Deterra's website (https://deterraroyalties.com/getattachment/afd1a274-ef9c-4f65-8b0a-b3176e97f73e/Deterra-People-and-Performance-Committee-Charter.aspx). The qualifications and experience of the members of the Committee are outlined on page 24 of the 2021 Annual Report.</p> <p>During the reporting period the Committee met formally twice. Attendance at Committee meetings is set out in the Directors’ Report on page 26 of the 2021 Annual Report.</p> |

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| | Recommendation | Compliance | Comment |
|-----|--|------------------|---|
| 8.2 | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. | <i>Compliant</i> | <p>Deterra's People and Performance Committee reviews and discloses remuneration framework and policies and changes to them. The Board approves the recommendations.</p> <p>The People and Performance Committee recommends remuneration of the Chief Executive Officer and Senior Executives. Senior Executives do not participate in remuneration discussions.</p> <p>The policies and practices regarding the remuneration of Non-Executive Directors, Executive Directors and other Senior Executives is set out in the Remuneration Report in the 2021 Annual Report from pages 36 to 50.</p> |
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or summary of it.</p> | <i>Compliant</i> | <p>Deterra has an equity-based remuneration scheme which is reviewed by the People and Performance Committee.</p> <p>The People and Performance Committee is responsible for the recommendation of incentive arrangements for participants and of the determination of their satisfaction as reflected in the remuneration outcomes for each participant.</p> <p>Deterra has a Securities Dealing Policy which is available on its website (https://deterraroyalties.com/getattachment/81a7436e-fdce-42d4-8caf-328e10f5498b/deterra-securities-dealing-policy.aspx). Paragraph 3.4 of the policy provides that employees must not hedge Deterra securities:</p> <ul style="list-style-type: none"> • acquired under an employee, executive or director equity plan operated by the Company prior to vesting; and • while they are subject to a holding lock or restriction on dealing under the terms of an employee, executive or director equity plan operated by the Company. <p>The guidelines are detailed in employment contracts.</p> <p>The guidelines state that participants are not permitted to enter into transactions which limit the economic risk of participating in the schemes.</p> |

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Appendix A - Board skills and experience summary

| Skills/Experience | | |
|------------------------------|---|---|
| Leadership | Experience in senior management position in a listed company, large or complex organisation or government body |  |
| Corporate governance | Commitment to high standards and systems of governance and compliance and an ability to assess the effectiveness of senior management |  |
| Industry specific | Experience in mining and resource operations and/or capital investment or resource projects |  |
| Financial acumen | Experience of, or qualifications in, financial accounting, reporting and forecasting, and internal financial controls |  |
| M&A and corporate investment | Experience managing, directing or advising on mergers and acquisitions, divestment or portfolio optimisation |  |
| Capital markets | Experience working in or with debt and equity capital markets to deliver funding solutions |  |
| Corporate sustainability | Understanding and experience of sustainability best practices |  |
| People and remuneration | Experience in overseeing workplace culture, people management, development and succession planning and setting reward/recognition frameworks |  |
| Strategy | Experience in corporate planning, including developing and overseeing implementation of successful strategy and monitoring performance against strategic objectives |  |
| Risk management | Experience in identifying, monitoring and managing financial and non-financial risk and working with and applying risk management frameworks |  |

 extensive

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