

2 May 2022

ASX: DRR

QUARTERLY ROYALTY REVENUE UPDATE

Deterra Royalties Limited (ASX: DRR) (**Deterra** or **Company**) is pleased to confirm total royalty receipts for the March 2022 quarter of \$59.1 million. Deterra had three producing royalties in the period, comprising:

- Mining Area C (MAC), which generated iron ore revenue royalties of \$59.1 million; and
- Two Western Australian mineral sands operations which generated \$0.1 million combined.

During the quarter increasing sales volumes from the ramp-up of the South Flank mine were combined with increasing iron ore prices. MAC iron ore revenue royalties increased by 79% compared to the December 2021 quarter.

Deterra royalty receipts

| AUD million | Sep 2021 | Dec 2021 | Mar 2022 | QoQ (%) | YTD |
|------------------------------|-------------|-------------|-------------|--------------|--------------|
| Mining Area C | | | | | |
| Royalty revenue ¹ | 59.6 | 33.1 | 59.1 | 78.8% | 151.8 |
| Capacity payments | - | - | - | - | - |
| Other Royalties | | | | | |
| | 0.1 | 0.1 | 0.1 | - | 0.3 |
| Total | 59.7 | 33.2 | 59.2 | 78.5% | 152.1 |

The company receives an ongoing royalty of 1.232% of Australian dollar denominated quarterly FOB revenue from the MAC royalty area. Additional, one-off capacity payments of A\$1 million per one million dry metric tonne (MdmT) increase in annual mine production are determined for the period ending 30 June. The current demonstrated annual capacity level is currently set at 59MdmT.

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

Mining Area C production and sales information

| | Sep 2021 | Dec 2021 | Mar 2022 | QoQ (%) | YTD |
|--|----------|----------|----------|---------|------|
| BHP Reported MAC production (million wet metric tonnes)² | 22.3 | 27.0 | 29.3 | 8.6% | 78.5 |
| MAC sales (Mdmmt)³ | 21.0 | 24.8 | 27.3 | 10.1% | 73.1 |

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

Bronwyn Kerr
Company Secretary

Investor enquiries:

Matthew Schembri
Investor Relations Manager
Mobile: + 61 (0) 427 821 380
Email: investor.relations@deterraroyalties.com

² Source: BHP Operational Review for the period ended 31 March 2022 and similar prior Operational Reviews.

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