

18/02/2025

ASX: DRR

Financial Results for the Half-Year ended 31 December 2024

Deterra Royalties Limited (ASX: DRR) (**Deterra** or **Company**) is pleased to provide its financial results for the half-year ended 31 December 2024 (1H25).

Highlights:

- Total revenue of \$112.3 million (6% decrease: 1H24: \$119 million)
 - Mining Area C (MAC) record sales of 68.7 million wet metric tonnes (mwmmt, 100% basis)¹ generating \$103.7 million revenue
 - New revenue sources from Trident acquisition deliver \$7.9 million revenue
- New revenue sources partially offset a 22% decrease in iron ore pricing
- Underlying EBITDA of \$105.9 million at a margin of 94%
- Fully franked interim dividend of 9.0 cents per share declared – representing 74.5% of NPAT

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

“We are signing off the half-year to 31 December 2024 with a healthy balance sheet and strong, consistent revenues underpinned by record volumes produced at MAC and new revenue sources from recently acquired gold assets.

Deterra will pay a fully franked interim dividend of 9 cents per share for a payout ratio of 74.5% of NPAT consistent with our commitment to return a minimum of 50 per cent of NPAT as ordinary dividends in each six-month period.

MAC is the main contributor to Deterra’s revenue sources, meaning the Company’s revenue is leveraged to iron ore prices in the near-to-medium-term.

Factoring in iron ore pricing volatility is key to our commitment to deliver long-term shareholder value. This is reflected in our strategy to build a diversified portfolio through patient and disciplined investment in value accretive royalty assets that provide lower risk exposure to mining activity whilst retaining extension and expansion upside.

Through the Trident acquisition we have capitalised on a counter-cyclical investment in high quality assets with substantial optionality. These assets have exceeded our expectations in both financial contribution from gold assets and progress on assets in development, particularly at the flagship Thacker Pass Project.

The update from Lithium Americas Corporation in January 2025² substantially increased our economic interest for no additional capital outlay by Deterra. Thacker Pass now boasts the world’s largest global lithium reserve and resource³ supporting a doubling of planned production capacity and a life-of-mine of up to 85-years while maintaining an exceptionally competitive operating cost profile.

Thacker Pass is well supported by its strategic partner General Motors as well as the US Department of Energy

¹ BHP Operational Review for the half year ended 31 December 2024

² Lithium Americas Corporation announcement dated 7 January 2025

³ AME lithium industry analysis, 28 January 2025

and we look forward to seeing Lithium Americas bring Thacker Pass online in 2027.”

Key Points of Note:

\$ million, unless otherwise stated	1H25⁴	1H24	Mvmt %
Revenue	112.3	118.9	(6%)
Underlying EBITDA	105.9	113.3	(7%)
Underlying EBITDA Margin ⁵	94%	95%	(1%)
Net profit after tax	63.9	78.7	(19%)
Underlying Net profit after tax ⁶	68.5	78.7	(13%)
Basic weighted avg shares (m)	528.8	528.6	
Basic EPS (c/share)	12.09	14.89	
Dividend per share (c/share)	9.00	14.89	
Dividend payout ratio	74.5%	100.0%	

Overview of Financial Performance:

Revenue for the period was \$112.3 million, a decrease of 6 per cent on the prior comparative period as record Mining Area C sales volumes, together with \$7.2 million of revenue from the gold offtake portfolio acquired in the half, were offset by lower iron ore pricing.

Total operating expenses for the period were \$6.4 million, an increase of \$0.8 million on the prior period largely due to operating costs associated with the Trident acquisition offset by lower business development expenses. The Company undertook a number of efficiency initiatives during the period which will deliver synergies through 2H25 and FY26.

Net financing costs of \$6.6 million, an increase from 1H24 mainly due to the draw down of debt associated with funding the Trident acquisition. Depreciation also increased to \$3.2 million mainly resulting from the gold offtake portfolio. Net one off costs of \$2.0 million resulted from non-recurring Trident integration costs offset by non-cash derivative and revaluation gains.

Dividend

The Board has determined to pay a fully franked, interim dividend of 9 cents per share, a payout ratio of 74.5 per cent, consistent with our policy to return a minimum of 50 per cent of NPAT as ordinary dividends in each six-month period. This provides \$47.6 million fully franked dividends for shareholders. The interim dividend is expected to be paid on 25 March 2025 to shareholders of record on 26 February 2025.

⁴ Deterra consolidates Trident’s financial results from 2 September 2024

⁵ Underlying EBITDA excludes one off Trident costs

⁶ Underlying NPAT excludes post tax impact of one off Trident costs and non-cash hedge gain

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In setting the 1H25 dividend, Deterra's Board have considered a wide range of matters including but not limited to:

- our net debt, debt / EV ratio and future interest rate expectations;
- the performance and prospectivity of assets acquired as part of the Trident transaction; and
- our strategy to add value-accretive investments in resource projects, through either financing of projects by royalties or streams or the acquisition of similar existing instruments and the current landscape for such investments.

Going forward we maintain Deterra's dividend policy of a minimum payout of 50 per cent of NPAT, with the Board exercising discretion for higher dividend payout ratios based on factors which include:

- managing current and projected net debt levels and debt service expense;
- preserving balance sheet liquidity to fund potential investment.

Retained earnings and any proceeds from asset sales, contingent receipts or capacity payments (one-off receipts) are expected to be used to reduce debt where debt remains outstanding, which also enhances liquidity to support ongoing investment.

1H25 Financial Results Teleconference:

Deterra's Managing Director and Chief Executive Officer, Julian Andrews, and Chief Financial Officer, Jason Clifton, will host a conference call for equity markets participants to discuss the 1H25 financial results. The conference call will take place at 9.00am AEDT (6:00am AWST) on Tuesday, 18 February 2025.

The live audio webcast and on-demand replay of the results briefing will be available at www.deterraroyalties.com and via the following link: <https://edge.media-server.com/mmc/p/vni54fdw/>

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 hub⁷, operated by BHP, the world's largest mining company⁸. At full capacity, Mining Area C accounts for 9% of global seaborne iron ore supply⁹ and has a multi-decade asset life¹⁰.
- ii) The Thacker Pass lithium project in Nevada, USA, the world's largest known Measured and Indicated lithium resource. Thacker Pass is owned by a joint venture between LAC (holding a 62% interest and is the manager), and GM (holding a 38% interest). The project is targeting total production capacity of 160,000tpa of battery-quality lithium carbonate to be developed in four phases of 40,000tpa each. Phase 1 construction is underway with Bechtel appointed as EPCM contractor and production anticipated to commence in 2027. Phase 1 construction is expected to create nearly 2,000 direct jobs with approximately 350 full-time jobs during operations. LAC anticipates announcing the final investment decision for Phase 1 in early 2025¹¹.

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

⁷ BHP Western Australia Iron Ore site tour presentation: South Flank, ASX 4 October 2022

⁸ By market capitalisation

⁹ AME Research, Iron Ore Strategic Study Q4 2023

¹⁰ BHP marks official opening of South Flank – BHP media release 4 October 2022

¹¹ Lithium Americas Corporation announcement dated 7 January 2025



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DETERRA ROYALTIES LIMITED
ABN 88 641 743 348

HALF-YEAR REPORT
for the half-year ended 31 December 2024

APPENDIX 4D RESULTS FOR ANNOUNCEMENT TO THE MARKET

Financial statements for the half-year ended 31 December 2024 as required by ASX listing rule 4.2A

Report for the half year ended 31 December 2024	1H25 \$'000	1H24 \$'000	Up/(Down) \$'000	Movement %
Revenue from ordinary activities	\$112,331	\$118,984	(\$6,653)	-6%
Net profit after tax attributable to members	\$63,912	\$78,721	(\$14,809)	-19%
Underlying net profit after tax attributable to members (from ordinary activities)	\$68,511	\$78,721	(\$10,210)	-13%

Dividend Information	Cents per share	Franked amount	Tax rate for franking
Interim 1H25 declared dividend per share	9.0	100%	30%
Final 2024 dividend per share (paid 24 September 2024)	14.40	100%	30%
Interim 1H24 declared dividend per share	14.89	100%	30%

Interim dividend dates

Ex-dividend date	25-Feb-25
Record Date	26-Feb-25
Payment Date	25-Mar-25

Assets per share	31-Dec-24	31-Dec-23
Net tangible assets per share (cents)	(42.1)	14.0
Net assets per share (cents)	19.1	15.6

Net tangible assets exclude royalty assets and offtake assets, which are key drivers of the Group's value. On that basis, Net assets is the Group's preferred measure of asset per share value.

This information should be read in conjunction with the Deterra 2024 Annual Report.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the condensed consolidated financial statements for the half-year ended 31 December 2024.

The condensed consolidated financial statements for the half-year ended 31 December 2024 upon which the Appendix 4D is based, have been reviewed by PricewaterhouseCoopers.

All currencies shown in this report are Australian Dollars unless otherwise indicated.

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

Bronwyn Kerr
Company Secretary

DIRECTORS' REPORT

Your directors submit their report on the consolidated entity consisting of Deterra Royalties Limited (Deterra) and the entities it controlled (the "Group", "Company" or the "consolidated entity") during the period from 1 July 2024 to 31 December 2024. The consolidated financial statements are presented in Australian dollars, which is Deterra's functional and presentation currency.

The Group is of a kind referred to under ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial reports. Amounts in the directors' report and financial report have been rounded unless otherwise stated, to the nearest thousand dollars in accordance with the instrument.

In compliance with the provisions of the Corporations Act 2001, the directors report the following:

1. Board of Directors

The names of directors who held office during the period of this report are as follows.

Jennifer Seabrook	Independent Non-Executive Chair
Julian Andrews	Managing Director and Chief Executive Officer
Graeme Devlin	Independent Non-Executive Director
Jason Neal	Independent Non-Executive Director
Adele Stratton	Non-Executive Director

2. Joint Company Secretaries

Jason Clifton	Chief Financial Officer and Joint Company Secretary
Bronwyn Kerr	General Counsel and Joint Company Secretary

REVIEW OF RESULTS AND OPERATIONS

3. Summary of Results

- Revenue of \$112.3 million
- Underlying EBITDA of \$105.9 million equal to 94% Underlying EBITDA Margin
- EBITDA of \$94.0 million equal to 84% EBITDA Margin
- Net profit after tax of \$63.9 million
- Interim dividend declared of 9.0 cents per share (fully franked) equating to \$47.6 million

4. Review of Deterra Operations and Assets

Deterra is Australia's largest listed royalty investment company. The Company's strategy is to provide shareholders with lower risk exposure to mining activity, as compared to typical mining investments, through value-accretive investment in resource projects, through either financing of projects by royalties or streams or the acquisition of similar existing instruments.

Consistent with this strategy, on 2 September 2024, the Company completed the acquisition of Trident Royalties PLC (Trident), a mining royalty company based in the UK and listed on the AIM market of the London Stock Exchange, with a diversified and cash generating portfolio of royalties and offtakes. The Trident acquisition provides Deterra with exposure to base, precious, bulk and battery metals and in particular:

-
- a flagship royalty over Thacker Pass, the world's largest measured lithium reserve and resource¹;
 - a portfolio of royalty-like offtake contracts over 10 gold operations (gold offtakes) that have generated immediate cash flow for the Deterra portfolio; and
 - a portfolio of development and exploration assets that provide option value in the future.

Deterra's performance in 1H25 demonstrates the operation of Deterra's business model and execution of its strategy. 1H25 revenue of \$112.3 million was down on the 1H24 due to lower realised iron ore pricing from Mining Area C, however the impact of this lower pricing was partly offset by the increase in volumes from the South Flank expansion and the addition of new revenue sources such as the gold offtakes. The EBITDA margin for the half reflects one-off transaction and implementation costs of \$12 million associated with the Trident acquisition. There are no costs of this nature to be incurred in future periods. The Underlying EBITDA margin is 94%.

Developments and results across our key royalty assets during the period are summarised below:

- **Mining Area C** – Deterra holds contractual rights over the Mining Area C (MAC) royalty area. The Group receives revenue payments via two separate mechanisms from this cornerstone royalty contract.
 1. a 1.232% royalty on Australian dollar denominated FOB revenue from the sale of material produced at MAC, payable quarterly; and
 2. one-off capacity payments of A\$1 million per million dry metric tonnes (mdmt) for any increase in annual mine production, determined for the period ending 30 June, payable annually within 30 days. The demonstrated annual capacity level as at 30 June 2024 was 118 mdmt.

Mining Area C production for the 1H25 period was 68.7 million wet metric tonnes (mwmt, 100 per cent basis) an increase from 61.0 mwmt in 1H24 as the South Flank expansion reached nameplate capacity on a run rate basis in late FY2024². Revenue for 1H25 from Mining Area C was \$103.7 million derived from the 1.232% revenue royalty, noting any applicable annual capacity payment is determined and accrued for the period ending 30 June.

Mining Area C is one of four hubs within BHP's Western Australian Iron Ore (WAIO) business and consists of two major mining areas, North Flank and South Flank. The North Flank operation has been in production since 2003 with nameplate capacity of 65 million wmtpa. South Flank achieved its first ore production in May 2021 and ramped up to full production capacity of 80mwmtpa (100% basis) on a run-rate basis in last quarter of FY24². The combined MAC mining hub is expected to operate for over 45 years ramping up to 145 million wmtpa to form the largest operating iron ore hub in the world³.

- **Thacker Pass**⁴ – Deterra owns an effective 4.8% GRR over Thacker Pass, reducing to an effective 1.05% GRR after the expected exercise of a partial buy-back, which would see US\$13.2 million paid to Deterra.

Thacker Pass is a lithium clay project located in northern Nevada, USA, that contains the largest measured lithium reserve and resource in the world with project economics for an 85-year mine life.

Thacker Pass is 62% owned and fully operated by Lithium Americas Corporation (LAC) with General Motors Holdings LLC (GM) a key strategic partner owning 38%, contributing significant funding and offtake for Phase 1 production. In addition, GM has entered into an additional 20-

¹ AME lithium industry analysis, 28 January 2025

² BHP, Quarterly Operational Review for the half-year ended 31 December 2024 – 21 January 2024

³ BHP Western Australia Iron Ore site tour presentation: South Flank, ASX, 4 October 2022

⁴ Lithium Americas announcement and corporate presentation dated 7 January 2025

year offtake agreement for up to 38% of production volumes from Phase 2 and will retain its right of first offer on the remaining balance of Phase 2 volumes⁵. Phase 1 construction funding is being met via US\$945 million in GM funding and US\$2.26 billion provided via a US Department of Energy loan. Bechtel has been appointed the EPCM contractor for construction of Phase 1.

LAC has released plans showing a multi-phase development plan which would have Thacker Pass targeting total production capacity of 160,000 tonnes per annum (tpa) of battery-quality lithium carbonate in four phases of 40,000 tpa, respectively (Phases 1-4). Early-stage construction has commenced on Phase 1 ahead of making Final Investment Decision, expected in early 2025, with production anticipated to commence in 2027.

Thacker Pass Phase 1 production could support lithium needs for up to 800,000 EVs annually.

- **Gold offtakes** – Deterra holds a portfolio of gold offtake contracts over 10 mines. An offtake contract is a contract in which the holder agrees to buy refined gold produced from the mine over which the offtake is granted. Pricing is set as the minimum price during a 6 to 8 day quotation period⁶, thereby providing an opportunity to generate a margin with minimal exposure to loss by selling during the quotation period at higher than the minimum price. Offtake returns are driven by the direction and volatility of gold prices and, like royalties, are not impacted by operator capital or operating costs.

Gold offtakes have provided a strong contribution to the Deterra portfolio due to elevated gold prices and volatility. Delivered ounces attributable to Deterra in the period⁷ were 136.9 thousand ounces and realised margin⁸ per ounce was US\$34.60 per ounce.

- **Development and other assets** – Deterra holds a portfolio of prospective development and other assets which are expected to add value as they progress through their project milestones.

The Company maintains its strategy of adding value accretive investments to our portfolio of royalties. We are 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.

5. Review of Financial Results

A summary of the key financial metrics and prior period comparisons is discussed below:

- **Revenue** – Group revenue for the 1H25 period was \$112.3 million, which represents a 6% decrease over the prior comparable period (1H24). This was attributable to lower MAC revenue of \$103.7 million (1H24: \$118.4 million), with 22% year over year lower realised iron ore sales price and 13% higher sales volume. In addition, the Group received \$7.2 million (1H24: \$nil) income from acquired gold offtake contracts and \$1.4 million (1H24: 0.5m) revenue from other existing and acquired royalties.
- **Costs:**
 - Operating expenses for the 1H25 period was \$6.4 million (1H24: \$5.6 million). This amount was 14% higher than the comparative period primarily due to increased staff costs from Trident acquisition, during the period.
 - External business development costs decreased to \$0.2 million in 1H25 (1H24: \$1.3 million) reflecting allocation of resources to complete the Trident acquisition.
 - Direct transaction costs and other one-off acquisition related costs of \$12.0 million for Trident acquisition.

⁵ Lithium Americas announcement dated 16 October 2024

⁶ The length of the quotation period varies for each offtake, with terms of 6, 7 or 8 days

⁷ Deterra consolidates Trident from 2 September 2024

⁸ Margin defined as sales price less cost of sales

- **Underlying EBITDA** – Underlying EBITDA of \$105.9 million (underlying EBITDA margin of 94%), decreased 7% over the 1H24 period primarily due to lower MAC royalty revenue. A reconciliation of underlying EBITDA is provided in section 8 of this Director’s Report.
- **EBITDA** – EBITDA of \$94.0 million decreased 17% over the 1H24 period (EBITDA margin of 84%).
- **Net Finance Cost** – Net finance cost for the period of \$6.6 million (1H24: \$0.7 million) including \$7.4 million interest expense related to the drawing of \$314 million (1H24: nil) of the \$500 million credit facilities to fund the Trident acquisition, partly offset by \$0.8 million of interest income received during the period.
- **Amortisation and depreciation like charges** – Amortisation and depreciation like charges of \$3.2 million (1H24: \$0.2 million) increased primarily due to the amortisation of acquired gold offtake of \$2.8 million.
- **Tax** – The Group’s effective tax rate was 32.2%, reflecting the prevailing Australian corporate tax rate and the impact of non-deductible transaction costs.
- **NPAT** – Group profit after income tax for the half-year period amounted to \$63.9 million reflecting a 19% decrease relative to 1H24.
- **Underlying NPAT** – for the half-year period amounted to \$68.5 million reflecting a 13% decrease relative to 1H24. A reconciliation of underlying NPAT is provided in section 8 of this Director’s Report.
- **Capital Management** - As at 31 December 2024, Deterra had net cash of \$5.5 million, and royalty receivables of \$53.7 million. As at 31 December 2024, Deterra has available undrawn capacity \$186 million of \$500 million of bilateral credit facilities.

6. Dividends Paid or Recommended

The Board of Directors has declared a fully franked interim dividend of 9.0 cents per share, for a total of \$47,593,000, equal to 74.5% of NPAT, for the period of this half-year report. This dividend is payable on 25 March 2025 for registered shareholders as at 26 February 2025.

7. Dividends Reinvestment Plan

The Company established a Dividend Reinvestment Plan (**DRP**) for its shareholders in August 2024. Under the DRP, eligible shareholders can reinvest all or part of their dividend payments to acquire additional fully paid Deterra shares. The DRP remains active for the 2025 interim dividend.

The Directors have determined that no discount will apply for the DRP in respect of the 2025 interim dividend. Shares allocated to shareholders under the DRP for the 2025 interim dividend will be allocated at an amount equal to the arithmetic average of the daily volume weighted average market price for Deterra shares over the 5-day trading period commencing on Friday, 28 February 2025.

8. Reconciliation of non-IFRS financial information

A reconciliation of the statutory results to the segment and commentary in this half-year ended 31 December 2024 is presented below.

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Net Profit After Tax (NPAT)	63,912	78,721
Income tax expense	30,342	33,711
Amortisation and depreciation like charges	3,167	229
Net finance costs	6,623	729
Revaluation of financial assets	(3,876)	-
Derivative financial instrument gain	(6,158)	-
Net foreign exchange gains/(losses)	(47)	13
EBITDA	93,963	113,403
EBITDA %	84%	95%
Other Adjustments		
Trident acquisition one-off costs	11,986	-
Underlying EBITDA	105,949	113,403
Underlying EBITDA %	94%	95%
Revenue	112,331	118,984

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Net Profit After Tax to Underlying NPAT reconciliation		
Net Profit After Tax (NPAT)	63,912	78,721
One off Trident costs (tax effected)	10,757	-
Less derivative financial instrument gain (tax effected)	(6,158)	-
Underlying NPAT	68,511	78,721

9. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7. This report is made in accordance with a resolution of directors.



Julian Andrews
Managing Director
Perth, Western Australia
17 February 2025



Auditor's Independence Declaration

As lead auditor for the review of Deterra Royalties Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Deterra Royalties Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ian Campbell', written over a horizontal line.

Ian Campbell
Partner
PricewaterhouseCoopers

Perth
17 February 2025

DETERRA ROYALTIES LIMITED
ABN 88 641 743 348

FINANCIAL INFORMATION
for the half-year ended 31 December 2024

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2024

	Note	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Royalty revenue	3	105,131	118,984
Income from offtake contracts	11	7,200	-
Operating expenses	4	(6,382)	(5,581)
Amortisation and depreciation like charges	5	(3,167)	(229)
Trident acquisition one-off costs	14	(11,986)	-
Operating profit before finance cost		90,796	113,174
Net finance cost	6	(6,623)	(729)
Net foreign exchange gains/(losses)		47	(13)
Derivative financial instrument gain	13	6,158	-
Revaluation of financial asset gain	11	3,876	-
Profit before tax		94,254	112,432
Income tax expense	7	(30,342)	(33,711)
Net Profit After Tax		63,912	78,721
Total and continuing earnings per share:			
Basic earnings per share (\$)	19	0.1209	0.1489
Diluted earnings per share (\$)	19	0.1207	0.1487
Net Profit After Tax		63,912	78,721
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve			
Translation of foreign operations		31,525	-
Total comprehensive profit for the period		95,437	78,721

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 31 December 2024

	Note	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Current Assets			
Cash and cash equivalents		5,516	31,064
Trade and other receivables	9	63,864	58,660
Income tax assets		3,264	1,487
Prepayments		1,760	1,065
Total Current Assets		74,404	92,276
Non-Current Assets			
Royalty intangible assets	10	323,802	7,982
Offtake financial assets	11	96,396	-
Property, plant and equipment		137	156
Prepayments		466	415
Right-of-use assets		406	465
Total Non-Current Assets		421,207	9,018
Total Assets		495,611	101,294
Current Liabilities			
Trade and other payables		5,211	2,686
Provisions		228	223
Lease liability		103	95
Derivative financial instrument	13	-	4,174
Total Current Liabilities		5,542	7,178
Non-Current Liabilities			
Lease liability		348	402
Borrowings	12	314,000	-
Contingent consideration	14	1,735	-
Deferred tax	8	72,875	13,362
Total Non-Current Liabilities		388,958	13,764
Total Liabilities		394,500	20,942
Net Assets		101,111	80,352
Equity			
Share capital		513	0
Reserves		36,672	4,174
Retained Earnings		63,926	76,178
Total Equity		101,111	80,352

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

	Share Capital	Retained Earnings	Foreign currency translation reserve	Share- based payment reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	-	89,101	-	3,037	92,138
Profit for the period	-	78,721	-	-	78,721
Total comprehensive income/(loss) for the period	-	78,721	-	-	78,721
<i>Transactions with owners in their capacity as owners:</i>					
Issue of shares	-	-	-	-	-
Share-based payments	-	-	-	534	534
Dividend declared/paid	-	(89,077)	-	-	(89,077)
	-	(89,077)	-	534	(88,543)
Balance at 31 December 2023	-	78,745	-	3,571	82,316
Balance at 1 July 2024	-	76,178	-	4,174	80,352
Profit for the period	-	63,912	-	-	63,912
Translation of foreign operations	-	-	31,525	-	31,525
Total comprehensive income/(loss) for the period	-	63,912	31,525	-	95,437
<i>Transactions with owners in their capacity as owners:</i>					
Issue of shares	513	(513)	-	-	-
Share-based payments	-	(37)	-	973	936
Dividend declared/paid	-	(75,614)	-	-	(75,614)
	513	(76,164)	-	973	(74,678)
Balance at 31 December 2024	513	63,926	31,525	5,147	101,111

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	Note	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Cash Flows from Operating Activities			
Receipts from customers		110,171	129,220
Payments to suppliers and employees		(23,822)	(5,969)
Interest received		1,087	941
Interest paid		(7,145)	(1,282)
Income tax paid		(31,630)	(37,750)
Net cash inflow from operating activities	15	48,661	85,160
Cash Flows from Investing Activities			
Payments for property, plant, and equipment		(7)	(89)
Payment for acquisition of subsidiary, net of cash acquired	14	(265,799)	-
Net cash outflow from investing activities		(265,806)	(89)
Cash Flows from Financing Activities			
Dividend paid		(75,667)	(89,077)
Payment of borrowing establishment fee		(481)	(473)
Proceeds from borrowings		343,000	13,000
Repayment of borrowings		(75,415)	(13,000)
Repayment of lease liabilities		(69)	(74)
Net cash inflow / (outflow) from financing activities		191,368	(89,624)
Net increase / (decrease) in cash and cash equivalents		(25,777)	(4,553)
Cash and cash equivalents at the start of the period		31,064	29,491
Impact of foreign exchange on cash held		228	-
Cash and cash equivalents at the end of the period		5,516	24,938

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. Significant Changes in the Current Reporting Period

On 2 September 2024 the Group acquired 100 per cent of Trident Royalties PLC (Trident), a diversified mining royalty company based in the UK and listed on the AIM Market of the London Stock Exchange, with a portfolio of royalty and gold offtake contracts providing exposure to bulk, base, battery and precious metals. The Group used the existing bilateral credit facilities for the acquisition.

For a detailed discussion about the performance and financial position, please refer to our operations and financial review on pages 2 to 5.

2. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief decision maker. The chief decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Group is organised into and the Board evaluates the financial performance by reference to its operating segments, being bulk, base, battery and precious metals.

The Group's reportable segments include but are not limited to, the following royalty and offtake assets:

Bulk: Mining Area C, Yalyalup (Yoongarillup), Woonerup, Yandanooka, Koolyanobbing, Kwale.

Base: Mimbula, Pukaqaqa, Antler, Big Kidd.

Battery: Thacker Pass, Paradox.

Precious: Gold offtakes, La Preciosa, Lincoln, Dandoko, St Ives.

Other: Cash balances are managed at a group level, together with other corporate activities which are not allocated to segments.

Below is a summary of the Group's results, assets and liabilities by reportable segment as presented to the Board. Operating profit/(loss) is stated before Trident acquisition one-off costs.

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Segmental Information as at 31 December 2024:

	Bulk \$'000	Base \$'000	Battery \$'000	Precious \$'000	Other \$'000	Total \$'000
Royalty related revenue	104,719	260	-	152	-	105,131
Income from offtake contracts	-	-	-	7,200	-	7,200
Operating expenses	-	-	-	-	(6,382)	(6,382)
Amortisation and depreciation like charges	(155)	(163)	-	(2,767)	(82)	(3,167)
Trident acquisition one-off costs	-	-	-	-	(11,986)	(11,986)
Total Segment Operating profit/(loss)	104,564	97	-	4,585	(18,450)	90,796
Net finance cost	-	-	-	-	(6,623)	(6,623)
Net foreign exchange gains/(losses)	-	-	-	-	47	47
Derivative financial instrument gain	-	-	-	-	6,158	6,158
Revaluation of financial asset gain	-	-	-	3,876	-	3,876
Profit before tax	104,564	97	-	8,461	(18,867)	94,254
Total Segment Assets	61,343	28,132	262,196	130,762	13,178	495,611
Total Segment Liabilities	(16,025)	(3,979)	(55,087)	(2,558)	(316,851)	(394,500)
Total Segment Net Assets	45,318	24,153	207,109	128,204	(303,673)	101,111

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Segmental Information as at 31 December 2023:

	Bulk \$'000	Base \$'000	Battery \$'000	Precious \$'000	Other \$'000	Total \$'000
Royalty related revenue	118,984	-	-	-	-	118,984
Operating expenses	-	-	-	-	(5,581)	(5,581)
Amortisation and depreciation like charges	(154)	-	-	-	(75)	(229)
Total Segment Operating profit/(loss)	118,830	-	-	-	(5,656)	113,174
Net finance cost	-	-	-	-	(729)	(729)
Net foreign exchange gains/(losses)	-	-	-	-	(13)	(13)
Profit before tax	118,830	-	-	-	(6,398)	112,432
Total Segment Assets	8,138	-	-	-	92,587	100,725
Total Segment Liabilities	(17,553)	-	-	-	(856)	(18,409)
Total Segment Net Assets	(9,415)	-	-	-	91,731	82,316

3. Royalty Revenue

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
MAC royalty	103,696	118,445
Other royalties	1,435	539
Total Royalty revenue	105,131	118,984

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4. Operating Expenses

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Employee expenses	3,361	2,146
Other expenses	2,833	2,147
Business development expenses	188	1,288
Total operating expenses	6,382	5,581

5. Amortisation and depreciation like charges

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Depreciation and amortisation	400	229
Offtake depreciation like charges	2,767	-
Total amortisation and depreciation	3,167	229

Refer to note 11 gold offtakes financial asset for details on Offtake depreciation like charges.

6. Net Finance Income/(Cost)

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Finance Income		
Interest on bank deposits	844	927
Total finance income	844	927
Finance Cost		
Finance Costs – Leases	(23)	(22)
Bilateral credit facility interest and fees	(7,444)	(1,634)
Total finance costs	(7,467)	(1,656)
Total Net Finance Income/(Costs)	(6,623)	(729)

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7. Income Tax Expense

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
(a) Income tax expense		
<i>Current tax</i>		
Current income tax on profits for the period	28,968	36,598
Total Current income tax	28,968	36,598
<i>Deferred tax</i>		
Decrease/(increase) in deferred tax assets	1,910	84
(Decrease)/increase in deferred tax liabilities	(536)	(2,971)
Total deferred tax expense/(benefit)	1,374	(2,887)
Income tax expense	30,342	33,711
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax	94,254	112,432
Tax at the average effective tax rate of 30%	28,276	33,730
Tax effects of:		
Items non-taxable/deductible for tax purposes		
Non-deductible expenses	230	39
Non-taxable income	(594)	(58)
Temporary and other differences:		
Effect of differences between local and Australian tax rates	(493)	-
Prior period adjustment	(567)	-
Deferred tax not recognised	3,339	-
Other adjustments	151	-
Income tax expense	30,342	33,711

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8. Deferred Tax

	31 Dec 2024 \$'000	30 June 2024 \$'000
Deferred tax assets		
<i>The balance comprises temporary differences attributable to:</i>		
Provisions and accruals	1,177	1,972
Lease liabilities	135	149
Demerger expenses	-	278
Share based payments	1,027	576
Losses carried forward	1,296	-
Financial assets	419	
Other	1,094	1,395
Gross deferred tax assets	5,148	4,370
Amount offset to deferred tax liabilities pursuant to set-off provision	(5,148)	(4,370)
Net deferred tax assets	-	-
Deferred tax liability		
<i>The balance comprises temporary differences attributable to:</i>		
Intangible assets	61,586	-
Property, plant and equipment	2	3
Right-of-use assets	122	139
Royalty receivable	16,025	17,553
Other	287	37
Gross deferred tax liabilities	78,022	17,732
Amounts offset to deferred tax assets pursuant to set-off provision	(5,148)	(4,370)
Net deferred tax liabilities	72,874	13,362

The deferred tax liability relating to intangible assets arises from the difference in accounting cost base and tax cost base of royalty intangible assets acquired from Trident.

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9. Trade and other receivables

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<i>Current</i>		
Royalties receivable	53,727	58,461
Offtakes receivable	8,508	-
Other receivables	1,629	199
	63,864	58,660

The offtake receivable is a receivable from the bank on gold sold. Gold sales are usually made on a spot basis with a cash settlement period of 2 business days.

10. Royalty Intangible Assets

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Gross carrying amount		
Opening balance	9,210	9,210
Additions through acquisition	294,899	-
Other	(6,834)	-
FX difference through OCI	28,083	-
Closing balance	325,358	9,210
Amortisation		
Opening balance	(1,228)	(921)
Amortisation	(318)	(307)
FX difference through OCI	(10)	-
Closing balance	(1,556)	(1,228)
Carrying Amount 30 June 2024	323,802	7,982

Other - In October 2024, the Group cancelled contingent considerations for the Paradox royalty of \$8.8m with a \$2.0m (US\$1.25m) payment. This transaction resulted in a decrease in the intangible asset carrying amount. The detail of the transaction is disclosed in Note 14 Business Combination, the acquired contingent consideration section.

FX difference through other comprehensive income (OCI) of \$28,073,000 (FY24: Nil) is a result of translation of the royalty intangible assets from non-Australian dollar denominated subsidiaries into Australian dollars at the exchange rate at reporting date and are included in equity as foreign currency translation reserve.

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11. Gold offtakes financial asset

During the period, the Group acquired a portfolio of gold offtake contracts over 10 mines (as part of the Trident portfolio). The gold offtakes are contracts where the operator agrees to sell, and the purchaser agrees to buy, refined gold produced from the mine over which the offtake is granted at the minimum gold price in a quotation period (typically between 6 – 8 days). Returns are driven by gold price, gold price volatility and production profile. Given the Group's short-term trading and risk management strategy, the gold offtake contracts meet the definition of financial assets under AASB 9 and are recognised at fair value through profit or loss.

The net realised margin⁹ from gold offtakes is presented separately from the non-cash items of the financial assets:

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Income from offtake contracts	7,200	-

The change in the fair value between accounting periods is recognised in the Statement of Profit and Loss and Other Comprehensive Income (OCI) as:

- i) Depreciation like charges: expensing the initial purchase price during the period calculated by the proportion of estimated ounces delivered in that period over the total remaining estimated ounces to be received under the contract;
- ii) Revaluation of financial assets gain or loss: the effect of changes in future gold margin estimates and time value of holding financial assets; and
- iii) Foreign exchange movement: the gold offtake financial assets of non-Australian dollar denominated subsidiaries are translated into Australian dollars at the exchange rate at reporting date and are included in equity as foreign currency translation reserve.

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Fair value at 2 September 2024	86,827	-
i) Offtake depreciation like charges	(2,767)	-
ii) Revaluation of financial asset gain	3,876	-
iii) Fx movement through OCI	8,460	-
Fair value at 31 December 2024	96,396	-

⁹ Net realised margin defined as sale price less cost of sales.

Valuation of gold offtakes financial asset

The fair value of these financial assets is determined by calculating the discounted future cash flows of the gold offtakes with inputs that are mostly not based on observable market data (a level 3 fair value hierarchy measurement). The key input of assumptions are discount rate, realised margins and projected production volume from the individual mines.

The sensitivity to the fair value of the financial asset that were attributed from the changes in the key inputs are summarised as follows:

- Discount rate: +1% in discount rate, decreases fair value by \$5,124,000; or -1% in discount rate, increase fair value by \$5,718,000.
- Realised margins: +5% in margin, increases fair value by \$4,207,000; or -5% in realised margins, increase fair value by \$4,207,000.
- Projected production volume: this input is based on mine plans published by the individual operators. Management does not anticipate material changes to the total volume of the production over the life of the mine, and any adjustments to the volume will therefore be primarily timing differences. As a result, these changes are not expected to materially impact the fair value.

12. Borrowings

(i) *Bilateral Credit Facility Agreement*

The Group has \$500 million Bilateral Credit Facilities with maturities presented in the following table:

A\$ million	Total facility	Facility Expiry				
		2025	2026	2027	2028	2029
At 31 Dec 2024	\$500m	-	\$250m	\$120m	-	\$130m
At 30 June 2024	\$500m	-	\$250m	\$120m	-	\$130m

As at 31 December 2024, \$314 million (30 June 2024: nil) were drawn from the facilities with a weighted average interest rate of 5.84% (30 June 2024: nil).

(ii) *Bridge facility*

On 13 June 2024, Deterra entered a bridging facility of £150 million on an unsecured basis to support the acquisition of Trident. The facility was closed without being drawn on 16 September 2024.

13. Derivative financial instrument

On 13 June 2024, the Group entered into a foreign currency (GBP/ AUD) forward to hedge the potential foreign exchange risk when the all-cash offer of £144 million was made to acquire Trident. The forward contract was initially recognised at fair value on the date it was entered into (\$nil), and subsequently remeasured to the fair value based on the GBP/ AUD exchange rate at the end of 30 June 2024. The Group then settled the forward contract with a fair value of \$1,984,000 on 2 September 2024, at the time of the Trident acquisition. All changes in fair value are accounted for through profit or loss:

	FX Forward Contract \$'000
Fair value at inception - 13 June 2024	-
Derivative instrument loss	(4,174)
Fair value at 30 June 2024	(4,174)
Derivative instrument gain	6,158
Fair value at settlement - 2 September 2024	1,984

14. Business combinations

On 2 September 2024 the Group acquired 100 per cent of the issued capital of Trident for cash consideration of GBP 144,000,000 or \$278,190,000¹⁰. Until 2 September 2024, Trident was based in the UK and listed on the AIM Market of the London Stock Exchange, with a diverse portfolio of royalties and gold offtake contracts.

¹⁰ Acquisition price was translated using 2/9/2024 GBP/AUD rate of 0.51624.

As at 31 December 2024, the acquisition accounting balances recognised are provisional due to ongoing work finalising valuations and tax related matters which may impact acquisition accounting entries. The provisional fair value of the assets acquired, and liabilities assumed are:

	2 Sep 2024 US\$'000	2 Sep 2024 A\$'000
Assets		
Cash and cash equivalents	8,409	12,391
Trade and other receivables	1,415	2,086
Royalty intangible assets	200,135	294,899
Offtake financial assets	58,926	86,827
Deferred tax asset	1,479	2,179
Total assets	270,364	398,382
Liabilities		
Trade and other payables	5,529	8,146
Borrowings	31,500	46,415
Contingent considerations	6,775	9,984
Current tax liability	333	491
Deferred tax liability	37,432	55,156
Total liabilities	81,569	120,192
Provisional value of identifiable net assets	188,795	278,190
Goodwill arising on acquisition	-	-
Purchase consideration paid	188,795	278,190
Cash flow on acquisition		
Purchase consideration paid	188,795	278,190
Less cash acquired	(8,409)	(12,391)
Net cash outflow	180,386	265,799

(i) Acquisition related costs

Direct transaction costs and other one-off acquisition related costs of \$11,986,000 are included in Trident acquisition one-off costs in Profit or Loss.

(ii) Revenue and profit contribution

The acquired business contributed revenues of \$7,889,000 and net profit after tax of \$4,276,000 to the Group for the period from 2 September 2024 to 31 December 2024. If the acquisition had occurred on 1 July 2024, Trident's revenue and profit after tax for the half-year ended 31 December 2024 would have been \$12,271,000 and \$7,160,000 respectively.

(iii) Contingent considerations

Contingent consideration relates to future payments to be paid to the former owners of the La Preciosa and Paradox royalties at the time of the acquisition. These are only payable upon the following milestones:

La Preciosa Silver Royalty, Mexico: The Group holds a 1.25% NSR royalty over the defined project area and 2.0% Gross Value Royalty over the remaining La Preciosa tenement area.

The Group is entitled to a milestone payment of US\$8.75 million from Avino (which, subject to certain conditions, Avino may satisfy (at its election) up to 50% of which with the issue of Avino shares) due within 12 months of first silver production. Deterra is required to pay US\$1 million to Coeur Mining Limited (the royalty vendor) within 5 business days of the earlier of the receipt of the milestone payment or the date that is one year following first silver production.

Paradox Lithium Project Royalty, Utah USA: The Group holds a 2.5% net smelter return (NSR) royalty over all projects owned by ASX listed Anson Resources Limited (ASX:ASN) in the Paradox Basin.

The Group was required to pay to Atherton Resources LLC (Atherton) (the royalty vendor) further consideration of US\$3.5m upon commencement of commercial production by Anson at Paradox ("First Contingent Payment"); and US\$5.0m on the second anniversary of the First Contingent Payment.

In October 2024, Deterra and Atherton amended the royalty purchase and sale agreement such that the Group has paid a one-time payment of US\$1.25 million to Atherton, the original holder of the royalty, and Atherton has cancelled Deterra's future obligation to pay aforementioned considerations.

The Group accounts for contingent consideration that arises from asset acquisitions initially at fair value. This includes where the Group takes on such obligations as part of business combination. Any subsequent fair value change is reflected as an increase or decrease to the carrying value of the royalty intangible asset.

As at 2 September 2024, the fair value of the total contingent considerations of \$9,984,000 was determined by calculating the present value of the expected future cash outflow. As at 31 December 2024, the contingent consideration is \$1,735,000, following the cancellation of the Paradox contingent considerations, with only the La Preciosa contingent consideration remaining.

(iv) Acquired receivables

The fair value of trade and other receivables is \$2,085,000 and includes trade receivables with a fair value \$2,085,000. The gross contractual amount for trade receivables due is \$2,227,000 of which \$142,000 is expected to be uncollectible.

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15. Cash Flow Information

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Reconciliation of cash flows from operating activities with profit from ordinary activities after income tax:		
Profit for the period	63,912	78,721
Amortisation and depreciation like charges	3,166	229
Amortisation of loan establishment fees	430	346
Share-based payment	973	600
Derivative financial instrument gain	(6,158)	-
Revaluation of financial asset gain	(3,876)	-
Other non-cash items	23	43
Changes in assets and liabilities:		
(Increase)/Decrease in operating receivables	(2,160)	10,216
(Increase)/Decrease in prepayments	(694)	(473)
Increase/(Decrease) in trade and other payables	(5,667)	(484)
(Increase)/Decrease in tax receivable	(2,302)	(1,151)
Increase/(Decrease) in deferred tax liability	1,014	(2,887)
Net cash flows from operations	48,661	85,160

16. Dividends

i) Ordinary shares

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Fully Franked at 30 per cent		
Dividends provided for and paid during the half-year <i>Final for FY24: 14.4 cents/ share (FY23: 16.85)</i>	75,614	89,077
Dividends proposed but not recognised as liability <i>Interim for 1H25: 9.0 cents / share (1H24: 14.89)</i>	47,593	78,716

ii) *Franking credits*

The interim dividends declared after 31 December 2024 will be fully franked out of existing franking credits, or out of franking credits arising from the payment of income tax in the half-year ended 31 December 2024.

	Half-year ended 31 Dec 2024 \$'000	Half-year ended 31 Dec 2023 \$'000
Franking credits available for subsequent reporting periods based on a tax rate of 30%	34,484	35,479

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the period.

17. Commitments and Contingencies

There are no other commitments or contingent liabilities outstanding at 31 December 2024 other than the La Preciosa commitment disclosed in Note 14 Business Combinations.

18. Subsequent Events

Subsequent to period end:

- The Board of Directors declared an interim dividend of 9.0 cents per share which is equal to \$47,593,000.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

19. Earnings Per Share

Earnings per ordinary share is calculated on the Group's profit after tax of \$63,912,000 and the weighted average number of shares on issue during the year of 528,738,873.

	Half-year ended 31 Dec 2024	Half-year ended 31 Dec 2023
Net profit attributable to shareholders		
Earnings per share - basic	\$0.1209	\$0.1489
Earnings per share - diluted	\$0.1207	\$0.1487

The number of diluted shares was calculated based on the total number of performance rights that had a dilutive effect at 31 December 2024 time weighted for the period 1 July 2024 to 31 December 2024.

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The weighted average number of shares on issue for the purpose of calculating basic and diluted earnings per share and basic and diluted adjusted earnings per share are as follows:

	Half-year ended 31 Dec 2024	Half-year ended 31 Dec 2023
Weighted average number of shares on issue		
Basic weighted average number of shares outstanding	528,738,873	528,622,172
Dilutive effect of Employee Performance Rights	922,312	782,826
Diluted number of shares outstanding	529,661,185	529,404,998

20. Basis of preparation

This condensed consolidated interim financial report for the half-year ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Financial Statements within the Annual Report for the year ended 30 June 2024 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the following material accounting policies introduced for the acquired Trident business during the period:

a) Financial assets

Financial assets are recognised when the Group becomes a party to the contractual right to receive cash flow from the arrangement.

Financial assets are recognised initially at fair value, normally being the transaction price. The subsequent measurement of financial assets depends on their classification, as set out below. The Group derecognises financial assets when the contractual rights to the cash flows expire to the rights to receive cash flows have been transferred to a third party and either substantially all of the risks and rewards of the asset have been transferred.

Financial assets measured at amortised cost

Financial assets are classified as measured at amortised cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortised cost using the effective interest rate method if the time value of money is significant. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired and when interest income is recognised using the effective interest method.

Financial assets measured at fair value through other comprehensive income (OCI)

Financial assets are classified as measured at fair value through OCI when they are held in a business model the objective of which is both to collect contractual cash flows and sell the financial assets, and the contractual cash flows solely payments of principal and interest.

Financial assets measured at fair value through profit or loss

Financial assets are classified as measured at fair value through profit or loss when the asset does not meet the criteria to be measured at amortised cost or fair value through OCI. Such assets are carried on balance sheet at fair value with gains or losses recognised in the income statement.

The Group's gold offtakes portfolio is recognised as a financial asset due to the nature of Group's short-term trading business model, wherein the Group obtains the contractual right to receive cash. The Group classifies the offtakes financial asset as measured at fair value through profit or loss category.

b) Fair value measurements

The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means.
- Level 3 inputs are unobservable (supported by little or no market activity).

For financial instruments that are carried at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end for each reporting period.

New and amended standards adopted by the Group in the current reporting period had no material impact.

Where applicable, certain comparatives have been adjusted to conform with current year presentation.

a) New and amended standards adopted by the group

A number of amended standards became applicable for the current reporting period. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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b) Impact of standards issued but not yet applied by the entity

The following new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been adopted by the Group:

- *AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability (AASB 1, AASB 121 & AASB 1060)*
- *AASB 2014-10 Amendments to Australian Accounting Standards: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture*
- *AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*
- *AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- *AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

The Group assessed that none of the new accounting standards and interpretations will have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

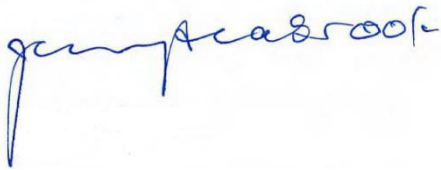
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Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 8 to 29 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial period ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

This declaration is made in accordance with a resolution of the Board of Directors.



Jennifer Seabrook
Independent Non-Executive Chair

Perth, Western Australia



Julian Andrews
Managing Director &
Chief Executive Officer

Perth, Western Australia

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Independent auditor's review report to the members of Deterra Royalties Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Deterra Royalties Limited (the Company) and the entities it controlled from time to time during the half-year (together the Group), which comprises the Condensed consolidated statement of financial position as at 31 December 2024, the Condensed consolidated statement of changes in equity, Condensed consolidated statement of cash flows and Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Deterra Royalties Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.



Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script, likely belonging to Ian Campbell.

Ian Campbell
Partner

Perth
17 February 2025