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29 September 2026 ASX: DRR

Acquisition of Third-Party Royalty on Ivanhoe Electric's Santa Cruz Copper Project

Deterra Royalties Limited ("**Deterra**" or "**Company**") is pleased to announce that it has acquired an existing 1.75% net smelter return royalty ("**Santa Cruz Royalty**" or "**Royalty**") covering a substantial portion of the Santa Cruz copper project[1] in Arizona, USA ("**Santa Cruz**" or "**Project**"), owned and operated by Ivanhoe Electric Inc. (NYSE:/TSX: IE) ("**Ivanhoe Electric**"), for US$74.15 million ("**Transaction**").

Concurrently, Deterra and Ivanhoe Electric have entered into a series of agreements to update and modernise the Royalty, which also takes into account certain changes to the Royalty agreed between Ivanhoe Electric and Deterra. In particular, the Royalty will now apply at a rate of 1.68% until the 6th anniversary following commercial production, reducing to 1.57% thereafter.

Santa Cruz has a short timeline to production and cash flow to the Royalty. Project financing is underway, underpinned by recently announced results of an updated 2026 Preliminary Feasibility Study prepared under USA standard S-K 1300 ("**2026 PFS**"). Ivanhoe Electric announced the acquisition of a tunnel-boring machine ("**TBM**") in the second quarter for use in mine development activities at Santa Cruz. The updated 2026 PFS incorporates the engineering details of the TBM and associated material handling system together with other engineering and development work, and included modest increases in Reserves, first 15-year annual copper production and mine life as compared to the 2025 Preliminary Feasibility Study. Initial development activities have commenced and Ivanhoe Electric is projecting first copper cathode production at Santa Cruz in 2029, subject to completion of project financing and permitting.[2]

The acquisition of the Santa Cruz Royalty aligns fully with Deterra's strategy to grow our diversified portfolio of royalty assets to deliver long-term sustainable value for shareholders. The Santa Cruz Royalty becomes Deterra's third core asset which, together with the Thacker Pass Lithium Royalty, provides meaningful revenue growth on top of our foundational Mining Area C Iron Ore Royalty.

TRANSACTION HIGHLIGHTS

- **Information Support from Ivanhoe Electric:** While the sellers of the Royalty are independent third parties, Ivanhoe Electric agreed with Deterra to provide access to certain confidential information regarding the Project. This gave Deterra a distinct and critical competitive advantage in the competitive sales process. In exchange, Deterra agreed with Ivanhoe Electric to reduce the Royalty rate if it was successful in the sale process.

[1] Refer Appendix 1
[2] Ivanhoe Electric announcement dated 23 September 2026

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- **Royalty on a Tier-One Copper Asset:** Santa Cruz is a large-scale, low-cost underground copper project utilising a conventional mine design and processing flowsheet. The Project has an initial 24-year mine life, with average production of approximately 75,000 tonnes of copper cathode per annum over the first 15 years of mining[3]. At this production rate, with approximately 84% of the recently announced Reserves covered by the Royalty area and assuming the current long-term consensus copper price of US$5.00/lb[4], Deterra's expected average annual royalty revenue over the first 15 years is approximately US$10.7 million, representing an annual yield on investment of 14.4%[5].

- **Premier Jurisdiction:** Santa Cruz is located in Arizona, a globally top-ranked mining jurisdiction with excellent access to established infrastructure. The Project has demonstrated support of the US Government, including a US Export-Import Bank Preliminary Project Letter for US$1.1 billion in potential debt financing. Ivanhoe Electric is in early construction at Santa Cruz with first production of copper cathode expected to commence in 2029.[6]

- **Low-Cost Production and Exploration Upside:** Based on the 2026 PFS, Santa Cruz is expected to operate at an average C1 cash cost of approximately US$1.47 per pound of copper, placing it within the first quartile of the cost curve for projects in the Americas[7]. The initial 24-year mine life is based solely on the mining and processing of oxide Mineral Reserves. The Royalty is expected to cover approximately 84% of the current Mineral Reserves and associated Resources, providing Deterra with additional upside via the conversion of additional Resources into Reserves within the Royalty footprint.

The acquisition of the Santa Cruz Royalty further strengthens Deterra's portfolio of high-quality, long-life royalties on tier-one assets, providing additional exposure to copper in a premier mining jurisdiction. The Santa Cruz Royalty will be the most substantial of Deterra's five copper royalty assets and the second located in the state of Arizona. The Project is well positioned to benefit from strong long-term copper fundamentals driven by electrification, decarbonisation and sustained global demand growth.

Deterra shareholders are encouraged to review directly the disclosures of Ivanhoe Electric that can be found at www.ivanhoeelectric.com, including with respect to the 2026 PFS.

[3] Ivanhoe Electric announcement dated 23 September 2026
[4] CIBC Global Mining Group median long-term consensus forecast copper price, September 2026
[5] Weighted average royalty rates of 1.68% until the 6th anniversary following commercial production and 1.57% years 7-15, after 5% NSR deduction (based on Company analysis of net smelter deductions of comparable copper projects). US$10.7M / US$74.15M = 14.4%
[6] Ivanhoe Electric announcements dated 24 August 2026 and 23 September 2026.
[7] Ivanhoe Electric announcement dated 23 September 2026.

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AGREEMENT WITH ROYALTY SELLERS

The sellers of the Royalty comprise four (4) private individuals, one (1) corporation and two (2) family trusts, based in the USA.

Deterra does not consider the identity of the sellers to be information that a reasonable person would expect to have a material effect on the price or value of its securities. This announcement contains all material information relevant to assessing the impact of the sale agreement on the price or value of Deterra's securities and is not misleading by omission.

Deterra has also been granted a Right of First Offer ("**ROFO**") to purchase the residual 0.25% of the existing royalty not included in the Transaction (for a total royalty of 2.00% on an unadjusted basis). If Deterra acquires this further interest, it is expected to be amended and reflect similar terms to the rest of the acquired Royalty interest that is the subject of this Transaction.

The acquisition of the Santa Cruz Royalty, which will be funded through existing debt facilities, does not affect the Company's dividend policy of targeting a 75% payout ratio.[8]

AGREEMENT WITH IVANHOE ELECTRIC

Deterra entered into an agreement with Ivanhoe Electric, which provided Deterra with access to certain project-level confidential information regarding Santa Cruz. This agreement stipulated that if successful in the acquisition of the Royalty, Deterra would modestly reduce the royalty rate and provide a partial buyback option, detailed below. The agreement results in the 1.75% Royalty being converted into a 1.68% Royalty applicable until the 6th anniversary following commercial production, after which it reduces to 1.57%. In addition, Ivanhoe Electric has been granted an option, exercisable at its discretion, to repurchase 25% of the Royalty, calculated to deliver a 10% fixed return on Deterra's original purchase price resulting in a repurchase price of circa US$20 million[9].

Further, the Royalty was originally documented approximately 50 years ago and did not include several terms commonly found in modern royalties. Deterra and Ivanhoe Electric agreed to modernise the royalty deed to clarify the application of the royalty for copper cathode production as well as to include certain information rights, property inspection and site visit rights, dispute resolution provisions and other customary record access and reporting rights for Deterra.

Jason Neal, Interim Managing Director and Chief Executive Officer of Deterra, commented:

"The acquisition of the Santa Cruz Royalty represents a high-quality addition to Deterra's portfolio, providing exposure to a large-scale, long-life asset in a premier mining jurisdiction. Alongside Deterra's foundational Mining Area C iron ore royalty and our royalty over the world-class Thacker

[8] Future declaration, timing, amount and payment of future dividends remain at the discretion of the Deterra Board of Directors
[9] Estimated buyback price does not include ROFO on further 0.25%

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Pass lithium project, which is expected to achieve mechanical completion late next year and ramp up to commercial production in 2028, this acquisition further strengthens the Company's portfolio and confirms our material near-term growth potential.

Deterra established a competitive advantage in acquiring the Royalty through our agreement with Ivanhoe Electric. This is a coveted copper royalty and we were the only interested company not bidding blind. We expect this acquisition to be accretive to earnings and cash flow once Santa Cruz has ramped up."

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INVESTOR CALL

Deterra's leadership team will be hosting an investor conference call and simultaneous webcast on Tuesday, 29 September 2026, at 7am AWST / 9am AEST to discuss the Santa Cruz Royalty acquisition.

To access the conference call, go to https://edge.media-server.com/mmc/p/nzeds6sx.

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

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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 across seven countries and five commodities – including three flagship royalties over:

i) The Mining Area C (MAC) iron ore mine in the Pilbara, Western Australia. MAC is the world's largest iron ore hub[10], operated by BHP, the world's largest mining company[11]. At full capacity, MAC accounts for 9% of global seaborne iron ore supply[12] and has a multi-decade asset life[13].

ii) The Thacker Pass lithium project in Nevada, USA. Major Phase 1 construction activities commenced in Q2 2025 following the finalisation of a funding package from the US Department of Energy, General Motors and Orion Resource Partners[14].

iii) The Santa Cruz copper project in Arizona, USA. Targeting first copper cathode production in calendar 2029[15].

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ABOUT IVANHOE ELECTRIC

Ivanhoe Electric is a United States-domiciled minerals exploration company with a focus on developing mines from mineral deposits principally located in the United States. Ivanhoe Electric seeks to support American supply chain independence by finding and delivering copper and other critical metals vital to advanced manufacturing, infrastructure development, technology, and national security. It uses its powerful Typhoon™ geophysical surveying system, together with advanced data analytics provided by its 94.3% owned subsidiary, Computational Geosciences Inc. ("CGI"), to accelerate and de-risk the mineral exploration process as it seeks to discover new deposits of critical metals that may otherwise be undetectable by traditional exploration technologies. Ivanhoe Electric believes the United States is significantly underexplored and has the potential to yield major new discoveries of critical metals. Ivanhoe Electric's mineral exploration efforts focus on copper as well as other metals including nickel, cobalt, platinum group elements, gold and silver. Through the advancement of its portfolio of critical metals exploration projects, headlined by the Santa Cruz Copper Project in Arizona, Ivanhoe Electric intends to contribute to U.S. domestic supply by developing resources that support industrial and strategic sectors. Ivanhoe Electric also operates a 50/50 joint venture with Saudi Arabian Mining Company ("Maaden") to explore for minerals on approximately 50,000 km^2 of underexplored Arabian Shield in Saudi Arabia. In 2024, Ivanhoe Electric established an exploration alliance with BHP Mineral Resources Inc. ("BHP"), a subsidiary of BHP Group Limited, to search for critical minerals in the United States. In 2026, it entered into a Typhoon™ driven Mineral Exploration and Collaboration Agreement with Sociedad Química y Minera de Chile ("SQM") in Chile to explore 2,002 km^2 of mining concessions for new copper deposits beneath electrically resistive caliche.

[10] BHP Western Australia Iron Ore site tour presentation: South Flank, ASX 4 October 2022
[11] By market capitalisation
[12] Wood Mackenzie global iron ore strategic planning outlook Q2 2025
[13] BHP marks official opening of South Flank – BHP media release 4 October 2022
[14] Lithium Americans Corporation announcement dated 15 May 2025
[15] Ivanhoe Electric announcement dated 23 September 2026

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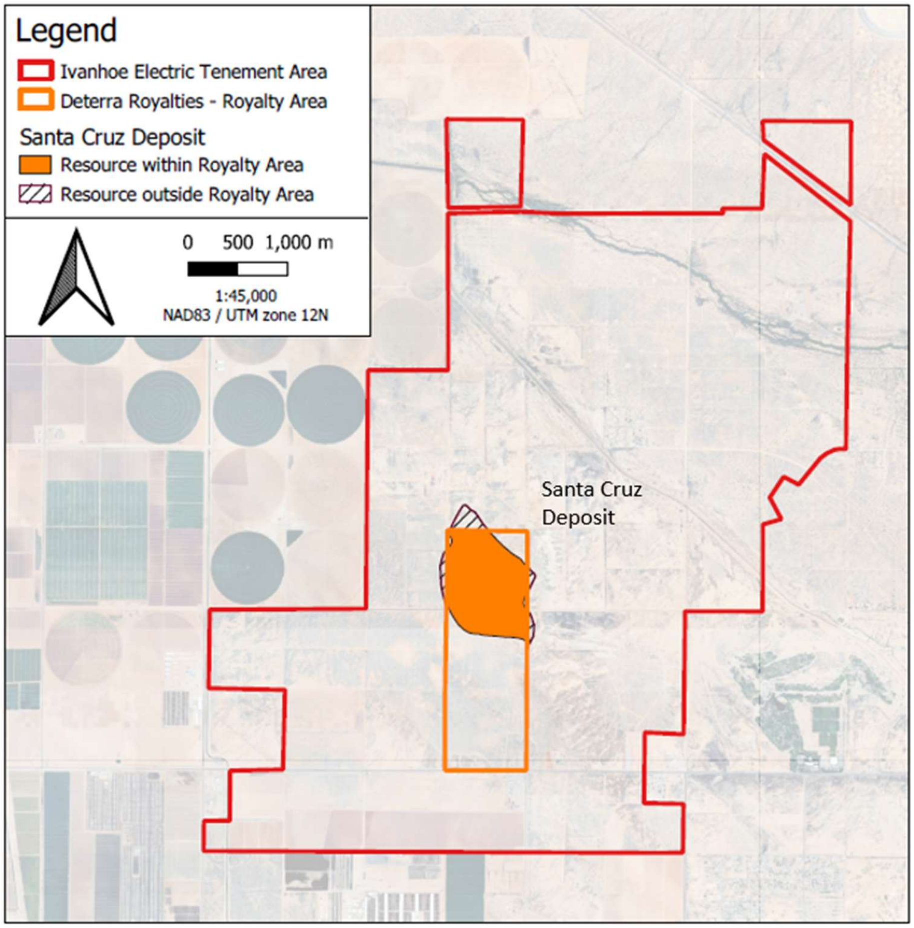
Appendix 1 – Deterra Santa Cruz Royalty Area



Note: Location and mineralisation outline are for illustrative purposes only. Source: Santa Cruz deposit Resource outline per the S-K 1300 Preliminary Feasibility Study & Technical Report Summary, Santa Cruz Copper Project, Arizona, June 23, 2025, with Deterra overlay of the royalty area.

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