AUSTRALIAN SHAREHOLDERS' ASSOCIATION

## Largest profit since 2022 at $164m, waiting for a new CEO

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| **Company/ASX Code** | **Deterra Royalties Limited/DRR** |
| **AGM time and date** | **10.00am AWST Monday, 30 November 2026** |
| **Location** | Level 1, 140 St Georges Terrace, Perth 6000 |
| **Registry** | Computershare |
| **Type of meeting** | Physical with a webcast |
| **Monitor** | Geoff Read |
| **Pre-AGM Meeting** | Yes, with Chair Jenny Seabrook, Director Graeme Devlin and others. |

*The monitor who prepared this voting intention report has an indirect holding in this company.*

## 1. How we intend to vote

| No. | Resolution description | |
|---|---|---|
| 1 | Adoption of the Remuneration Report | For |
| 2 | Re-election of a Director Jason Neal | For |
| 3 | To increase the non-executive director fee pool to $1.25m | For |

## 2. Summary of Issues and Voting Intentions for AGM

- **CEO succession.** Julian Andrews (founding MD & CEO) departed 28 November 2025; Non-Executive Director Jason Neal has served as Interim MD & CEO for twelve months with no confirmed timeline for a permanent appointment. We will ask the company about this.
- **Remuneration during transition.** As Interim MD & CEO, Mr Neal receives fixed pay only, with no STI/LTI component. He does not receive director's fees.
- **Revenue from continuing operations rose 6% to $236.2 million.** Total revenue, including MAC capacity payments and gold offtake revenue, fell 8% to $242.4 million. Your monitor doubts there will be any significant capacity payments in the near future. The tonnages produced rose but the price when converted to AUD declined. Profits from the sale of the silver and gold royalties and off-takes boosted revenues and were used to pay down borrowings.
- **Thacker Pass Lithium royalty.** This very large mine is in construction phase. We have been assured that it is on track for mechanical completion in 2027 followed by first production/ramp-up in 2028.

## 3. Matters Considered

### Financial reports

- **Revenue** fell 8% to $242.4m (FY25: $263.4m), driven by a lower MAC capacity payment (-$18m) and the loss of Gold Offtake revenue following its September 2025 disposal (-$17m); revenue from continuing operations (MAC + other royalties) rose 6% to $236.2m.
- **NPAT** rose 5% to $164.2m (FY25: $155.7m); **Underlying PAT** rose 14% to $151.7m (FY25: $132.7m per FY26 restated comparatives).
- **EBITDA** was broadly flat at $236.7m (-1%); **Underlying EBITDA** rose 6% to $222.2m, maintaining a 94% margin.
- **Net debt** fell sharply to $132.5m (FY25: $270.6m), aided by ~US$82m (~A$124m) of non-core asset disposals at a ~28% pre-tax IRR and debt repayment.
- **Full-year dividend** of 23.20 cps fully franked (FY25: 22.0 cps), representing the Board's target 75% NPAT payout ratio.
- **Basic EPS** rose to 31.03 cents (FY25: 29.44 cents).
- **Total Shareholder Return** of 33% for FY26 (company-disclosed), which the Remuneration Report notes lagged ASX resources and international royalty/streaming peer indices.
- **Silver Royalty:** the remaining US$8.75 million consideration for the La Preciosa disposal was paid by Avino during the September 2026 quarter.

### Financial performance

| (As at FYE) | **2026** | **2025** | **2024** | **2023** | **2022** |
|---|---|---|---|---|---|
| NPAT ($m) | 164.2 | 155.7 | 155 | 152 | 178.5 |
| UPAT ($m) | 151.7 | 132.7 | 155 | 152 | 178.5 |
| Share price ($) | 4.70 | 3.76 | 3.99 | 4.6 | 4.24 |
| Dividend (cents) | 23.2 | 22 | 29.3 | 28.85 | 33.76 |
| Simple TSR (%) | 31.17% | (0.25%) | (6.9%) | 15.3% | 19 |
| EPS (cents) | 31.03 | 29.5 | 29.3 | 28.85 | 33.77 |
| CEO total remuneration, actual ($m) | 0.53 Interim CEO and 0.89 Founding MD and Former CEO | 1.11 | 1.604 | 1.537 | 1.087 |

The Interim CEO assumed his role on 29 November 2025. He is not entitled to any STI or LTI awards. His fixed remuneration is $909,000 per annum.

## 4. Governance and culture

- At 30 June there were six directors: four independent directors, including the Chair, plus Stratton and Neal. Following Morrison's resignation on 19 October 2026, the remaining board numbered five, with three independent directors.
- 60% female Board representation and 56% female employees, exceeding many ASX peers on diversity metrics.
- Four standing Board committees operate — Audit & Risk, Nominations & Governance, People & Performance, and Sustainability — each with a Board-approved Charter; committee composition and meeting attendance are fully disclosed, with all directors attending effectively all eligible meetings.
- The company states full compliance with all relevant ASX Corporate Governance Council Recommendations during FY26.
- Codes of Conduct, a Whistleblower Policy, and an Anti-Bribery and Corruption Policy apply company-wide, with annual staff training; no political donations or lobbying payments were made in FY26.
- Director shareholdings are disclosed (Table 23). All directors are in compliance with the minimum shareholding policy.

## 5. Key events

- **CEO transition:** Founding MD & CEO Julian Andrews stepped down 28 November 2025 after five years; Non-Executive Director Jason Neal was appointed Interim MD & CEO the next day while an international executive search continues.
- **Non-core asset disposals:** Deterra sold non-core precious-metals assets (including the La Preciosa silver royalty/milestone payment, Gold Offtakes, and royalties over St Ives and Dandoko) acquired via the Trident transaction, for US$82m (~A$124m), realising a ~28% pre-tax IRR and an $8.4m accounting gain, materially reducing net debt (from $270.6m to $132.5m).
- Deterra's share register composition shifted materially: Australian institutional ownership fell from >40% to ~35%, while North American/European institutional ownership rose from 19% to 24%, reflecting a deliberate offshore investor-relations push.
- After year-end Deterra announced that it had acquired a royalty over the Santa Cruz copper project in Arizona, USA for US$74m. The deposit is high grade and expected to be a low-cost producer when it enters production. The royalty was acquired from a group of individual sellers. The owner and operator of the mine is

Ivanhoe Electric, which is chaired by Robert Friedland. Followers of Rio Tinto will recall extensive negotiations with Robert Friedland and Ivanhoe Mining for a copper project in Mongolia in the early 2000s. We will ask Deterra to provide a presentation on this acquisition to the AGM.

- After year-end director Alex Morrison announced his resignation for personal reasons. Deterra has placed him on a retainer to be an expert adviser to the board.

## 6. Rationale for Voting Intentions

### Resolution 1: Adopt the Remuneration Report (For)

The remuneration report is clear and concise. Deterra does not pay excessive remuneration, and the amounts are appropriate for a company of this size and complexity. The KMP are substantially rewarded in equity with only 33% of STI paid in cash. The actual take home pay of the KMP is shown in addition to the statutory calculated amounts.

The remuneration plan has a corporate scorecard. The bulk of the incentive payment is by means of share rights which are measured and awarded in the STI and LTI plans. The CFO's STI plan was varied during the year to include the extensive assistance he was providing to the interim CEO. Whilst a mid-year change is unusual, we can accept the exceptional circumstances and it was appropriately disclosed.

### Resolution 2: Re-election of a Director Jason Neal (For)

Mr Neal was elected to the Board in October 2023. He has been Interim MD & CEO since November 2025. His background is in investment banking for the mining sector with particular emphasis on Canada. He is appropriately qualified and used to be an independent director before he became the interim CEO. He meets the minimum shareholding requirement.

### Resolution 3: Increase the non-executive director fee pool to $1.25m (For)

The proposal is to increase the fee pool from $1.0m to $1.25m. The fee pool has not changed since Deterra was founded in 2020. The fees paid to directors are in line with other companies and this increase provides flexibility for recruiting directors.

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# Appendix 1
# Remuneration framework detail

| CEO rem. Framework for 2026 | Target* $m | % of Total | Max. Opportunity $m | % of Total |
|---|---|---|---|---|
| Fixed Remuneration | 0.909 | 100% | N/A | N/A |