1/10/2025 ASX: DRR

PORTFOLIO UPDATE: THACKER PASS LITHIUM PROJECT NON-BINDING AGREEMENT ON FIRST DRAW OF DOE LOAN

Deterra Royalties Limited (ASX:DRR) ("Deterra", or "the Company") is pleased to note the recent update from Lithium Americas Corporation ("LAC"), project operator of the Thacker Pass Lithium Project ("Thacker Pass", or "the Project") located in Nevada, USA[1].

Deterra holds an effective 4.8% gross revenue royalty over Thacker Pass (reducing to an effective 1.05% gross revenue royalty after expected exercise of a partial royalty buyback, which would see US$13.2 million paid to Deterra).

KEY HIGHLIGHTS[1]

LAC has announced that together with General Motors Holdings LLC ("GM"), its joint venture (the "JV") partner in Thacker Pass, LAC has reached a non-binding agreement in principle with the U.S. Department of Energy (the "DOE") to advance the first draw of US$435 million (the "First Draw") on the previously announced US$2.26 billion DOE loan (the "DOE Loan").

- The DOE has agreed to defer US$182 million of debt service over the first five years of the DOE Loan.
- The DOE will receive:
  - 5% equity stake in LAC through warrants to purchase common shares of LAC, at an exercise price of US$0.01 per share; and
  - 5% economic stake in the JV through warrants to purchase non-voting, non-transferable equity interest of the JV with an exercise price of US$0.01 per unit.
- LAC will post an additional US$120 million to DOE Loan reserve accounts, to be funded within 12 months of the DOE advancing First Draw.
- GM will provide additional support to the Project by amending its lithium offtake agreement with the JV to permit the JV to enter into additional third-party offtake agreements for certain remaining production volumes not forecasted to be purchased by GM.

The First Draw terms remain subject to negotiation and completion of definitive agreements, corporate approvals and other customary conditions.

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[1] Source: Lithium Americas Corporate announcement dated 30 September 2025

PROJECT HIGHLIGHTS[2]

- Thacker Pass contains the largest measured lithium reserve and resource in the world, with a non-JORC Proven and Probable mineral reserve estimate of 14.3 million tonnes lithium carbonate equivalent ("LCE") and non-JORC Measured and Indicated mineral resource estimate of 44.5 million tonnes LCE[3].
- LAC is targeting 160,000 tonnes-per-year of battery-quality lithium carbonate production to be developed in four phases, with Phase 1 targeting LCE production of 40,000 tonnes-per-year.
- Project economics outline an 85-year life of mine and optimized production scenario for years 1-25 with C1 operating costs of US$6,238/tonne LCE, making Thacker Pass one of the lowest-cost expected producers.

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

"This update further demonstrates the support of the U.S. Administration and GM in advancing this world class asset. Construction of Phase 1 is well underway with detailed engineering currently over 70% complete, first steel installation at the processing plant completed in late August 2025 and first occupancy at the workplace hub commenced in September 2025[4].

As a long-life, low-cost project located in a Tier 1 jurisdiction and with strong government and customer support, Thacker Pass ideally compliments our foundational asset, the world class royalty over BHP's Mining Area C. We look forward to further updates as Lithium Americas advances toward becoming one of the world's largest lithium producers."

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

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[2] Source: Lithium Americas Corporation NI 43-101 technical report dated effective December 31, 2024
[3] The mineral reserve and mineral resource estimates for Thacker Pass are not reported in accordance with the JORC Code. The mineral resources and reserve estimates have been prepared using the National Instrument 43-101 (Standards of Disclosure for Mineral Projects) of the Canadian Securities Administrators and the S-K 1300 regulations for the US Securities Act of 1933
[4] Source: Lithium Americas Corporate presentation dated 30 September 2025

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 a portfolio of royalties and offtake agreements 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 hub[5], operated by BHP, the world's largest mining company[6]. At full capacity, Mining Area C accounts for 9% of global seaborne iron ore supply[7] and has a multi-decade asset life[8].

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.[9] The project is targeting a total production capacity of 160,000tpa of battery-quality lithium carbonate to be developed in four phases of 40,000tpa each, across an 85-year mine life.[10]

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

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[5] BHP Western Australia Iron Ore site tour presentation: South Flank, ASX 4 October 2022.
[6] By market capitalisation.
[7] Wood Mackenzie global iron ore strategic planning outlook Q2 2025.
[8] BHP marks official opening of South Flank – BHP media release 4 October 2022.
[9] Lithium Americas Corporation announcement dated 15 May 2025.
[10] Lithium Americas Corporation announcement dated 7 January 2025.