

Voluntary Tax Transparency Disclosures

1. Tax governance, tax strategy and dealing with authorities

The Board of Directors is responsible for setting the Company's tax policy and overseeing tax governance. The Chief Financial Officer has oversight responsibility for tax strategy, the management of tax risk as well as the operational responsibility for execution of tax policies. The Chief Financial Officer reports to the Board's Audit and Risk Committee on a regular basis.

Deterra Royalties Limited, together with its 100 per cent controlled Australian subsidiaries, is a tax consolidated group (the Deterra Group) for Australian income tax purposes.

The Deterra Group:

- Recognises its responsibility to pay tax to all revenue authorities according to the tax rules and legislation of the jurisdictions in which it operates;
- Manages tax risk in the same manner as any other operational risk;
- Engages service providers with appropriate qualifications and experience to manage its tax obligations;
- Engages with revenue authorities, including the Australian Taxation Office, in a transparent and cooperative manner; and
- Has in place a Board approved Tax Policy that affirms the above principles and ensures that tax related decisions are made having regard to Deterra maintaining its integrity and reputation, including that they are made at an appropriately senior level and are supported by appropriate documentation.

2. Tax payments in FY24

Deterra Group is expecting to lodge its FY24 income tax return in November 2024. Table 1 below represents direct taxation payments made to governments by the Deterra Group for the year ended 30 June 2024.

Table 1 excludes taxes collected by the Deterra Group and passed on to revenue authorities such as goods and services tax and pay-as-you-go withholding on employee salaries:

Table 1: Direct tax payments to government	\$'000
Income tax instalments	74,457
State and Territory taxes (Payroll tax)	220
Total tax payments to Australian Federal and State Governments	74,677

3. Financial statement disclosures

Income tax expense and effective tax rates

Table 2 extracts the 30 June 2024 accounting profit before income tax expense and effective tax rate from the 2024 annual financial statements disclosed in this Annual Report (Notes 5 and 6 in the Annual Financial Report).

Table 2: Calculations of effective tax rate	\$'000
Accounting profit before tax	221,588
Income tax expense (current and deferred tax expense)	66,702
Effective tax rate	30.01%

The reconciliation of the accounting profit before tax to the Income tax expense is disclosed in note 5(b) of the Financial Report.

Material temporary differences are disclosed in note 6 of the Financial Report.

Reconciliation of income tax liabilities/(assets)

A reconciliation of the income tax expense per the annual financial statements to income tax liabilities/ (assets) at 30 June 2024 are as follows:

Table 3: Income tax liabilities/(assets) reconciliation	\$'000
Income tax liabilities/(assets) at beginning of period	(620)
Current income tax expense	73,590
Income tax instalments paid - relating to FY23	(41)
Income tax instalments paid - relating to FY24	(74,416)
Income tax liabilities/(assets)	(1,487)

4. International related party dealings

Deterra predominantly engages in regular business activities in Australia with funding sourced from unrelated independent financial institutions. For the year ended 30 June 2024, Deterra did not have any financing transactions with related parties.