

ASX: DVP

DEVELOP

# PATHWAY TO CASHFLOW

- ENERGY TRANSITION METALS OWNERSHIP
- UNDERGROUND MINING SERVICES

BELL POTTER – UNEARTHED CONFERENCE – FEBRUARY 2025

  
**BELL POTTER**

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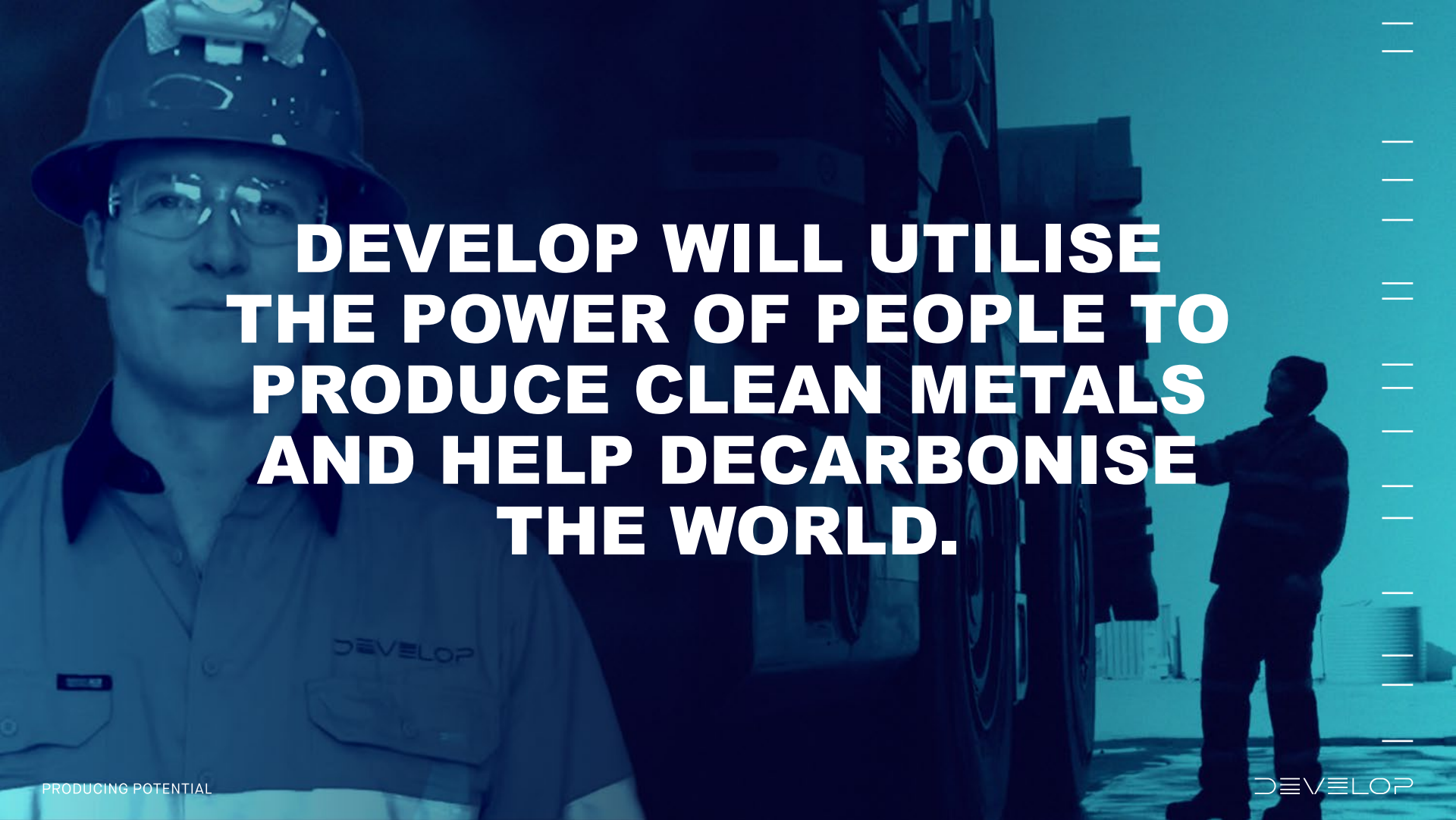
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## JORC COMPLIANCE STATEMENTS

The information in this presentation that relates to Exploration Results is based on information by Mr Luke Gibson who is an employee of the Company. Mr Gibson is a member of the Australian Institute of Geoscientists and Mr Gibson has sufficient experience with the style of mineralisation and the type of deposit under consideration.

- The information contained in this presentation relating to the Kangaroo Caves Resources was previously released in ASX announcement 'Kangaroo Caves Resource Update' issued 22 September 2015.
- The information contained in this presentation relating to the Sulphur Springs Resources was previously released in ASX announcement 'Sulphur Springs Resource Update' 2 June 2023.
- The information contained in this announcement relating to the Woodlawn Underground Resources was previously released in announcement 'Resource Upgrade Paves way for Funding' dated 22 March 2024.
- The information contained in this presentation relating to the Sulphur Springs Reserves, Sulphur Springs production target, and forecast financial information derived therefrom, was previously released in ASX announcement 'Sulphur Springs Updated DFS' issued 30 June 2023.
- The information contained in this announcement relating to the Woodlawn Reserves, Woodlawn production target, and forecast financial information derived therefrom, was previously released in the announcement "Woodlawn Production Restart Study" dated 3 April 2024
- The information contained in this announcement relating to the Pioneer Dome Resources, Pioneer Dome production target, and forecast financial information derived therefrom, was previously released in the announcement 'Positive Pioneer Dome Scoping Study supports commencement of detailed studies' issued 7 May 2024.

The Company confirms that: a) The form and context of the material in this presentation has not been materially modified from the above previous announcements; b) It is not aware of any new information or data that materially affects the information included in the previous announcements; and c) in the case of estimate or mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the relevant estimates continue to apply and have not materially changed; and c) It is uncertain that following further exploration and evaluation that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC 2012 Code.



**DEVELOP WILL UTILISE  
THE POWER OF PEOPLE TO  
PRODUCE CLEAN METALS  
AND HELP DECARBONISE  
THE WORLD.**

# DEVELOP 5-YEAR BUSINESS PLAN WHAT'S BEEN ACHIEVED IN 24 MONTHS



## HYBRID BUSINESS MODEL: MINE OWNERSHIP AND MINING SERVICES BUSINESS UNITS

Build world-class underground capability to cater for all assets needs

Be one of the most socially responsible and ESG friendly companies on the ASX

Produce some of the world's cleanest energy transition metals

Aim for annual metal output of in excess of 50kt copper equivalent, 200kt at 5.5% lithium spodumene and establish long mine lives, 7-10 yrs

Mining Services capability to operate 5 to 7 projects (2 – 3 for third parties to generate free cash flow) and de-risk the balance sheet



OUR FLAGSHIP ASSET:

# IS OUR PEOPLE

- The mines of the future will be underground
  - Demand for underground skills is soaring
- 
- Develop's Executives have one of the largest networks of underground personnel in the Australian industry
  - Develop has built its world class underground capability
  - We have no people attraction or retention issues
  - We don't discuss turnover
  - This skill base is our competitive advantage because:

01

Maximises performance of our own assets

02

Provides scope to partner and joint venture with others

03

Help others deliver on their decarbonisation promises and diversify

# PEOPLE POWER CHANGE

PRODUCING POTENTIAL



# DEVELOP COMPANY ASSETS

ALL BUSINESS UNITS ARE LOCATED IN AUSTRALIA



## Woodlawn Cu/Zn

Project revenue – A\$2.6b  
Free cashflow – A\$1.1b  
Pre-tax NPV – A\$728m  
Capex – A\$56m  
Mine Life – 10 years  
First 3 years cashflow – A\$375m  
Annual CuEq metal ~20kt  
Resource 11.3mt @ 4.1% CuEq  
Reserve 6.0mt @ 2.9% CuEq  
Fully permitted for operations



## Sulphur Springs Zn/Cu

Project revenue – A\$2.9b  
Free cashflow – A\$745m  
Pre-tax NPV – A\$523m  
Capex - \$A296m  
Mine Life – 8 years  
Annual cashflows – A\$180m  
Annual CuEq metal ~30kt  
Resource 17.4Mt @ 5.8% Zn, 1.0% Cu & 21gpt Ag  
Reserve 8.8mt @ 1.1% Cu, 5.4% Zn & 21gpt Ag  
Fully Permitted for operations



## Pioneer Dome - Li

Project revenue – A\$2.2b  
Free cashflow – A\$666m  
Pre-tax NPV – A\$373m  
Capex – A\$285m  
Mine Life – 7 years  
Annual cashflows – A\$134m  
Annual Spod Con @ 5.5% – 200kt  
Resource 11.2mt @ 1.2% Li<sub>2</sub>O  
Mining proposals have been approved by the regulator



## Mining Services

FY24 Revenue A\$147m  
FY25 Revenue ~A\$200m  
Minimal capex versus Revenue  
Bellevue Gold - A\$400m contract  
Mt Marion Lithium ended Dec-24  
Westgold, Beta Hunt ended Nov-24  
All finishing staff and equipment has been deployed to high value growth, Woodlawn and Bellevue projects  
Numerous business opportunities identified and will engage in CY25

A QUALITY PROJECT FOR THE ENERGY REVOLUTION

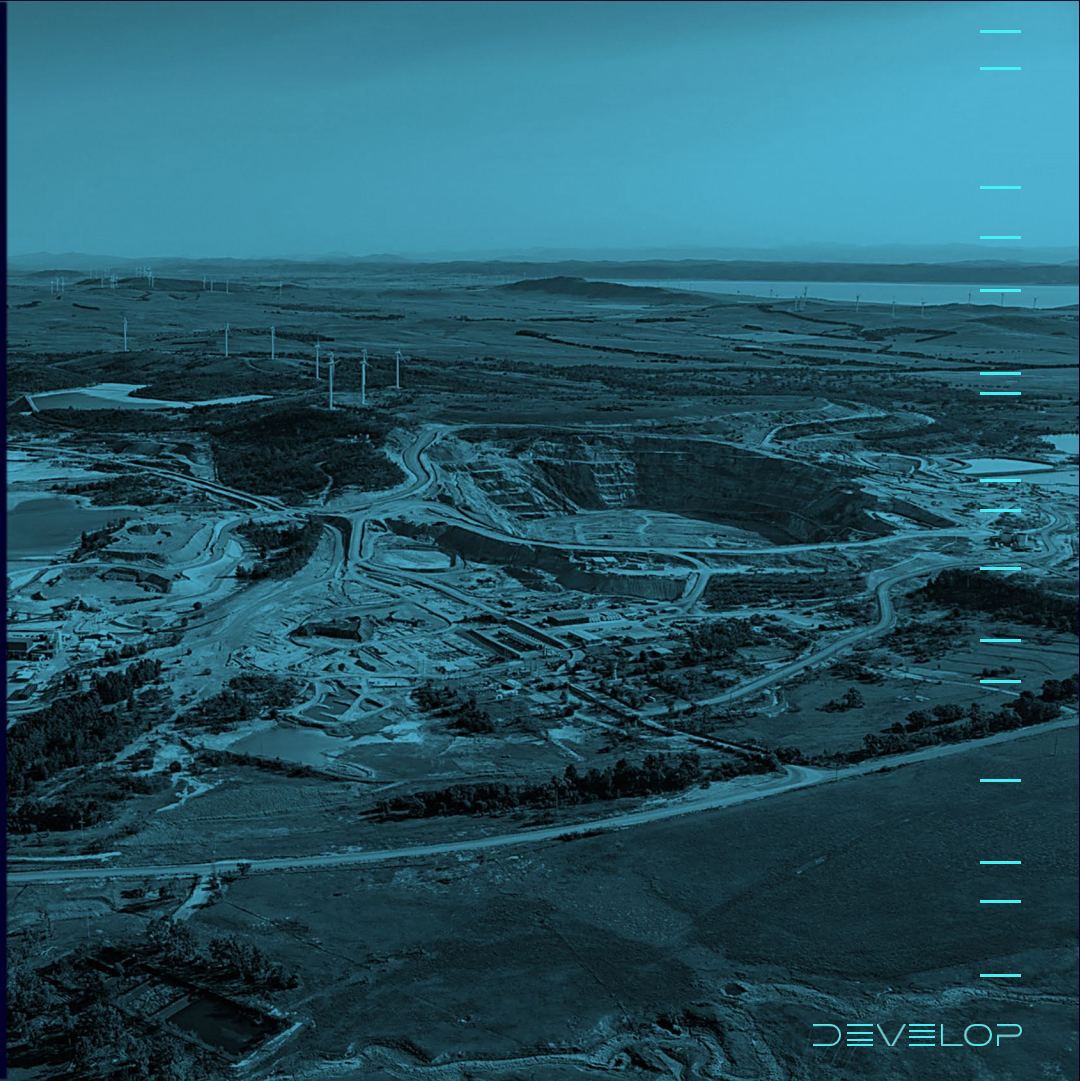
# WOODLAWN ASSET

## COPPER/ZINC MINE

- Purchased in May-22 for A\$100M
- Inherited ~A\$340m of prior capital expenditure
- Develop has spent ~A\$65m on the mine

Major achievements of this spend are;

- Key operational team in place
- Resource increased by 55% to 11.3Mt at 1.8% Cu, 5.8% Zn, 2.1% Pb, 46g/t Ag and 0.5g/t Au
- Reserve increased by 94% to 6.0Mt at 1.5% Cu, 3.6% Zn, 1.3% Pb, 29g/t Ag and 0.4g/t Au
- First 2 years of ore production fully developed
- Delivered a 10-year mine plan
- Updated NPV in July '24 of A\$728m with LOM free cash of A\$1.1B



A QUALITY PROJECT FOR THE ENERGY REVOLUTION

# WOODLAWN RESTART SITE UPDATE

- Excellent progress with internal package and GR Engineering work packages ahead of schedule
- Total GRES package now 76% complete with no major delays or variations to date
- All major contracts have been awarded for processing production to commence
- Options under review for the acceleration of works to bring forward commissioning
- Underground Development is underway and has ramped up significantly since late-December
- All key positions are now filled with employment interest strong for the site
- Process for minority interest (up to 20%) has begun, with interested parties having already had multiple site visits

PRODUCING POTENTIAL



Crushing Circuit Upgrades

DEVELOP





# FUNDING & OFFTAKE

- Leading base metals commodity trader, Trafigura, has agreed terms to provide a ~A\$100M pre-payment/loan facility to bring Woodlawn into production. Funding terms are flexible
- As part of the funding, Develop is also in the process of agreeing a ~5 year offtake arrangement across all concentrates produced from the Woodlawn mine. We have flexibility to allocate up to 20% of volumes to a minority partner
- Under this arrangement, treatment and refining charges are materially lower than assumed in the April-24 Restart Study. This has resulted in an A\$80 million improvement to the project's NPV
- The key terms of the Woodlawn loan facility to be provided by Trafigura are detailed below

<b>Debt Sizing</b>	US\$65 million, being approximately A\$104.8 million as of 31 December 2024
<b>Term</b>	4.5 years from drawdown
<b>Interest Rate/Margin</b>	Bank Bill Swap Rate (Bid) plus a margin of 2.00% per annum. Interest capitalises for the first 18 months of the loan. Senior security customary for a facility of this nature including:
<b>Security</b>	- Security over all of the assets of the Borrower and Woodlawn Mine Holdings Pty Ltd (including the share capital of the Borrower owned by Woodlawn Mine Holdings Pty Ltd), subject to certain pre-conditions; - Specific security over certain project tenements and other assets related to the Woodlawn Project and owned by Tarago Explorations Pty Ltd; and - Security over all of the assets of Venturex Sulphur Springs Pty Ltd.
<b>Grace Period</b>	18 months from drawdown date and then a reduced repayment amount of US\$5 million or approximately A\$ 7.7 million for the period 18 months and 24 months after drawdown date.
<b>Capitalised Interest</b>	Interest will be capitalised during the Grace Period
<b>Up-front Fee</b>	1.00%
<b>Voluntary Early Repayment</b>	Anytime with 5 business days' notice. Any early repayment shall be made with accrued interest on the amount repaid early and break costs
<b>Coverage ratio</b>	At any time, cargo value to be at least 175% of outstanding indebtedness
<b>Offtake Required</b>	~5-year offtake across all concentrates (including, without limitation, copper, zinc, lead/precious metals) produced from the Woodlawn mine
<b>Hedging</b>	No mandatory hedging required

# SULPHUR SPRINGS ZINC-COPPER PROJECT



- The project is a high-grade Zinc and Copper Resource of 17.4Mt @ 5.8% Zn, 1.0% Cu & 21gpt Ag located in the Tier 1 mining district of WA
- This was the sole asset Venturex recapitalised on (market cap A\$40M) in Jun-21 it resulted in the initial A\$38M funding package from new shareholders
- Develop has spent A\$15M over the past two years on our operational goals
  1. All major project approvals are granted (Ministerial environmental approval, Mining Proposal and Mine Closure plan)
  2. This resulted in a substantial increase in Resources and Reserves
  3. Changed the mine plan to underground mining only, simplifying the execution
  4. Jun-23 Definitive Feasibility Study delivered a post-tax NPV of A\$523M. Mine life of 8 years and upfront capital requirement of A\$296M.
- Once the mine is built it generates ~A\$147Mpa of pre-tax cashflow; commodity prices are substantially higher since this DFS was released
- Only 135kt of zinc is subject to an offtake agreement, no offtake for copper. This makes the project highly desirable for offtake partners
- Further opportunities to add value through exploration and increasing plant capacity. Kangaroo Caves and Sulphur Springs open pit were not in the DFS

PRODUCING POTENTIAL



OUR PEOPLE ARE OUR FLAGSHIP ASSET

# WORLD-CLASS UNDERGROUND CAPABILITY

MINING SERVICES IS KEY TO ACHIEVING BUSINESS PLAN

Building underground capability enables Develop to build its business organically; Mining Services accelerates this

**CULTURE**

**CAPABILITY**

**CASHFLOW**

**01**

**02**

**03**

- Upcoming/underway activity to severely affect the industry – **Positive for mining contractors**
- **24Mt per annum of Underground production (50% increase in activity) to bring on in the next 4 years, just in Western Australia:**
  - Northern Star, Liontown, Greatland Gold Haverion, Bellevue Gold, Regis Resources, Genesis Minerals, Ora Banda, Pantoro, Spartan and Westgold
  - Significant underground activity occurring in the Eastern states of Australia
  - Major international operations utilising Australian expertise for Newmont, Barrick, Goldfields, AngloGold Ashanti, Maaden, Evolution and Northern Star