



HPR AGM PRESENTATION

November 2015



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INVESTOR VALUE PROPOSITION

The royalty model is about investing in production and generating annuity income from quality resource assets

- **HOW DO WE DO THAT?**

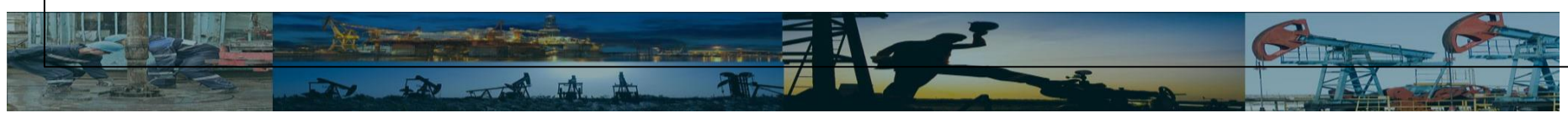
1. UTILISE A GROUP OF GLOBALLY CONNECTED, AND DIVERSELY SKILLED INDUSTRY VETERANS ON THE BOARD
2. UTILISE A ROYALTY STRUCTURE FOR INVESTMENTS - SMALL TEAM CAN MANAGE A LARGE PORTFOLIO – EXTREMELY SCALABLE BUSINESS MODEL
3. RAISE CAPITAL VIA ASX LISTING AND DEAL SPECIFIC EVENTS
4. CREATE AND GROW A DIVERSE PORTFOLIO OF ROYALTIES

- **HOW BIG IS THE OPPORTUNITY?**

1. MATURE ROYALTY COMPANIES INTERNATIONALLY HAVE MARKET CAPITALISATIONS IN THE \$ BILLIONS
2. HPR IS IN THE VERY EARLY GROWTH PHASE – LEADING THE SECTOR IN STH HEMISPHERE
3. THE MAJORS ALL KNOW HPR

- **WHY DO INVESTORS NEED TO PAY ATTENTION NOW?**

1. MARKET CONDITIONS HELPFUL FOR DEAL FLOW
2. NEW ACQUISITION (STEP)/ PORTFOLIO MOVING ALONG
3. SUBSTANTIAL SHAREHOLDER MOVING UP THE REGISTER.....
4. **HPR IN EARLY FORMATION BUT STILL 'GROUND FLOOR' FOR INVESTORS RIGHT NOW**

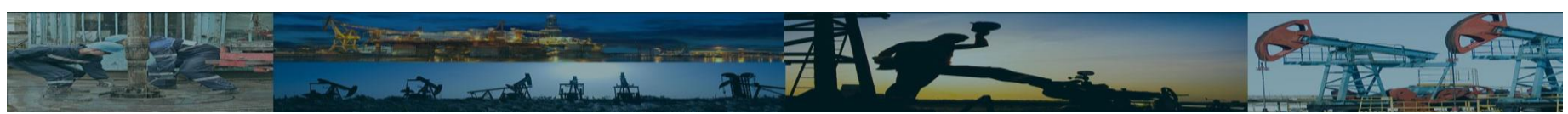


INVESTOR VALUE PROPOSITION - CURRENT ACTIVITIES ⁴

The HPR portfolio royalty model...this is a superior way for an investor to approach the current resources market.



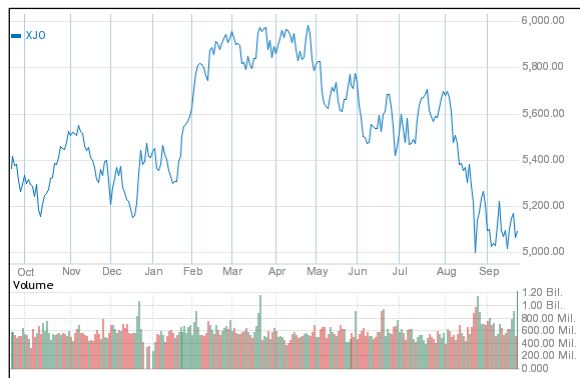
Annuity cash flow, exploration upside and oil price optionality



INVESTOR VALUE PROPOSITION CONDITIONS PROVIDING OPPORTUNITIES

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ASX 200 12 months – volatility
impacting energy companies raising capital



**12 months share
prices for
Cooper Basin
Producers – i.e.
growth needed for
production
companies**

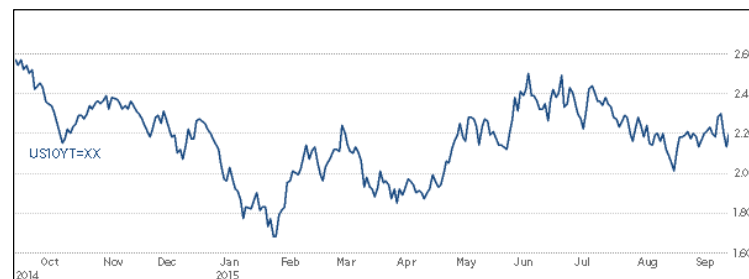


CBX15 - Crude Oil Brent (ICE)



**12 Months Brent
Crude USD per bbl.
- Bank Covenants
Will Be Tested
Once Hedges Run
Out**

**US 10 year Bond Yield - Expectations Flat
for Global Growth - Energy Asset
Valuations Remain Flat – Assets for sale**



INVESTOR VALUE PROPOSITION

BOARD ASSISTS SIGNIFICANTLY IN DELIVERING VALUE⁶

Deal flow, fast response DD, transaction support, governance, fundraising

Anthony
Wooles

Non-Executive Chairman

- Wharton Finance MBA- extensive shareholder value advisory experience
- Founded and subsequently sold ASX listed Pearl Street to Campbell Bros. for \$108m
- Chairman of Bhagwan Marine – Australia's largest in shore oil and gas service company

Geoffrey
King

Non-Executive Deputy Chairman

- Lawyer with over 37 years international oil & gas experience
- Past Chairman of Cue Energy (ASX: CUE) & Advisor to PNG Govt.
- Legal coordinator ESSO in Weeks Royalty dispute with Bell Resources

Andy
Carroll

Non-Executive Director

- Engineer with over 30 years international oil & gas experience
- Technical Director of Mosman Oil and Gas (AIM: MSMN)

John
Theobald

Non-Executive Director

- Engineer with honours in geology
- Former CEO of LSE listed royalty group Anglo Pacific
- Extensive hard rock experience and London market connections

Nigel
Hartley

Non-Executive Director

- Over 25 years experience in the oil & gas sector
- Previously served as CFO of Oil Search for 12 years
- Director ROC Oil Ltd

Howard
McLaughlin

Non-Executive Director

- Geologist with extensive experience in international hydrocarbons
- Former VP-Global Exploration for BHP Billiton
- Extensive oil and gas E&P experience and USA/ Texas market connections

Simon
Fyfe

Chief Executive Officer

- Grad Dip App Finance and Investment
- Previously Executive Director of international explorer, Bight Petroleum & ASX listed oil and gas company, Verus Investments Ltd
- Extensive experience in growth companies

Jarrod
White

CFO & Co-Company Secretary

- Chartered Accountant
- Director of private accounting firm Traverse Accountants
- Long history with HPR valuation models



TODAY

CAPITAL STRUCTURE

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Capital Structure	
Shares on Issue (ASX: HPR)	166.8m
Market Capitalisation (@ 7c)	\$11.6m
Cash (Sept app 5B)	\$2.25m
Debt	\$0.0m
Net Cash	\$2.25m
Enterprise Value	\$9.35m

Key Shareholders	
Board and Management	21.2%
Noontide Investments Ltd	13.7%



RECENT KEY EVENTS

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HPR - Daily Line Chart [Close]

<April 2014 – Merger of ASX Listed Torrens Energy Limited with unlisted Phoenix Oil and Gas Ltd – raised \$6m @ 25c (incl. \$2m from Chairman)

April 2015 – 21.3m escrow shares released, 4.3m shares purchased by Directors, balance by institutional investor

May 2015 – 2 x research reports value company > 30 cents per share

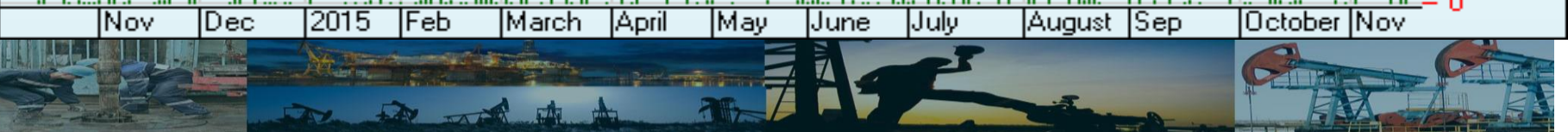
Oct 2015 – announce STEP NZ acquisition from Origin

Sep 2015 – new CEO

CBX15 - Crude Oil Brent (ICE)

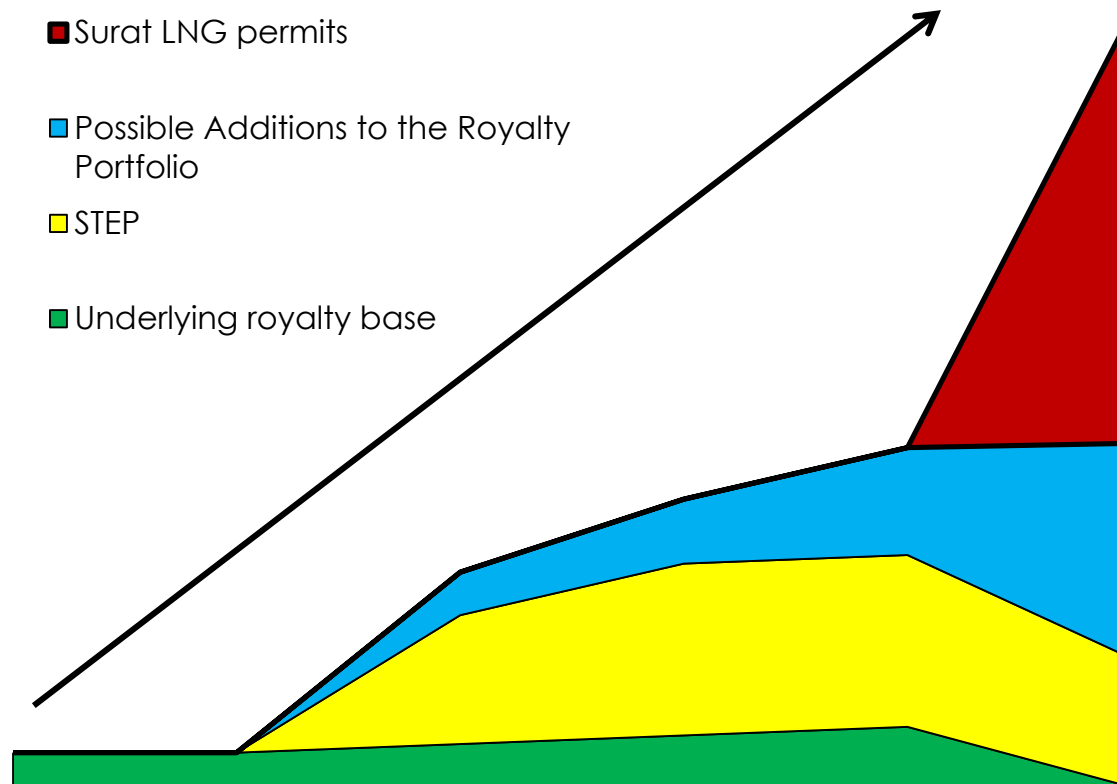


HPR



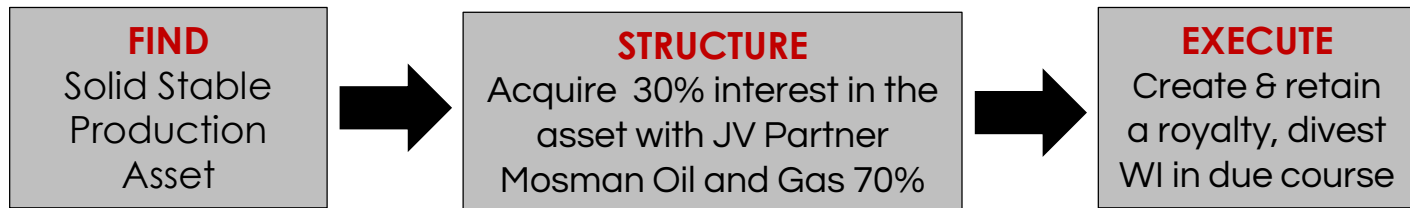
THE FUTURE VALUE DRIVERS - indicative

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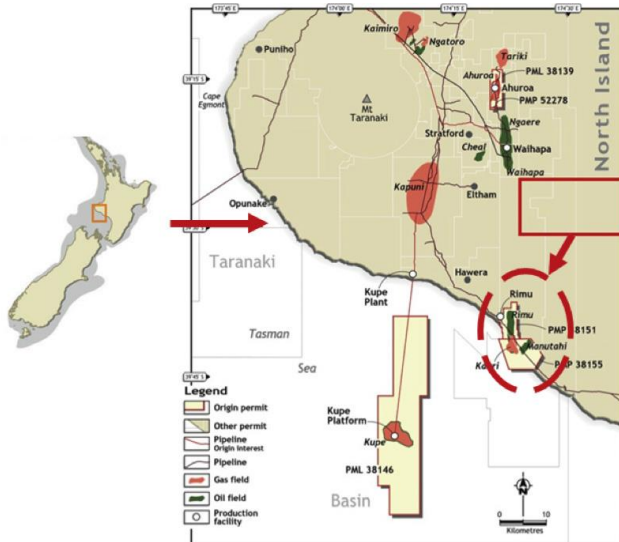


ACQUISITION – STEP NZ\$10m Case Study

HPR not waiting for recovery in oil and equity markets...adding key assets RIGHT NOW



- South Taranaki Energy Project “STEP” acquired from ORIGIN
- Attracted ORIGIN to purchase it in 2008 – now focussing funding on LNG project

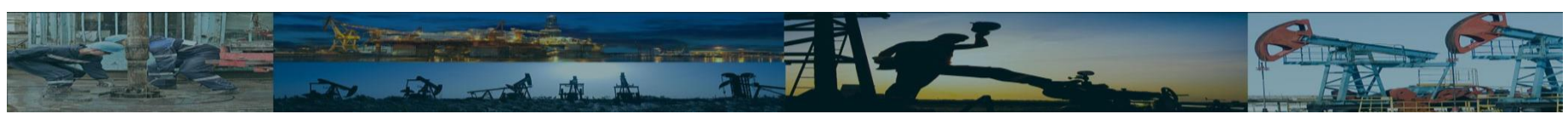


Participation agreement (completion est. Q1 2016) ✓

Historical Production 10.9PJ gas, 1.58MMbbls oil ✓

Production Plant – Oil, Gas, LPG, Electricity ✓

3 Producing Fields, 39 wells, 33km pipelines ✓



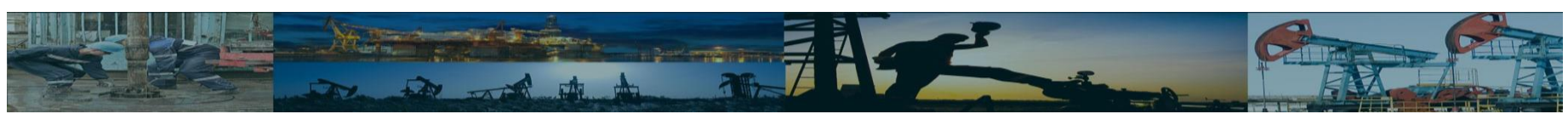
STEP – THE RIMU PRODUCTION STATION

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- Supports RIMU, KAURI & MANUTAHU fields
- 3 oil storage and loading facilities,
 - capacity 8,250bbls/day oil/condensate
- Gas processing & export pipelines
 - 24TJ/day gas;
- LPG processing, storage & loading
- 2 x 640kW gas fired power generation, supplying plant and connection to the grid



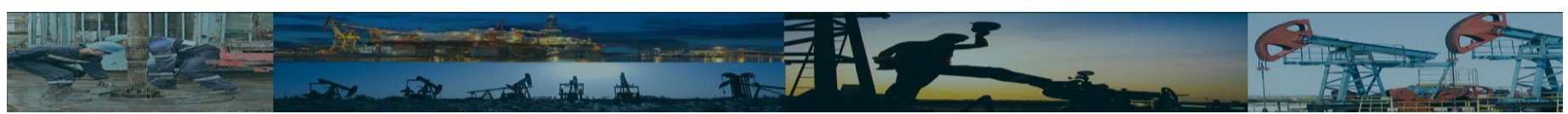
* A flyover video filmed by a drone can be found at <http://brrmedia.co.uk/event/embed/140237/width/620/header/false>



STEP STRATEGY

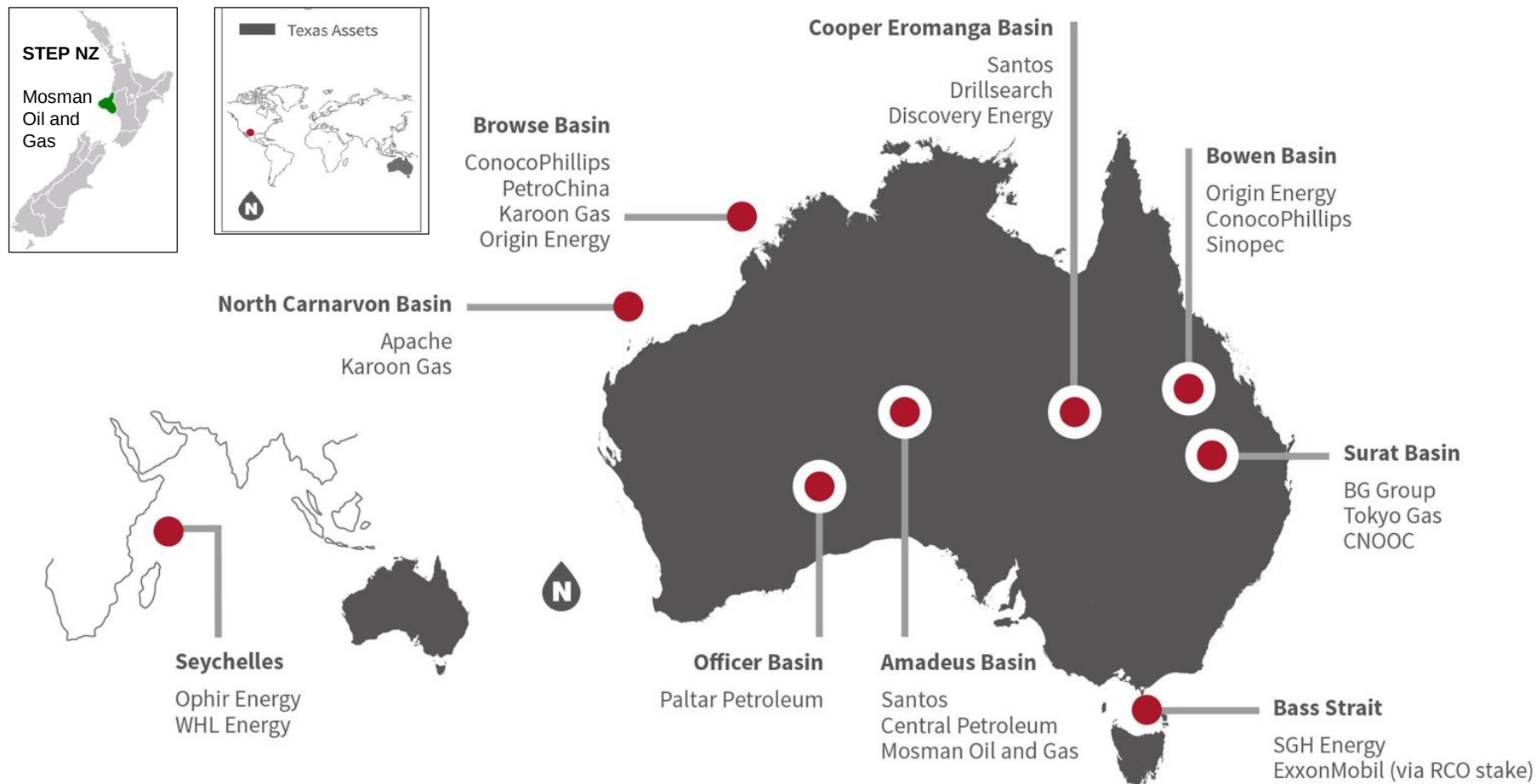
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- Obtain non operated project interest of 30%
- Mosman Oil and Gas operator and joint venture partner
- Phase 1:
 - Establish HPR NZ, complete acquisition
 - Mosman undertake 12 de-bottlenecking initiatives to lift production
 - Review data (incl. 3D seismic over Manutahi acquired by Origin)
 - Develop upside case
- Phase 2:
 - ~30m bbls oil in place of “heavy oil”
 - (Pilot horizontal well and injector already working)
 - Drill next stage to unlock value
 - HPR to retain royalty and transfer asset



ROYALTY LOCATIONS AND PROJECT OPERATORS

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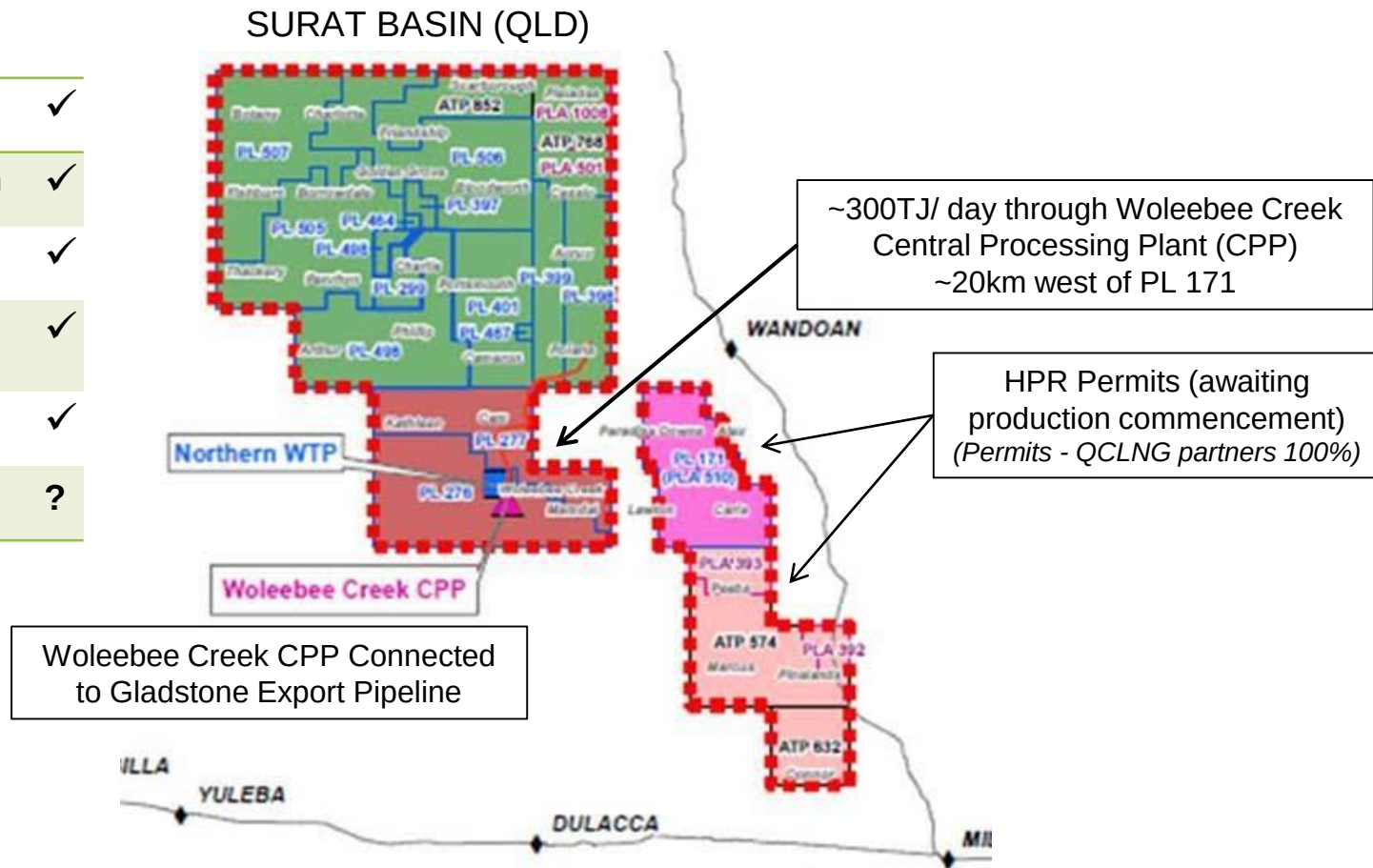
* A detailed description of each royalty can be found on our website www.highpeak.com.au



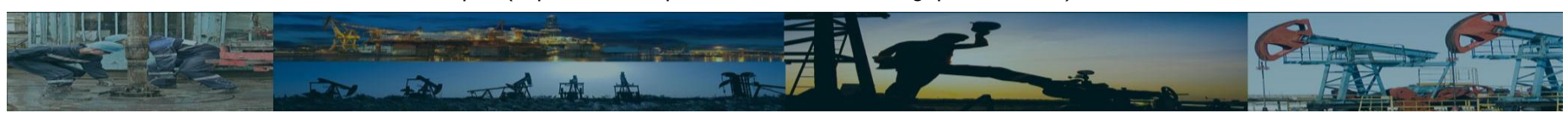
*****KEY ASSET***** QCLNG Permits PL 171, ATP 574 2.5% Royalty Interest

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Royalty agreement	✓
Appraisal/ pilot production	✓
Infrastructure nearby	✓
QCLNG Train 2	✓
Est. royalty >\$10m p.a.*	✓
Timing for production	?



* Research reports published by Edison and Argonaut in May 2015 suggests potential royalty income from production of a ~600PJ resource on the 400km² > \$15m p.a. (copies of the reports available at www.highpeak.com.au)



HPR PORTFOLIO APPROACH

EXPLORATION

- Not the focus today (little steps right now for the future e.g. NEGI)
- Quality JV partners

DEVELOPMENT

- QCLNG project
- Material value to HPR
- Large Investment by QGC underway right now

PRODUCTION

- Focus today is here
- Capitalise on weak market prices
- Addition of STEP project

MULTIPLE VALUE UPLIFT OPPORTUNITIES FOR INVESTORS

- Further acquisitions of attractive assets
- Exploration/ development progress
- Turnaround in oil prices



SUMMARY

- VALUE PROPOSITION
 - Royalty model beneficial for investors
 - Current conditions favourable for deal flow
 - Company has potential large scale opportunity
- CURRENT SITUATION
 - Current activities and deal flow evidenced by STEP transaction
 - Ground floor opportunity for investors
- FUTURE
 - Further potential acquisitions of attractive assets
 - Exploration/ development progress within the portfolio
 - Additionally a potential turnaround in oil prices will deliver upside

