

30 April 2019

MARCH 2019 QUARTERLY REPORT

Cash receipts from royalties up 83% over the half year to December 2018

Highlights

- Cash receipts from royalties up 83% compared to previous two quarters primarily due to acquisition of Planet Gas USA completed in the December quarter
- Oil price recovery positively influencing royalty income. Due to timing of payments, current strong oil prices will be reflected in the next quarter
- Santos Limited spudded Dukas-1 well in the HPR royalty permit area
- US \$375,000 principal payment made in January to reduce the amount drawn on the finance facility with Macquarie Bank Limited

ACTIVITY AND PORTFOLIO REVIEW

High Peak Royalties is pleased to announce the March quarter Statement of Cash Flows and Activities. The March quarter provided increased royalty receipts over the December quarter.

During the quarter, cash receipts from royalties were \$163,796. This excludes \$14,123 in Planet Gas royalties that were short-paid for the November production period. This short-paid amount has been received in April 2019.

The balance sheet remains strong with net positive cash inflows from the Planet Gas royalty.

Please refer to the company's portfolio table on the final page of the Activities Report for details of the areas where High Peak has royalties.

GEOGRAPHIC REVIEW OF PORTFOLIO ASSETS

USA

HPR continues to receive revenue from existing multiple royalties in the USA. Oil prices have continued to increase over the period after the low ebb in December. Gas prices have oscillated throughout the period, however they have remained steady on average overall.

Queensland

HPR continues to receive royalties on the Peat Gas Field. Origin Energy Limited (“Origin”) (ASX: ORG) has previously announced that it has drilled and intends to flow test the South Burunga-2 deep gas well that will test the large potential of the Bowen Basin below the currently producing shallow Surat Basin coal seam gas.

HPR also has royalties over the nearby PL 171 and ATP 574 permits adjacent to the Wolleebee Creek production facility operated by Shell which is producing coal seam gas. HPR monitors activity but cannot predict when PL 171 or ATP 574 will be developed. Given the shortage of gas supply to the East Coast gas market and the ongoing LNG exports, it would seem to be a matter of time.

Northern Territory (NT)

Santos Limited (ASX: STO) announced on 16 April that the Dukas-1 well was spudded. High Peak continues to monitor the progress on this well, as the Company holds a 1% royalty on this permit. It is expected that this well will have a total depth of 3,600 m and is expected to provide Helium and Hydrogen as well as large volumes of hydrocarbons.

Western Australia (WA)

Exploration activity is picking up, and HPR expects that in due course there will be more drilling on permits where HPR has royalties.

Macquarie Bank Facility

The Company has paid an additional US \$375,000 of principal down in January, in compliance with the facility agreement with Macquarie Bank. With the commodity prices recovering, the royalty income is more than sufficient to cover the interest charges.

RECENT ANNOUNCEMENTS

Summary of announcements during the period to release of this report:

Date	Announcement
31/01/2019	December Quarterly Activities and Cashflow Report
11/03/2019	Investor Presentation
13/03/2019	Revised Investor Presentation
15/03/2019	Half Yearly Report and Accounts
04/04/2019	Change in Substantial Holding

For enquiries please contact:

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Jarrold White

CHIEF FINANCIAL OFFICER | Joint Company Secretary



ABOUT HIGH PEAK ROYALTIES LIMITED

High Peak Royalties Ltd (ASX:"HPR") is building a portfolio of diversified high value resource royalties around the world. In the current climate, High Peak is looking to partner with capable operators to secure royalties over high value producing assets and leverage our capital and structuring expertise.

The company's portfolio includes:

Permit / Location	Royalty Interest (%)	Operated By
PL 171 and ATP 574P	2.50	Queensland Gas/BG Group/ Shell
ATP 299P Petroleum Leases: PL29, PL38, PL39, PL52, PL57, PL95, PL169, PL170, PL293, PL294, PL295 and PL298	3.6/4.0	Santos
Peat Gas Field (PL101)	2.13	Origin Energy
Surprise Oil Field (PL6)	1.00	Central Petroleum
Longtom Gas Field (VIC/L29)	0.30	Seven Group Holdings
WA-314-P	0.10	Karoon Gas
WA-315-P	0.10	ConocoPhillips
EP(A)111, EP115, EP(A)120 and EP(A) 124	1.00	Central Petroleum
EP112, EP115NM and EP125	1.00	Santos
WA-482-P	0.20	Santos
EP156 and EP(A)155	2.00	Mosman Oil and Gas
Planet Gas USA Inc. Royalties	3.00	Empire Energy
United States (East Texas, Permian and Texas Gulf Coast Basins)	0.20 to 0.40	Sabine Oil and Gas, Pioneer Natural Resources and Wagner Oil Company
United States (East Texas)	1.00	Silver Tusk and New Century Operating
Weeks Petroleum Royalty (Gippsland Basin) indirect interest via 10.68% shareholding in Royalco Resources (ASX: RCO)	0.0025	ExxonMobil

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

High Peak Royalties Limited

ABN

79 118 065 704

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from royalties	163	360
1.2 Payments for		
(a) exploration & evaluation	(2)	(17)
(b) development	-	-
(c) production	-	-
(d) staff costs	(107)	(245)
(e) administration and corporate costs	(51)	(147)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	10
1.5 Interest and other costs of finance paid	(124)	(214)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(118)	(253)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	(48)
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (shares in a listed company)	-	(1)
2.6	Net cash from / (used in) investing activities	-	(49)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,184
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(534)	(1,055)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(534)	129

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,655	1,178
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(118)	(253)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(49)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(534)	129
4.5	Effect of movement in exchange rates on cash held	9	7
4.6	Cash and cash equivalents at end of period	1,012	1,012

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,012	1,655
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,012	1,655

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

53

-

Payments at item 6.1 includes Board fee payments to Directors for their services during the quarter.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

N/A

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	21,165	2,822
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 7 December 2018, as part of the acquisition of Planet Gas USA, Inc, the Company assumed a debt facility from Macquarie Bank for a total facility limit of US\$15 million. Interest charged at Libor plus 5.5% on amount owed, standard parent company guarantees and a 3-year term commencing 7 December 2018.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(49)
9.5 Administration and corporate costs	(44)
9.6 Other (interest on loan facility)	(40)
9.7 Total estimated cash outflows	(133)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A	N/A	N/A	N/A
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A	N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:


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(Company Secretary)

Date: 30 April 2019

Print name: Jarrod Travers White

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.