



AGM Presentation 29 November 2019



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Corporate Overview

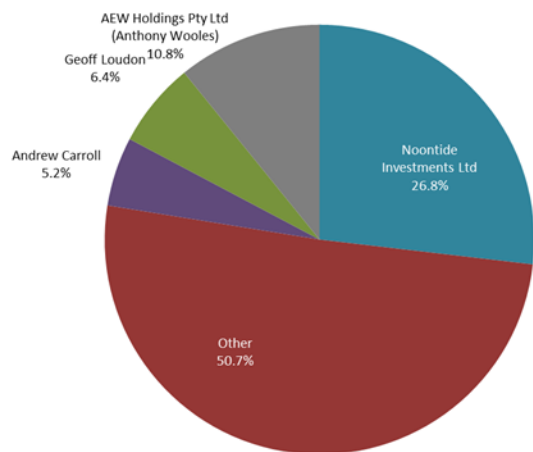
Capital Structure – HPR.ASX

	As at 25 November 2019
Ordinary Shares on Issue	189m
Market Capitalisation at \$0.10/share	\$18.9m
Cash Balance	\$1.1m
Royalco Resources stake (ASX: RCO)	\$1.3m

Share price from November 2017 to date



Shareholder Summary



Board

Andy Carroll	Non-Executive Chairman
Anthony Wooles	Non-Executive Director
Geoffrey King	Non-Executive Director

Why royalties?

Investing in energy sector without the Capex and Opex risks.

Generate strong cash flows and high yield returns.

Royalty companies have achieved high Price/earning multiples.

Directly linked to commodity prices.

Highly scalable with low fixed-overhead cost structures.

Three interesting models in the royalty market



- Franco Nevada acquired the first royalty for US\$2 million. Goldstrike has since produced in the order of 35 million ounces of gold and has paid Franco a royalty of circa US\$500,000,000
- Market cap now \$24 billion
- Known as gold royalty company but has significant earnings from oil royalties
- Pays 1% dividend
- P/E ratio of 92



- London based royalty company (LSE:APF) paid 6% dividend based on Kestrel coal royalty
- Increased market cap fourfold in 2015-2019 with four acquisitions
- Earnings increased 78% last year
- P/E ratio of 7 equivalent to a yield of 14% pa



GRESHAM
Gresham Resources Royalties Fund

- Established in Sydney, 2019
- Target \$150m and IPO
- Has raised circa \$80 million for initial Qld CSM royalty acquisition
- Circa 13% yield
- Seeking large mineral and energy royalties

Why royalties?

Why High Peak Royalties?

Specialists in identifying and acquiring low-cost opportunities with significant upside.

Proven deal finders and better deal makers.

A broad portfolio of royalties across Australia and the USA.

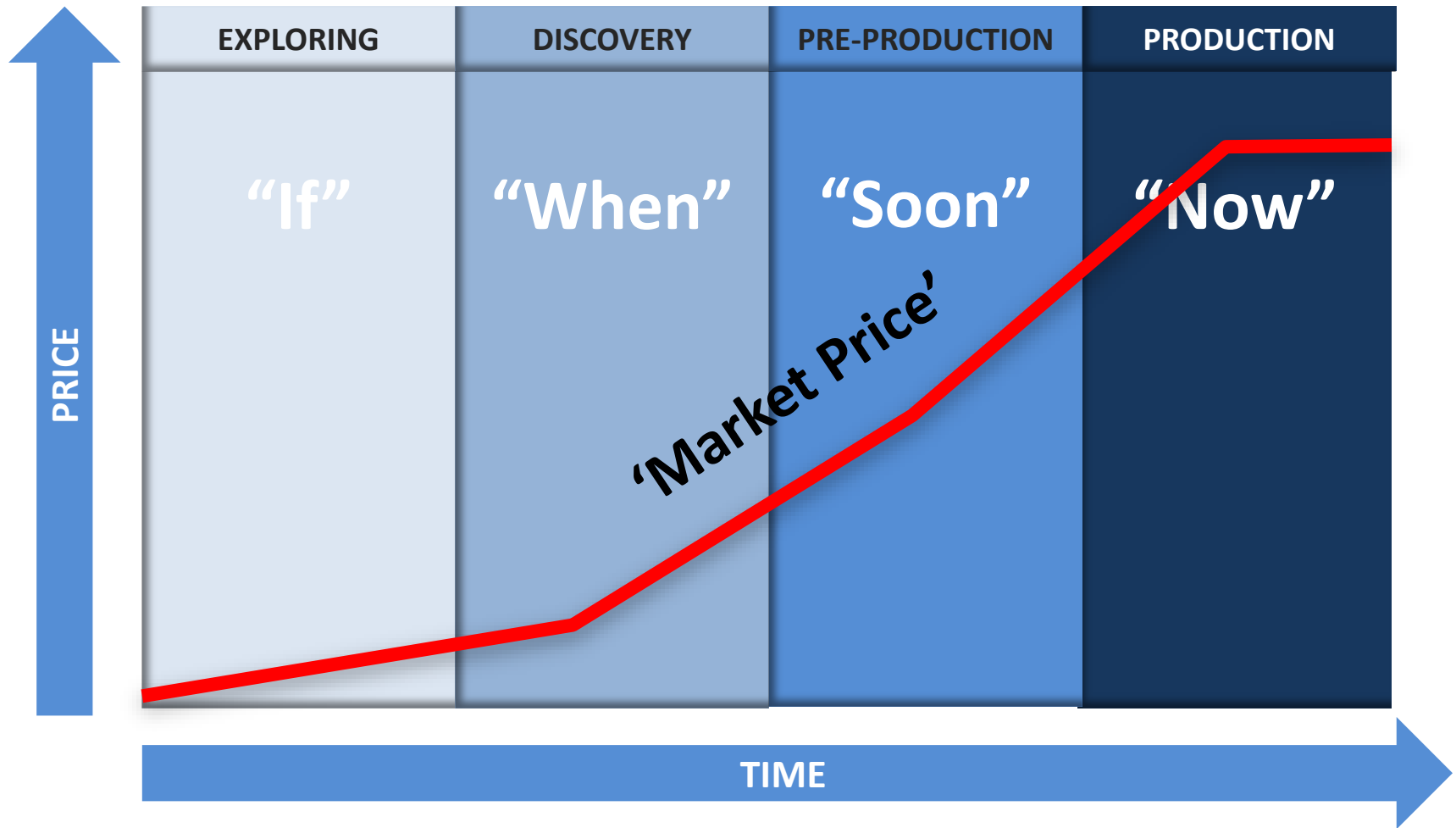
A balanced portfolio of exploration, development and producing assets.

Emerging from gestation period. Poised for growth.



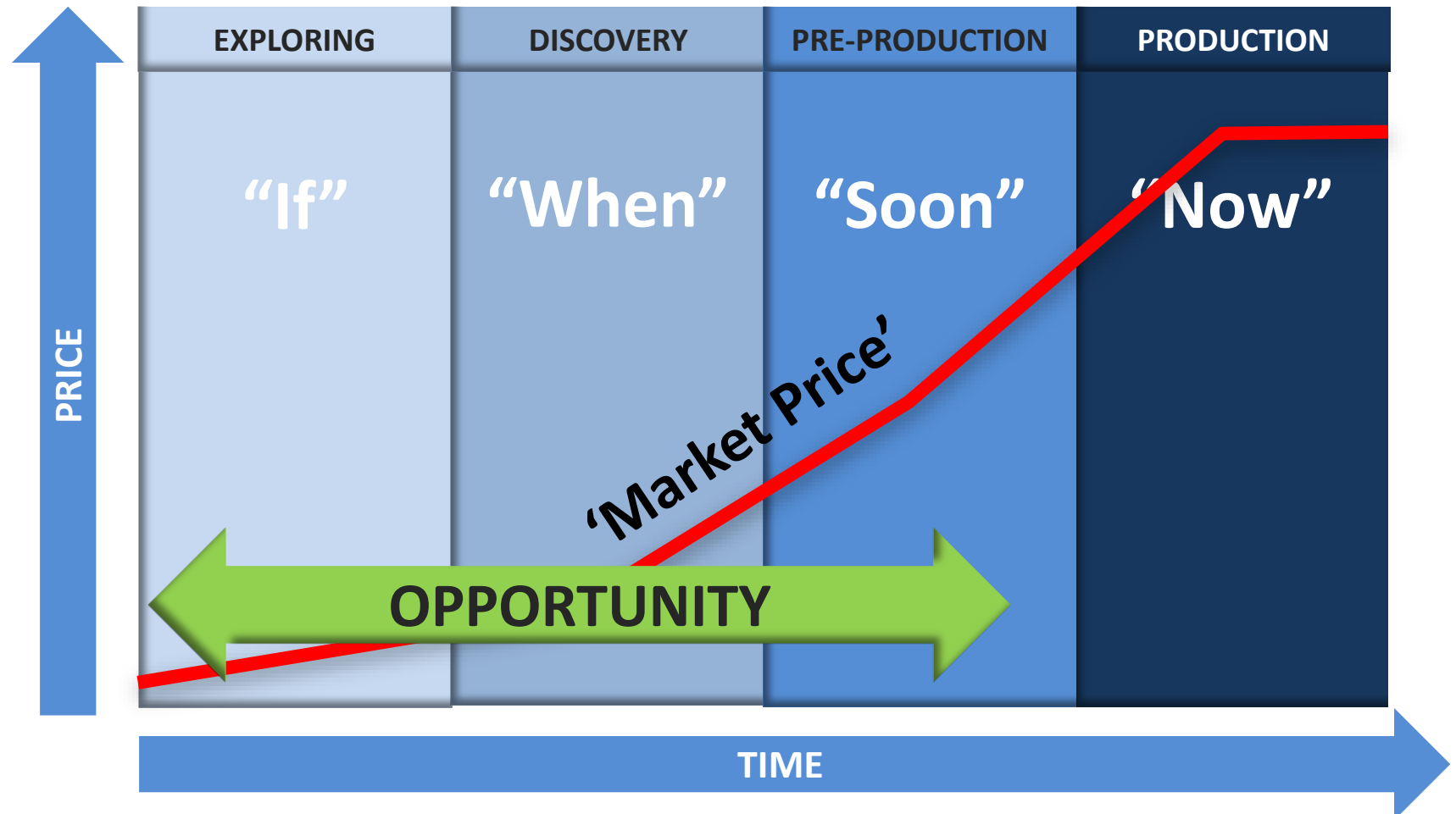
Not if, but when.

Royalties often unloved or undervalued at early stages or fully-priced when in production.

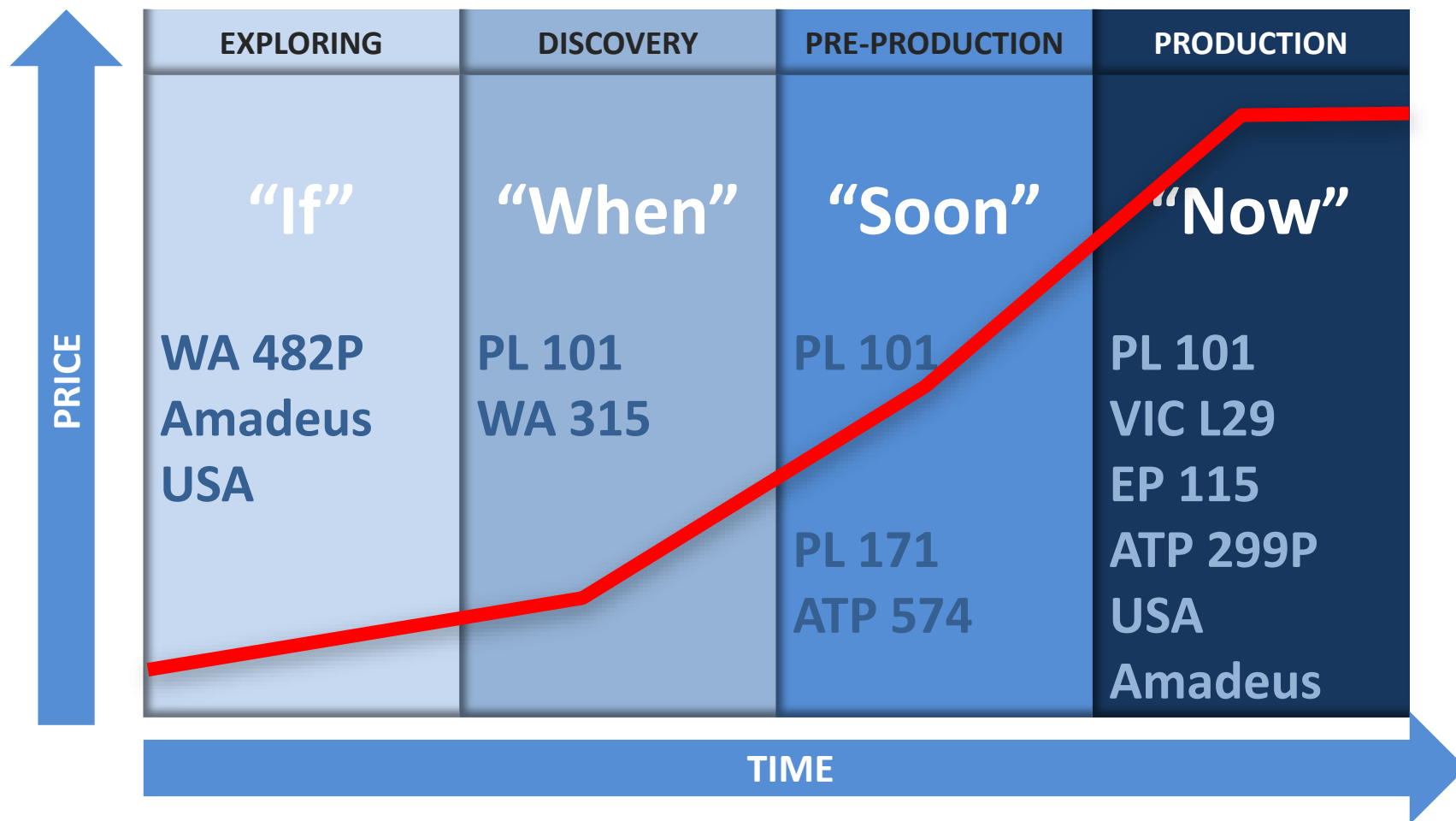


Difficult to value at pre-production – requires in-depth industry understanding of risks and potential.

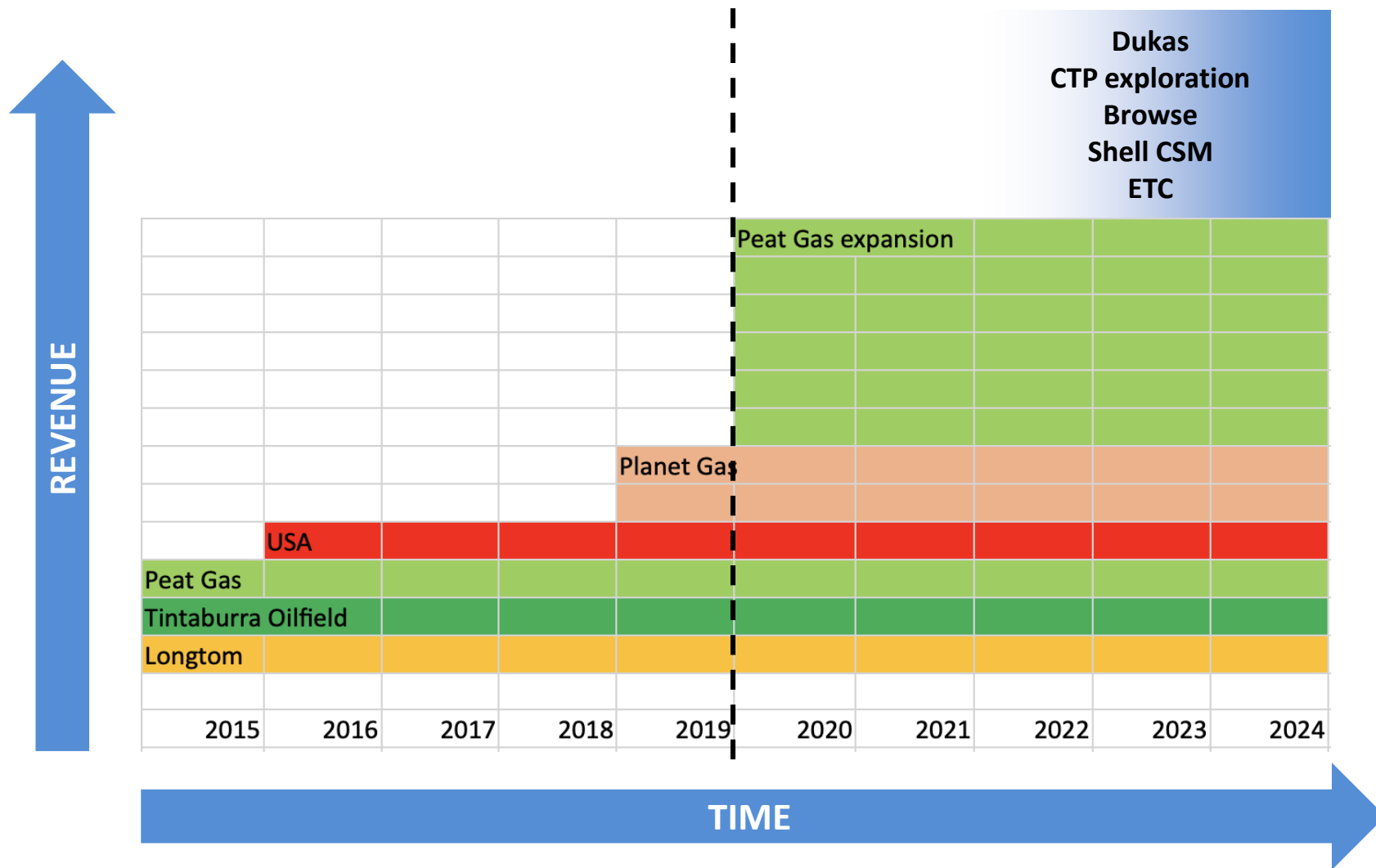
However, this is where the opportunity lies.



HPR has a balanced portfolio.

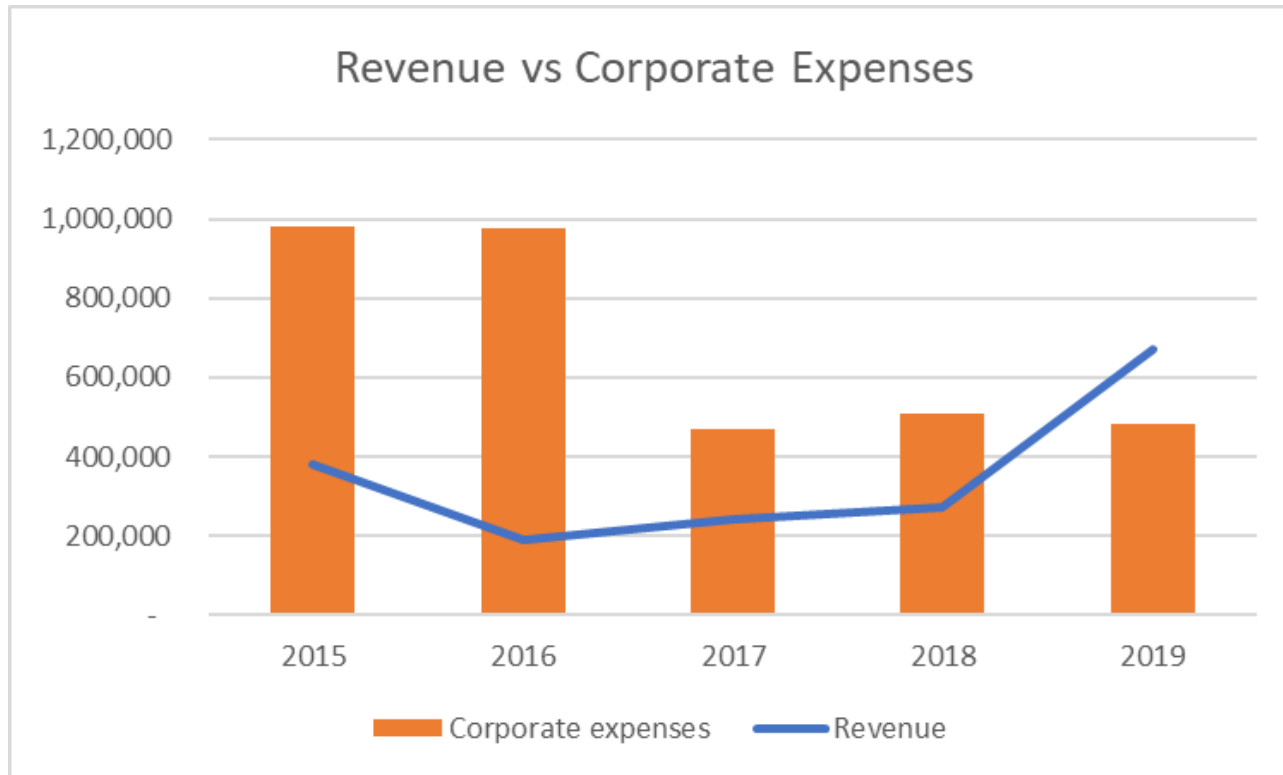


Revenue of current royalties increases over time.



*Revenue approximate, not to scale

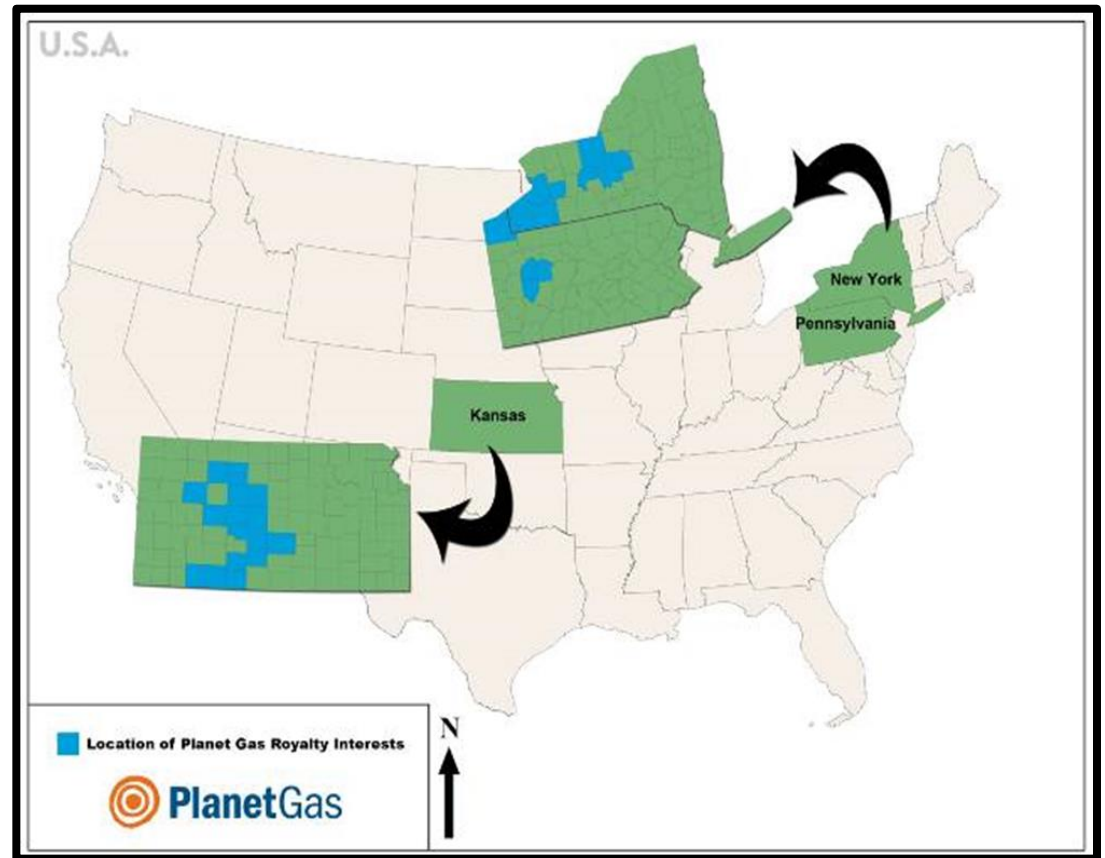
**Revenue increasing.
Costs under control.**



Case history 1.

USA production.

- Acquisitions through personal connections and local knowledge
- Oil and gas production
- Steady contribution to revenue
- Acquisition of Planet Gas completed Dec 2018
 - Boosted revenues.
 - Cost \$1 plus assumption of debt.



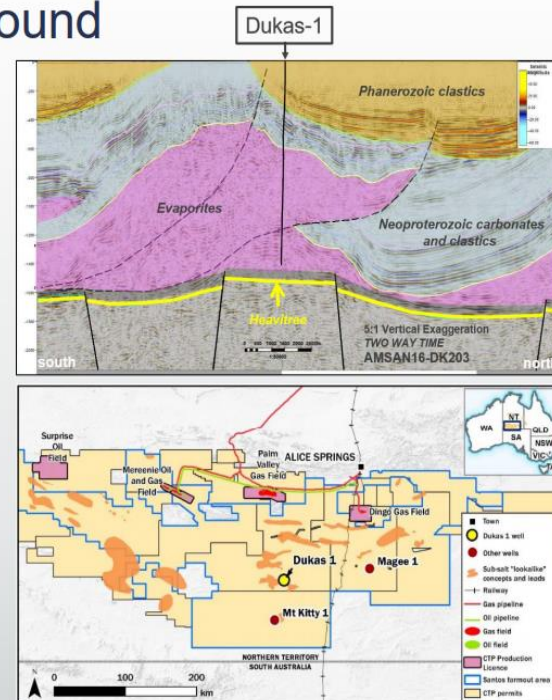
Case history 2.

Amadeus Basin, Northern Territory.

- HPR has royalties covering much of Amadeus basin
- Increasing drilling activity:
 - 2019 Santos drilled Dukas; “suspended, positive indicators”
 - 2020 active drilling by Central Petroleum including 29 million bbl target Mamlambo adjacent to Surprise oil field

Dukas-1 background

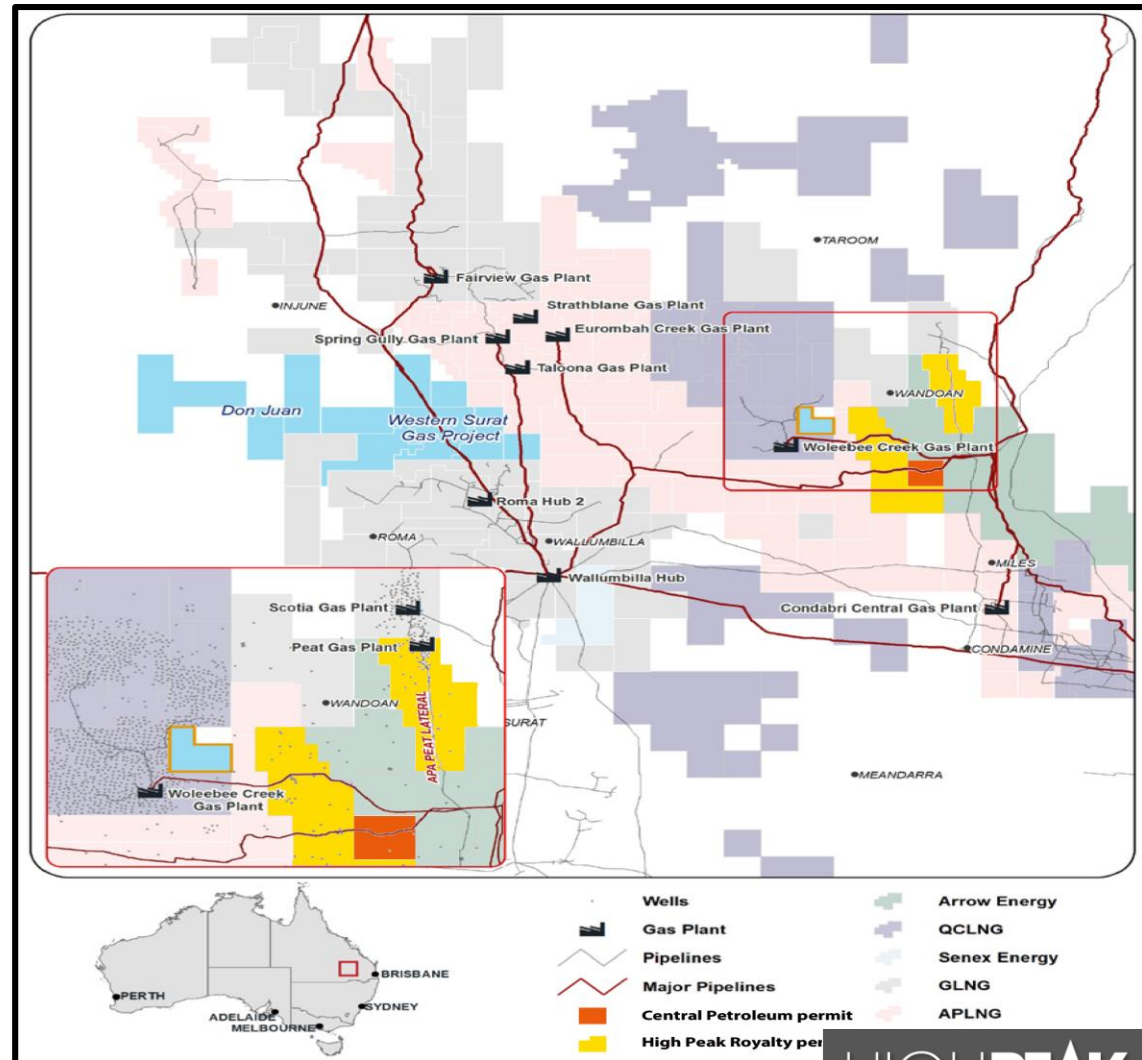
- The Dukas-1 exploration well is targeting the sub-salt section of the Amadeus Basin on a large regional high with multi-Tcf potential
- Extremely high pressure encountered at 3,700m, just above the primary target (approaching 10,000psi at surface)
- Drilling was suspended due to surface equipment constraints
- Drilling mud gas samples indicate hydrocarbons and inerts – reliable composition not determinable
- Positive indicators for:
 - efficient regional seal; and
 - working hydrocarbon system



Multiple large 'Dukas-like' features are seen throughout the Central portfolio. Success could unlock a major hydrocarbon play within the Amadeus Basin

Case history 3. Queensland.

- **Shell operated CSM**
 - Large resource to be developed
- **Origin operated PL 101**
 - Revenue from Peat Gas Field has already paid off 83% of acquisition
 - **Deep Bowen Basin drilled, will be flow-tested December 2019**
 - **Origin announced 6-10 fold increase in Peat Gas field commencing 2020**



What to expect in 2020...

- **Fitzroy (ASX: FZR) takeover bid for RCO provides potential profit and \$1.3 million cash if HPR accepts and bid completes**
- **Origin due to flow test deep Bowen Basin well in December 2019**
- **Origin has announced 6-10 fold increase in the Peat Gas Field in 2020 that could mean a significant increase in HPR revenue**
- **Central Petroleum plan to drill several wells in Amadeus including 29 million bbl target**
- **Ongoing Shell CSM development may include HPR royalty areas.**
- **Longtom-5 to be drilled and Longtom back on production**
- **Continued growth through acquisitions**

High Peak Royalties. Poised for growth.

1. Invest in energy sector without Capex and Opex risks.

2. High Peak has a compelling and proven business model.

3. Strong board and management team with proven track record.

5. A well balanced portfolio with significant upside.

6. Multiple growth options as investments move forward, increasing production and revenue.

Summary of Royalty Interests

Project / Property Production / Near Term Production	State	Location	Royalty Interest	Operator / Owner
Peat Gas Field (PL 101)	QLD	Onshore, Bowen Basin	2.13%	Origin
Longtom Gas Condensate Field (VIC L29)	VIC	Offshore, Gippsland Basin	0.30%	SGH Energy
Tintaburra Oil Field (ATP 299P)	QLD	Onshore, Cooper/Eromanga Basin	3.6/4.0%	Santos
Surprise (PL 6)	NT	Onshore, Amadeus Basin	1.00%	Central Petroleum
United States	USA	East Texas, Permian + Texas Gulf Basins	Various	Various
Planet Gas USA Inc. Royalties	USA	Pennsylvania, New York and Kansas	3.00%	Empire Energy
Development				
PL 171	QLD	Onshore, Surat Basin	2.50%	Shell QGC
ATP 574	QLD	Onshore, Surat Basin	2.50%	Shell QGC
Exploration				
Gemfish (VIC L29) / Longtom West (VIC P54)	VIC	Offshore, Gippsland Basin	0.30%	SGH Energy
Poseidon (WA 315-P)	WA	Offshore, Bowen Basin	0.10%	Conoco Phillips
WA 314-P	WA	Offshore, Bowen Basin	0.10%	Karoon Gas
WA-482-P	WA	Offshore, Carnarvon Basin	0.20%	Santos
EP(A)111, EP115, EP(A)120 and EP(A) 124	NT	Onshore, Amadeus Basin	1.00%	Central Petroleum
EP112, EP115NM and EP125	NT	Onshore, Amadeus Basin	1.00%	Santos
EP156 and EP(A)155 (Impaired 2019)	NT	Onshore, Amadeus Basin	2.00%	Mosman Oil and Gas
GELs 571, 572, 573 and 574	SA	Onshore, Torrens Basin	100%	High Peak

Thank you

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Joint Company Secretary



High Peak Royalties. Where to from here?