

HIGH PEAK ROYALTIES LIMITED

Investor Presentation

June 2014



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HIGH PEAK OVERVIEW

Key Points

- 1** Leading ASX listed royalty company with offices in Perth & Sydney
- 2** Oil & gas focus with diversified exposure across Australia's major oil & gas basins
- 3** Four royalties set to generate earnings in CY2014
- 4** Transformational exposure to two large scale CSG/LNG development projects
- 5** Strong board and management team actively pursuing value adding growth

CORPORATE OVERVIEW

Capital Structure & Shareholder Base

Capital Structure	
Shares on Issue	166.8m
Share Price (26 June 2014)	\$0.20
Market Capitalisation	\$33.4m
Cash	\$6.0m
Debt	\$0.0m
Net Cash	\$6.0m
Enterprise Value	\$27.4m

Key Shareholders	
Anthony Wooles	10.2%
Anglo Pacific	7.4%
Geoff Loudon	7.3%
MPS Super Fund	5.6%
Andy Carroll	4.7%
Top 20 Shareholders	65.2%
Total Shareholders	~1,400

Options

Listed	Exp 15 April 2017, Ex \$0.35	12.9m
Unlisted	Exp 30 June 2015, Ex \$0.83	0.4m
Total		13.2m

BOARD & MANAGEMENT TEAM

Strong Team with Proven & Complementary Expertise

**Anthony
Wooles**

Non-Executive Chairman

- ▶ Wharton Finance MBA
- ▶ Founded and subsequently sold ASX listed PearlStreet to Campbell Bros. for \$108m
- ▶ Chairman of Bhagwan Marine

**Geoffrey
King**

Non-Executive Deputy Chairman

- ▶ Lawyer with over 37 years international oil & gas experience
- ▶ Special adviser to PNG government on large scale resource developments

**Andy
Carroll**

Non-Executive Director

- ▶ Engineer with over 30 years international oil & gas experience
- ▶ Former roles with Dome Petroleum / Amoco Canada, Ampolex & InterOil

**John
Theobald**

Non-Executive Director

- ▶ Engineer with honours in geology
- ▶ Former CEO of LSE listed royalty group Anglo Pacific

**Nigel
Hartley**

Non-Executive Director

- ▶ Over 25 years experience in the natural resources sector
- ▶ Previously served as CFO of ASX listed Oil Search for 12 years

**Howard
McLaughlin**

Non-Executive Director

- ▶ Geologist with extensive experience in international hydrocarbons
- ▶ Former MD of ASX listed Antares Energy & former VP-Global Exploration for BHP B

**Steven
Larkins**

Chief Executive Officer

- ▶ Commerce and legal qualifications
- ▶ Former investment banker having held senior roles at Commonwealth Bank & Goldman Sachs JBWere

**Jarrod
White**

CFO & Co-Company Secretary

- ▶ Chartered Accountant
- ▶ Director of private accounting firm Traverse Accountants

THE ROYALTY BUSINESS MODEL

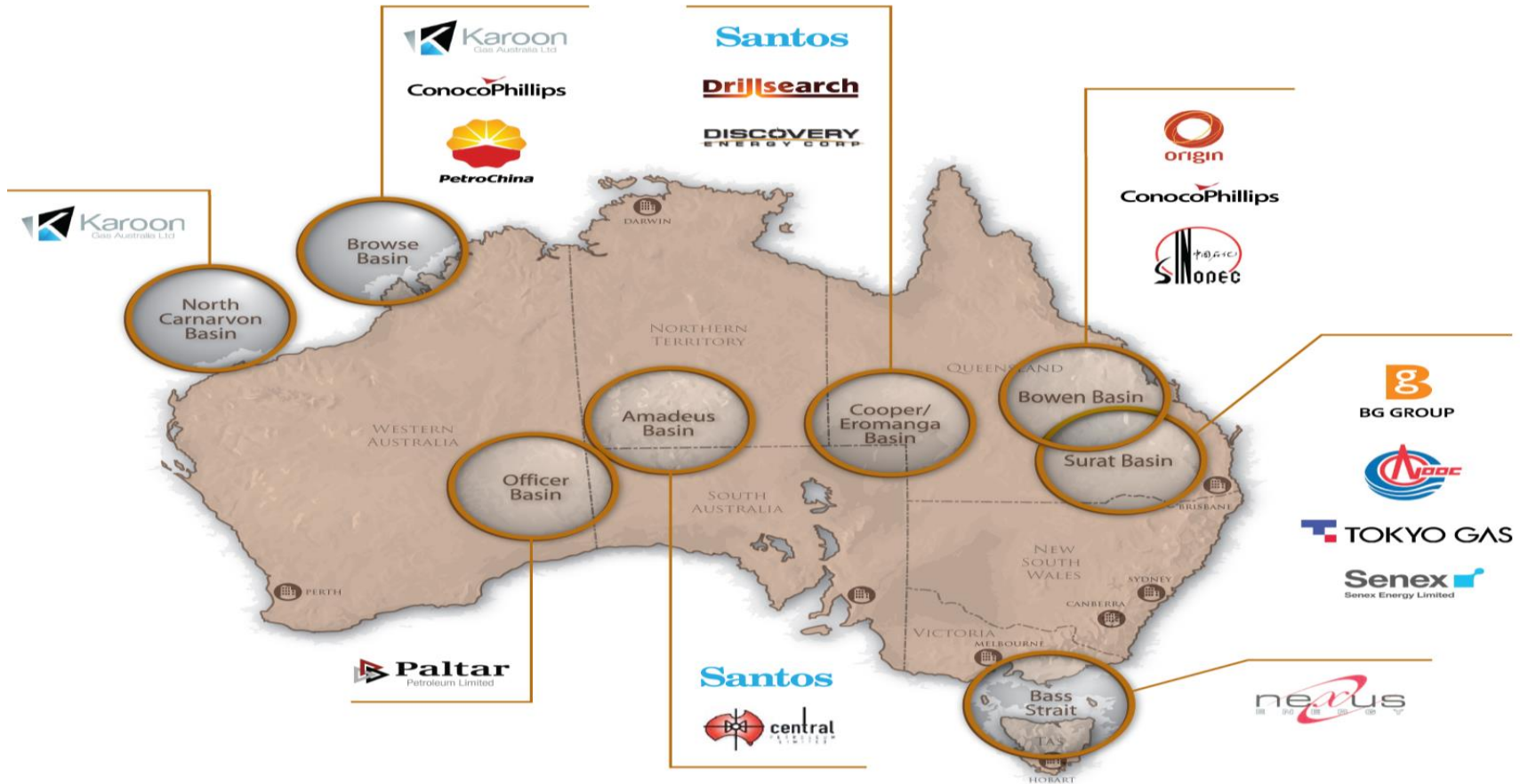
Superior Investor Returns

- 1 Secure attractive commodity price & project leverage**
- 2 Avoid typical E&P capex & opex risks borne by project owners**
- 3 Gain long term optionality & future upside to exploration and/or production success**
- 4 Scale business to deliver significant operational leverage given low fixed overheads**
- 5 Generate strong cashflows & high yield dividend returns**

Significant opportunity to replicate international listed royalty company success on ASX

ROYALTY PORTFOLIO

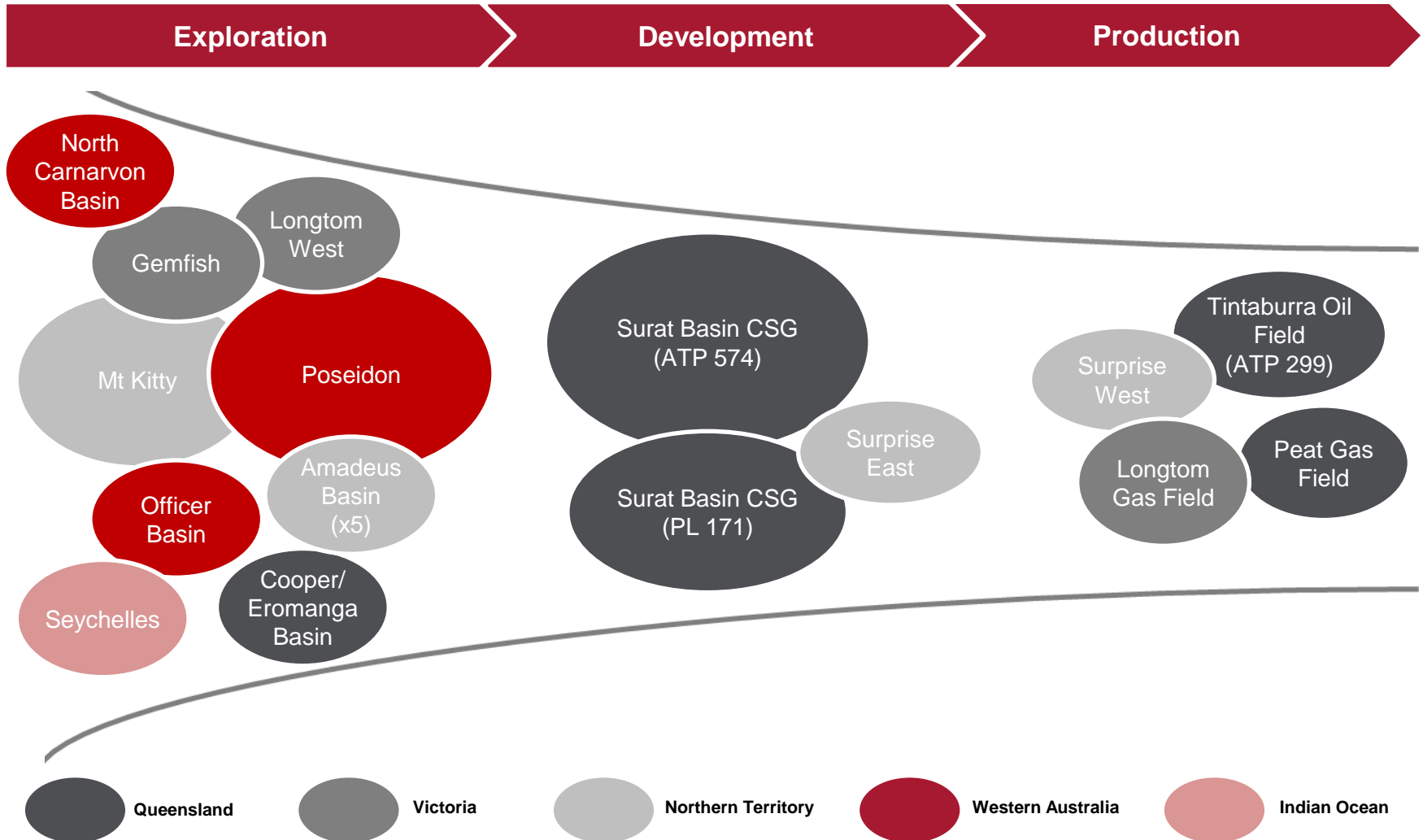
Diversified Exposure Across Australia's Major Oil & Gas Basins



**Key royalties with high quality project operators
Including some of the world's leading oil & gas companies**

ROYALTY PIPELINE

Well Balanced Pipeline with Strong Growth Prospects



PRODUCTION ROYALTIES

Strong Platform



Project	Peat Gas Field (PL 101)	Longtom Gas Field (VIC L29)	Tintaburra Oil Field (ATP 299P)	Surprise West (EP 115)
Location	QLD Bowen Basin	VIC Gippsland Basin	QLD Cooper/Eromanga Basin	NT Amadeus Basin
Commodity	CSG	Oil	Oil	Oil
Status	Production	Production	Production	Development
Royalty Interest	2.1% Overriding Royalty	0.3% Gross Overriding Royalty	3.8% Net Profit Interest	1.0% Overriding Royalty
Area	~240km ²	~400km ²	~1,800km ²	~4,500km ²
Reserve/ Resource ^{1,2}	~135PJ (2P)	~130PJ	~5.5MMbbl	~1MMbbl (2P)
Project Life ²	+10 years	+5 to 8 years	+10 years	+5 to 10 years

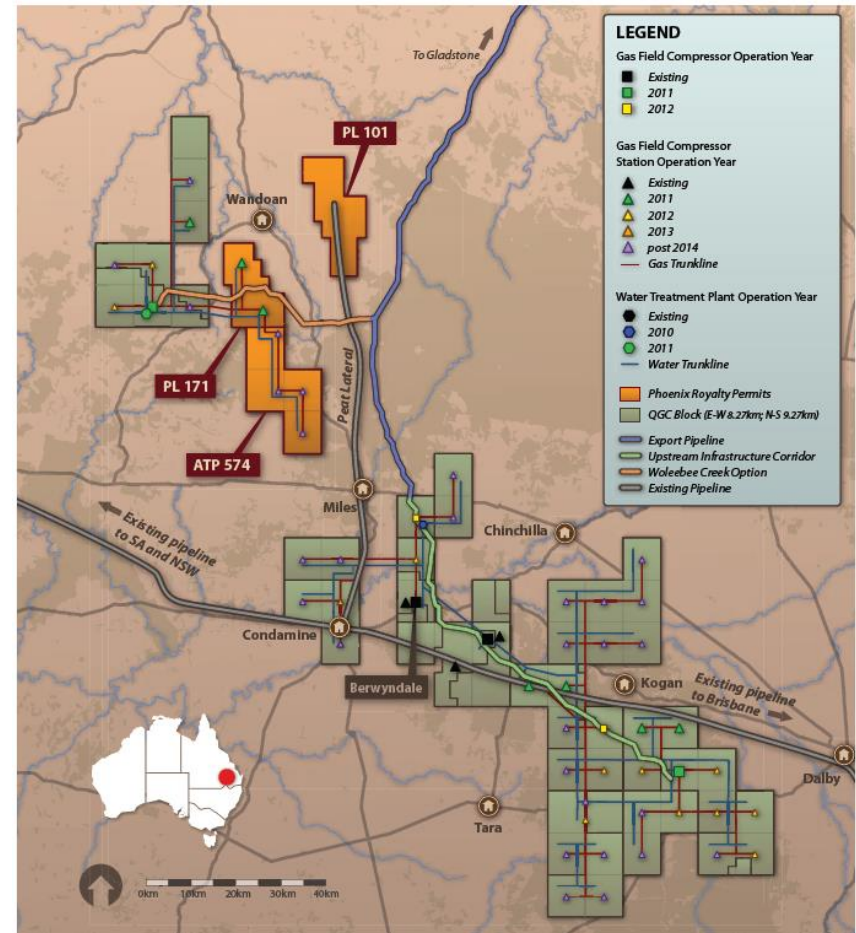
Stable long term earnings base covering operating costs by FY15 with Tintaburra (ATP 299P) royalty income set to significantly increase post amortisation of recent project capex

KEY DEVELOPMENT ROYALTIES

Transformational Potential



Project	PL 171 & ATP 574
Location	QLD Surat Basin
Commodity	CSG
Status	Development
Royalty	2.5% ORR
Area	~400km ²
Reserve/ Resource ^{1,2}	~600PJ (gas in place)
Project Life ²	+10 to 20 years



Set to generate sizeable long term earnings with development of QGC's Gladstone LNG Project

RECENT PORTFOLIO DEVELOPMENTS

Multiple Valuation Catalysts

- | | | | |
|---|--|---------------|---|
| 1 | Ophir to farm-in to 75% of WHL Energy's Seychelles project | 4 March 2014 | ✓ |
| 2 | Central Petroleum commences production at Surprise West oil field | 13 March 2014 | ✓ |
| 3 | Santos delivers encouraging exploration results at Mt Kitty with potential world class helium fairway discovered | 15 April 2014 | ✓ |
| 4 | Apache to farm-in to 50% of Karoon's Carnarvon Basin permit | 16 May 2014 | ✓ |
| 5 | Origin to acquire Karoon's 40% interest in Poseidon gas discovery | 2 June 2014 | ✓ |
-

UPCOMING PROJECT ACTIVITY

Exciting Next 12 Months Ahead

Project	Activity	Operator	2014		2015	
			Q3	Q4	Q1	Q2
Mt Kitty-1, Amadeus Basin	Testing		★			
CSG Royalties (PL 171, ATP 574), Surat Basin	Appraisal Drilling & QCLNG First Export		★	★		
Surprise East, Amadeus Basin	Appraisal Drilling			★		
Carnarvon Basin	Exploration Drilling					★
Seychelles, Indian Ocean	Drill Participation Decision					★

STRATEGIC FOCUS

Value Adding Growth

1

Expand Royalty Portfolio

- ▶ Preference for production and/or near term production royalties
 - ▶ Strategically consider royalties with significant optionality
 - ▶ Focus on Australia and other favourable investment jurisdictions
-

2

Diversify into Metals & Mining

- ▶ Seek to gain attractive exposure to metal & mining commodities
 - ▶ Leverage external experts
 - ▶ Develop in-house expertise
-

3

Maximise Shareholder Value

- ▶ Maintain very high standards of investment decision making & risk management
 - ▶ Prudently manage costs to enhance operational leverage
 - ▶ Build underlying asset value on an accretive basis
 - ▶ Develop strong earnings to enable attractive cash returns
-

Objective is to deliver shareholders strong equity market & cash returns

EXPANDING THE ROYALTY PORTFOLIO

Multiple Growth Options

1

Acquire Existing Royalties

- ▶ Original project vendors
- ▶ Property owners
- ▶ Past corporates (large & small)

2

Finance New Royalties

- ▶ Provide finance in exchange for royalty so project owner can advance project which ultimately enhances royalty value
- ▶ Enables project owners (i.e. shareholders) to avoid equity dilution
- ▶ Increasing demand from project owners in currently weak capital market

3

Generate New Royalties

- ▶ Gain attractive tenure and then divest whilst retaining royalty interest

4

Consolidation

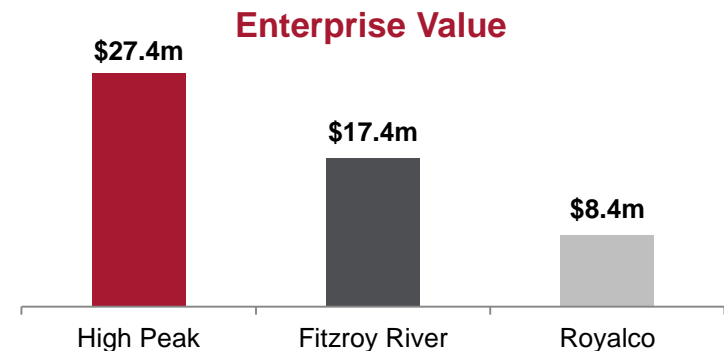
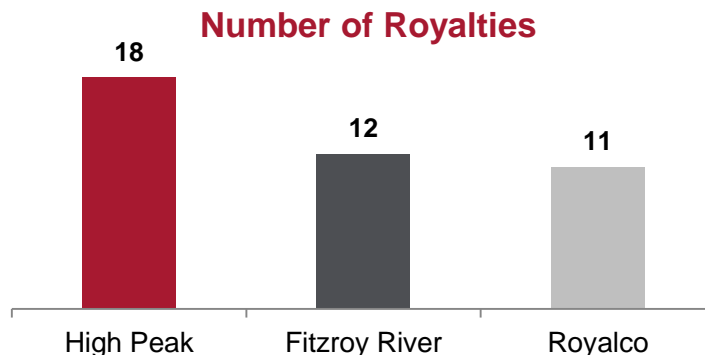
- ▶ Acquisition of other royalty companies

Strong deal pipeline with 14 potential royalty deals actively being advanced

ASX BENCHMARKING

Attractive Value Relative to Other ASX Royalty Exposures

	Royalco (ASX:RCO)	Fitzroy River (ASX:FZR)	High Peak (ASX:HPR)
Mkt Cap	\$13.2m	\$29.5m	\$33.4m
Net Cash	\$4.8m	\$12.1m	\$6.0m
Enterprise Value	\$8.4m	\$17.4m	\$27.4m
Key Commodity Exposure	Oil & Gas	Oil & Gas	Oil & Gas
Number of Royalties	11	12	18
Production Royalties (2014)	1	1	4
Key Geographic Exposure	Victoria	Western Australia	Australia Wide



SUMMARY

Compelling Investment Proposition

- 1** Leading ASX listed royalty company with strong platform
- 2** Strong board & management team focused on value adding growth
- 3** Well balanced royalty portfolio with significant upside
- 4** Multiple on-going valuation catalysts announced with more expected in near term
- 5** Strong deal pipeline being actively advanced
- 6** Attractively valued to other listed ASX royalty exposures and international peers

APPENDIX A: SUMMARY OF ROYALTY INTERESTS

Project / Property	State	Location	Royalty Interest	Royalty Type	Operator/Owner
Production / Near Term Production					
Peat Gas Field (PL 101)	QLD	Onshore, Bowen Basin	2.10%	ORR	Origin
Longtom Gas Condensate Field (VIC L29)	VIC	Offshore, Gippsland Basin	0.30%	GOR	Nexus
Tintaburra Oil Field (ATP 299P)	QLD	Onshore, Cooper/Eromanga Basin	3.80%	NPI	Santos
Surprise West (EP 115)	NT	Onshore, Amadeus Basin	1.00%	ORR	Central Petroleum
Surprise East (EP 115)	NT	Onshore, Amadeus Basin	1.00%	ORR	Central Petroleum
Development					
PL 171	QLD	Onshore, Surat Basin	2.50%	ORR	QGC/BG Group
ATP 574	QLD	Onshore, Surat Basin	2.50%	ORR	QGC/BG Group
Exploration					
Gemfish (VIC L29)	VIC	Offshore, Gippsland Basin	0.30%	GOR	Nexus
Longtom West (VIC P54)	VIC	Offshore, Gippsland Basin	0.30%	GOR	Nexus
Poseidon (WA 315)	WA	Offshore, Browse Basin	0.10%	ORR	Conoco Phillips
Grace (WA 314)	WA	Offshore, Browse Basin	0.10%	ORR	Conoco Phillips
WA 482P	WA	Offshore, Carnarvon Basin	0.20%	ORR	Karoon Gas
EPA-111,EPA-120, EPA-124	NT	Onshore, Amadeus Basin	1.00%	ORR	Central Petroleum
EP-112, EP-118, EP-125, Mt Kitty	NT	Onshore, Amadeus Basin	1.00%	ORR	Santos
PEL 512	NT	Onshore, Cooper/Eromanga Basin	1.30%	ORR	Discovery Energy Corp
EP 468 (WA)	WA	Onshore, Officer Basin	2.00%	ORR	Paltar
Seychelles	Seychelles	Seychelles, Indian Ocean	0.07%	ORR	WHL Energy

APPENDIX B: OVERVIEW OF KEY ROYALTIES

Queensland CSG Royalties



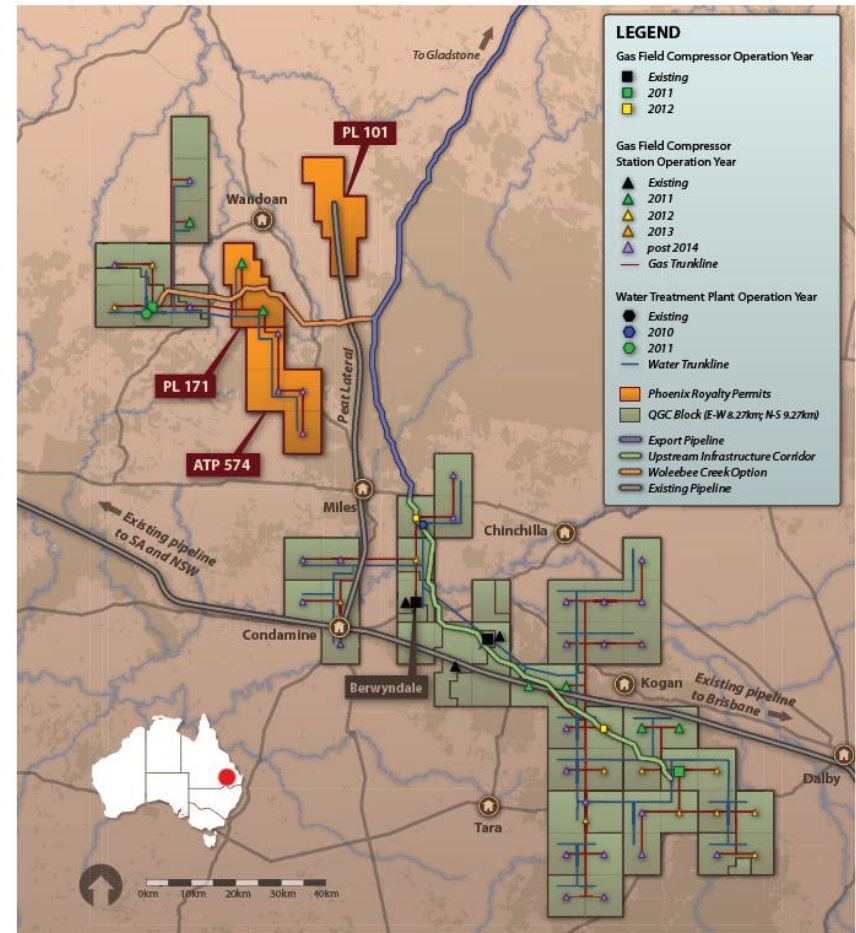
Peat Gas Field (PL 101)



PL 171

ATP 574

Royalty	2.1% ORR	2.5% ORR
Location	QLD Bowen Basin	QLD Surat Basin
Commodity	CSG	CSG
Status	Production	Development
Area	~240km ²	~400km ²
Reserve/Resource ^{1,2}	~135PJ (2P)	~600PJ (gas in place)
Project Life ²	+10 years	+10 to 20 years



CSG development royalties have ability to generate sizeable long term earnings with development of QGC's Gladstone LNG Project

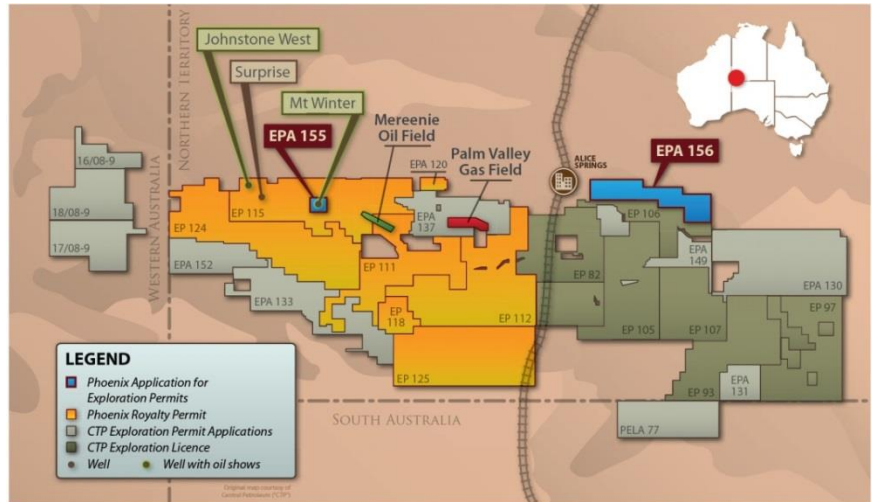
APPENDIX B: OVERVIEW OF KEY ROYALTIES

Amadeus Basin



Santos

	Surprise West (EP 115)	Surprise East (EP 115)	Mt Kitty, EP-112, EP-118, EP-125
Royalty	1% ORR	1% ORR	1% ORR
Location	NT Amadeus Basin	NT Amadeus Basin	NT Amadeus Basin
Commodity	Oil	Oil	Oil
Status	Production	Production expected late 2014	Exploration
Area	~4,500km ²	~4,500km ²	~30,000km ²
Reserve/ Resource^{1,2}	~1.1MMbbl (2P)	n/a	n/a
Project Life²	+5 to 10 years	+5 to 10 years	n/a



Comprehensive coverage across an emerging basin with current royalty cash flow and significant exploration leverage especially at Mt Kitty

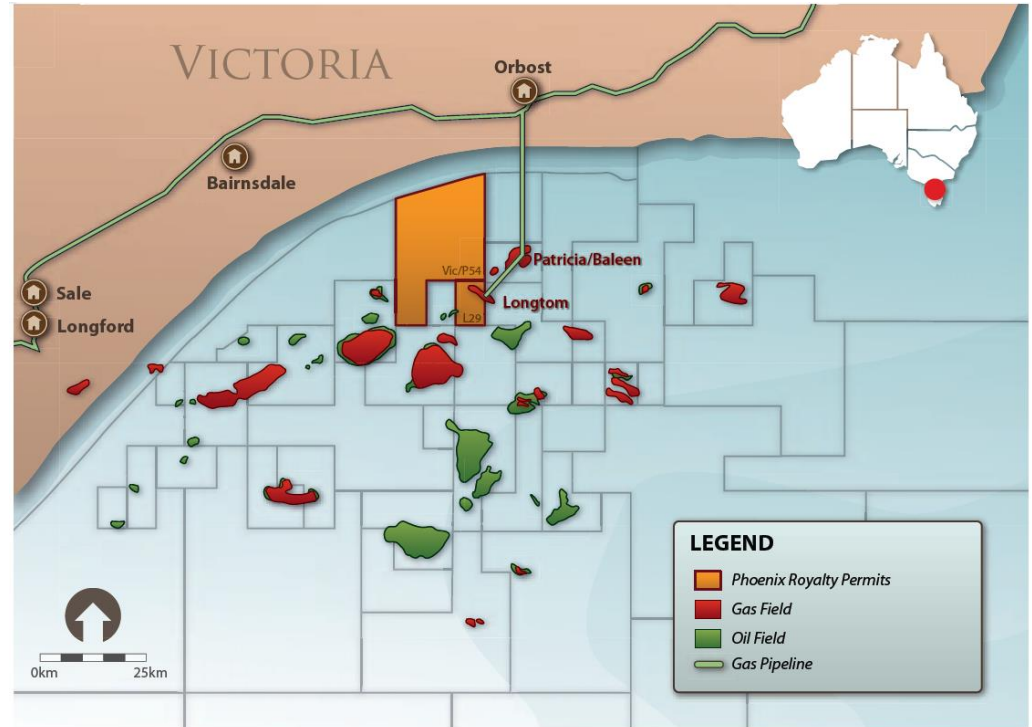
APPENDIX B: OVERVIEW OF KEY ROYALTIES

Gippsland Basin



Longtom (VIC L29)

Royalty	0.3% GOR
Location	VIC Gippsland Basin
Commodity	Oil
Status	Production
Area	~400km ²
Reserve/ Resource ^{1,2}	~130PJ
Project Life ²	+5 to 8 years



Longtom is a strategic asset with strong regional exploration potential

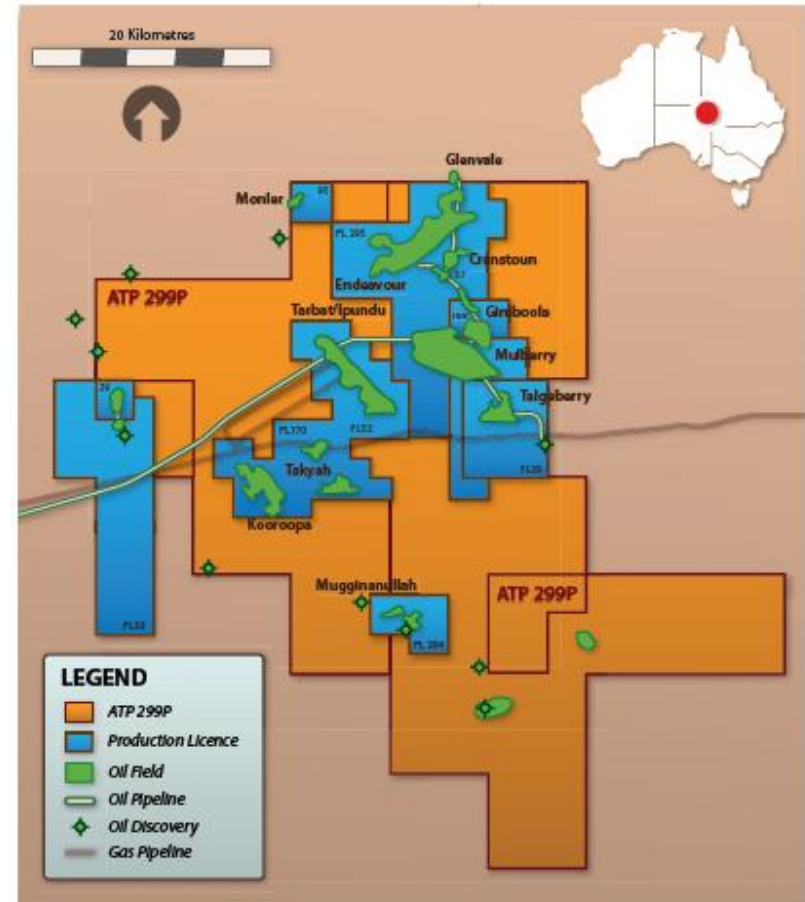
APPENDIX B: OVERVIEW OF KEY ROYALTIES

Cooper/Eromanga Basin

Santos

Tintaburra (ATP 299P)

Royalty	3.8% NPI
Location	QLD Cooper/Eromanga Basin
Commodity	Oil
Status	Production
Area	~1,800km ²
Reserve/ Resource ^{1,2}	~5.5MMbbl
Project Life ²	+10 years



Proven long life field with royalty income set to significantly increase post amortisation of recent project capex

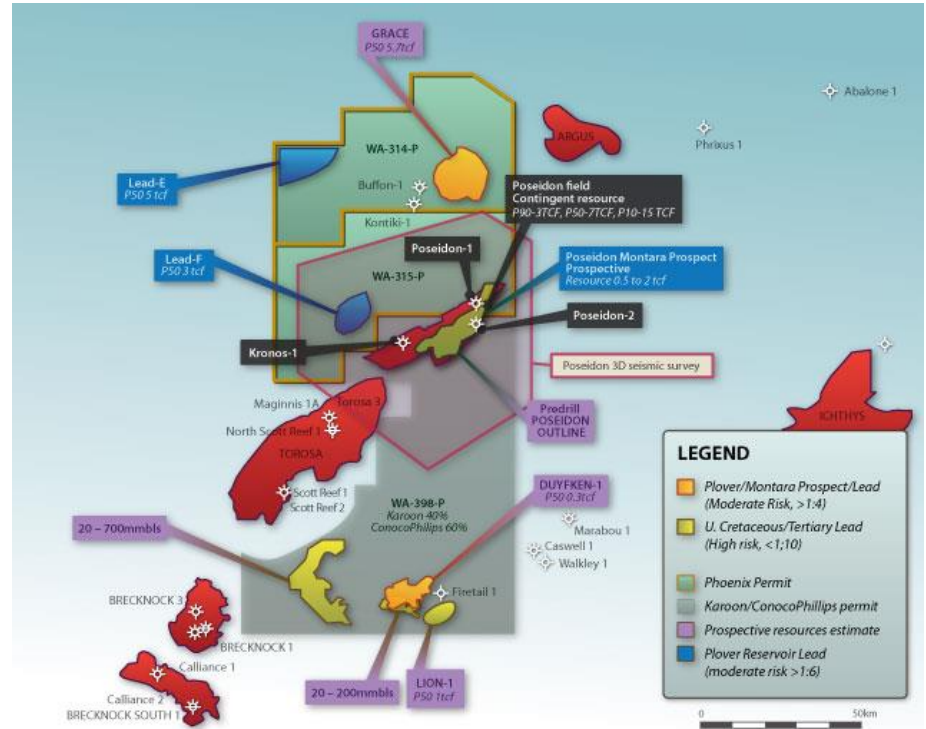
APPENDIX B: OVERVIEW OF KEY ROYALTIES

Browse Basin



Poseidon (WA 315P & WA314P)

Royalty	0.1% ORR
Location	WA Carnarvon Basin
Commodity	LNG
Status	Exploration
Area	~4,000km ²
Reserve/ Resource ^{1,2}	~7TCF
Project Life ²	+10 to 20 years



Origin's recent agreement to acquire Karoon's 40% interest of the permit highlights strategic value and commercialisation prospects of Poseidon gas discovery

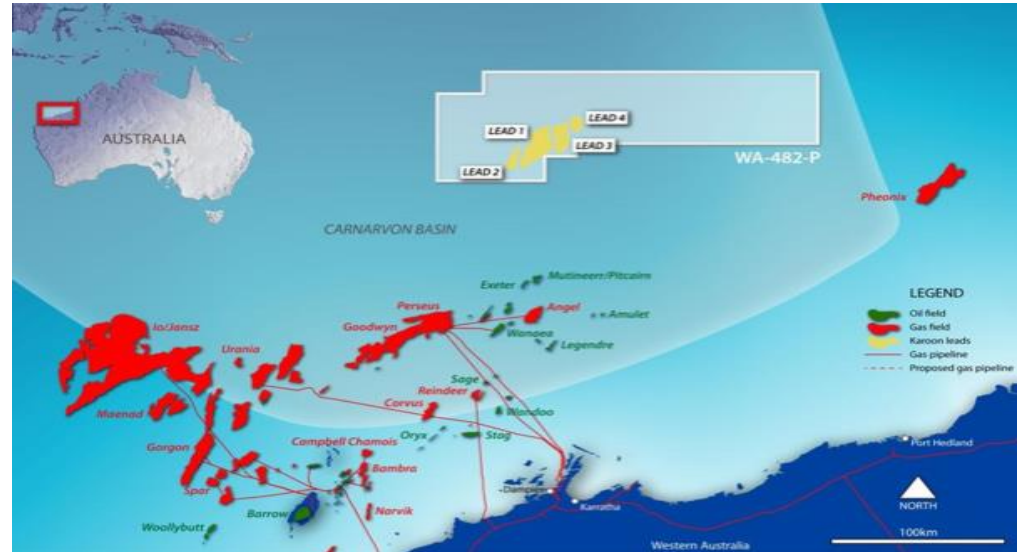
APPENDIX B: OVERVIEW OF KEY ROYALTIES

North Carnarvon Basin



WA 482P

Royalty	0.2% ORR
Location	WA North Carnarvon Basin
Commodity	LNG
Status	Exploration
Area	~13,359km ²
Reserve/ Resource ^{1,2}	~7TCF
Project Life ²	+10 to 20 years



Recent farm-in by Apache highlights prospectivity of permit with exploration well to be drilled first half of 2015