



31 January 2024

December 2023 QUARTERLY REPORT

High Peak Royalties (ASX: **HPR**) (**High Peak** or **Company**) is pleased to announce the December Quarter Statement of Activity and Cash Flows.

ROYALTY PORTFOLIO UPDATE

Overall Royalty Receipts and Operating Cashflows

December quarter gross receipts were A\$301,000 (including US royalty receipts of A\$151,597) which resulted in positive net cash receipts of A\$125,000 (after operating outflows for the quarter). Closing cash balances across the Group at the end of the December quarter were A\$1,113,956.

Interest paid during the period for the Macquarie Bank Financing Facility was A\$48,000. Principal of US\$250,000 was repaid in the quarter, resulting in US\$750,000 (A\$1,096,491) owing on the facility at 31 December 2023.

During the quarter there were no material operating outflows that were not in the ordinary course of activities. These included outgoings of A\$41,000 of payments to related parties for director fees, as noted in Item 6.1 of the Appendix 5B.

Northern Territory Royalty Update

There were no material developments with respect to local projects/permit areas that the Company has a royalty right to.

Queensland

The Company continues to monitor progress over its PL171 and ATP574P (Peat Gas Field) royalties operated by Shell. During the quarter, the Company received \$87,500 in royalty receipts from Origin in relation to production achieved from the Peat Gas Field for the quarter ended 30 September 2023 (noting that royalty proceeds are physically received after the quarter to which they relate).

General

High Peak continues to engage with permit holders and/or operators and monitor activities completed on the underlying permits relevant to its royalty portfolio.

EXPLORATION ASSETS

The Company continues to work with the Department for Energy and Mining in South Australia (**DEM**) to progress the applications to retain areas relinquished as a result of the recent renewal of GEL 571, 572, 573 and 574. The GEL licenses and applications for relinquished ground are held by the Company's wholly owned subsidiary Torrens Energy (SA) Pty Ltd (**Torrens Energy**).

Executive Chairman, James Knowles, conducted a three-day site visit to the well sites located on the Company's GEL 571, 572, 573 and 574. The site visit was conducted in conjunction with DEM, and the Company is pleased



to announce that no material issues were identified, however several minor maintenance fixes are required to be completed on one well. It is expected that the maintenance will be completed in the next quarter.

The Company is also continuing to engage with stakeholders to finalise the Statement of Environment Objectives (**SEO**) as required under the *Petroleum and Geothermal Energy Act 2000* and associated regulations, and the Environmental Impact Report (**EIR**).

The Company will provide further updates on the applications, the SEO and EIR in due course.

CORPORATE UPDATE

2023 Annual General Meeting - Results

All resolutions pertaining to the Company's Annual General Meeting of Shareholders, held on Thursday, 16 November 2023 at 11:00am (AEDT) were put to a poll and all resolutions were carried. The shareholder approval also includes the equity incentives granted to Mr James Knowles (Executive Chairman) in recognition of his appointment., further information can be located in the Notice of Meeting released to the ASX on 13 October 2023.

RECENT ANNOUNCEMENTS

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

Date	Announcement
3 October 2023	Corporate Update
10 October 2023	2023 Annual General Meeting
13 October 2023	Appendix 3Y
13 October 2023	Notice of Annual General Meeting/Proxy Form
31 October 2023	September Quarterly Appendix 5B and Activities Report
16 November 2023	Proposed issue of securities - HPR
16 November 2023	Results of Meeting
17 November 2023	Notification regarding unquoted securities - HPR
5 December 2023	Appendix 3Y
11 December 2023	Appendix 3Y
19 December 2023	Appendix 3Y
28 December 2023	Appendix 3Y
5 January 2024	Appendix 3Y
25 January 2024	Appendix 3Y

This announcement has been approved by the Board of Directors.

For enquiries please contact:

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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	3.6/4.0	Santos
Petroleum Leases: PL29, PL38, PL39, PL52, PL57, PL95, PL169, PL170, PL293, PL294, PL295 and PL298		
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-90-R / WA-91-R (formerly WA-315-P) Poseidon Field	0.10	Santos
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
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
ML 04/244 and ML 04/249 Admiral Bay, Canning Basin	1.5% GOR 1.5% NSR	Metalcity Ltd
Royalty over Hydrogen Sales including Catalysts	1%	ScimTek Hydrogen Pty Ltd
Licence/Location	Ownership %	Approximate Area in km ²
GEL 571 South Australia	100	871
GEL 572 South Australia	100	827
GEL 573 South Australia	100	519
GEL 574 South Australia	100	550



FORWARD LOOKING STATEMENTS

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward-looking words such as “believe”, “expect”, “estimate”, “will”, “may”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward-looking statements involve known and unknown risks, uncertainties, assumptions, and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions, and other important factors are not all within the control of High Peak and cannot be predicted by High Peak and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which High Peak operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of High Peak or any of its subsidiaries, advisors, or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statements. Statements about past performance are not necessarily indicative of future performance.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

High Peak Royalties Limited

ABN

79 118 065 704

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	301	647
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(49)	(80)
(e) administration and corporate costs	(79)	(215)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(48)	(90)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	125	262

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments (royalties acquired)	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(441)	(441)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (non-marketable share buyback)	-	(61)
3.10	Net cash from / (used in) financing activities	(441)	(502)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,481	1,384
4.2	Net cash from / (used in) operating activities (item 1.9 above)	125	262
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(441)	(502)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(31)	(10)
4.6	Cash and cash equivalents at end of period	1,134	1,134

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	1,134	1,481
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)	1,134	1,481

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	41
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	21,930	1,096
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	21,930	1,096
7.5	Unused financing facilities available at quarter end		20,834

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing 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.

On 30 April 2021, the Company signed an Amendment Letter to the above facility agreement. This Amendment extended the term of the facility by three years to 7 December 2024.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	125
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant receipts (item 8.1 + item 8.2)	125
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,134
8.5	Unused finance facilities available at quarter end (item 7.5)	20,834
8.6	Total available funding (item 8.4 + item 8.5)	21,968
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

Date: 31 January 2024

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.