



31 July 2019

JUNE 2019 QUARTERLY REPORT

Cash Flow positive quarter to 30 June 2019

Highlights

- **Net positive cash flow of \$33,055 in this quarter**
- **Cash receipts from royalties continue to rise over the year to March by 63% primarily due to the Planet Gas royalty and significantly increased Origin Peat gas field royalty payments**
- **Origin preparing to test South Burunga-2 deep Bowen Basin well drilled last year**
- **Santos Limited spudded Dukas-1 well and is close to target depth. HPR has a 1% royalty on this large hydrocarbon and helium prospect**

ACTIVITY AND PORTFOLIO REVIEW

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

During the quarter, cash receipts from royalties were \$226,309. This includes \$14,123 in Planet Gas royalties that were short-paid for the November production period as noted in the March quarter Activity Statement.

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 is continuing to receive steady revenue from existing multiple royalties in the USA.

Queensland (QLD)

HPR has seen a positive impact from the increased commodity prices, which have been reflected in the royalties received on the Peat Gas Field. Royalties received on a cash basis were ~\$68,800 in the June quarter compared to ~\$30,000 in the March quarter, representing a percent change increase of 127%.



HPR also has royalties over the nearby PL 171 and ATP 574 permits adjacent to the Woleebee 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. A further announcement on 10 June noted that drilling had progressed through the Gillen formation.

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 3,600m 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.

RECENT ANNOUNCEMENTS

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

Date	Announcement
04/04/2019	Change in Substantial Holding
30/04/2019	March Appendix 5B and Quarterly Report

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

Licence/Location	Ownership %	Approximate Area in km ²
GEL 571 South Australia	100	1,845.23
GEL 572 South Australia	100	1,764.20
GEL 573 South Australia	100	1,180.49
GEL 574 South Australia	100	1,139.26

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")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from royalties	226	586
1.2 Payments for		
(a) exploration & evaluation	(2)	(19)
(b) development	-	-
(c) production	-	-
(d) staff costs	(73)	(318)
(e) administration and corporate costs	(63)	(210)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	12
1.5 Interest and other costs of finance paid	(60)	(274)
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	30	(223)

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	-	-

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	-	(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	-	129

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,012	1,178
4.2 Net cash from / (used in) operating activities (item 1.9 above)	30	(223)
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)	-	129
4.5 Effect of movement in exchange rates on cash held	3	10
4.6 Cash and cash equivalents at end of period	1,045	1,045

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	1,045	1,012
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)	1,045	1,012

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	53
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	

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	Current quarter \$A'000
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	

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	21,388	2,851
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	(53)
9.5 Administration and corporate costs	(62)
9.6 Other (interest on loan facility)	(60)
9.7 Total estimated cash outflows	(175)

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: 31 July 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.