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29 October 2020

OCTOBER 2020 QUARTERLY REPORT

ACTIVITY AND PORTFOLIO REVIEW

High Peak Royalties is pleased to announce the October Quarter Statement of Activity and Cash Flows. HPR has a portfolio of royalties in Australia and USA as detailed on the final page of the Activities Report.

The reduced economic activity related to Covid19 meant lower commodity prices, and this was reflected in this quarter revenue receipts due to the time lag of royalty receipts. We are pleased to see commodity prices recovered and industry activity continues. Noteworthy positive news on the producing Peat Gas Field (where HPR has a royalty) was announced by Origin Energy announced in their Annual Report:

- Strong operated field performance:
  - -Addition of Peat Flank reserves after successful appraisal
- Continue to mature resource base through E&A
  - − Peat Flank pilots confirm area feasible for development
  - − East Bowen Deeps pilots flowing first gas

During the quarter, $50,000 was paid to directors of the Company in director fees, as noted in Item 6.1 of the 5B.

REVIEW OF PORTFOLIO ASSETS

USA

USA revenue was $82,014 for the September quarter. This compares to the June quarter of $113,984. There was interest paid in the period for the Macquarie Bank Financing Facility costs of $36,845.

Queensland (QLD)

Royalties received in the quarter were $25,549 as compared to June with $77,239.

HPR also monitor the other permits where HPR has royalties, including those operated by Shell (formerly BG, QGC).

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Northern Territory (NT)

HPR has royalties over several permits in the Amadeus Basin, including the Dukas-1 well drilled by Santos Limited (ASX: STO). Central Petroleum Limited (ASX: CTP) have announced several large exploration prospects, and recently announced plans to drill another well at Dukas given the positive results of Dukas-1.

The Company has released a corporate update summarising the geological prospect and materiality of recent developments in exploration permits in the Amadeus Basin as they apply to High Peak. This was released on the ASX platform and is also available on the Company website www.highpeak.com.au and details the impacts on relevant HPR royalties.

Western Australia (WA)

HPR also has royalties on several high potential offshore permits, including one permit near the large Dorado discovery operated by Santos Limited.

RECENT ANNOUNCEMENTS

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

Date	Announcement
30/07/2020	Amadeus Basin Corporate Presentation
31/07/2020	Quarterly Cashflow Report
21/08/2020	HPR Purchases New Texas Royalty
30/09/2020	Annual Report to Shareholders
30/09/2020	Appendix 4G

This announcement has been approved by the Board of Directors.

For enquiries please contact:

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Jarrod White
CHIEF FINANCIAL OFFICER | Joint Company Secretary

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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 or Project Name / 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-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	Mai Oil, Empire Energy
TXO Production	0.025 to 0.05	Dorado Oil Company
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

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 or oil and gas exploration entity quarterly cash flow report

Name of entity

High Peak Royalties Limited

ABN	Quarter ended ("current quarter")
79 118 065 704	30 September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	108	108
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(50)	(50)
	(e) administration and corporate costs	(63)	(63)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(38)	(38)
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**	**(43)**	**(43)**

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)	(274)	(274)
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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**	**(274)**	**(274)**

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	-	-
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**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,843	1,843
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(43)	(43)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(274)	(274)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(11)	(11)
4.6	**Cash and cash equivalents at end of period**	**1,515**	**1,515**

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	1,515	1,843
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)**	**1,515**	**1,843**

1.

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	50
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.

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	21,102	2,462
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	21,102	2,462

7.5	**Unused financing facilities available at quarter end**	18,640

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.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(43)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(43)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,515
8.5	Unused finance facilities available at quarter end (item 7.5)	18,640
8.6	Total available funding (item 8.4 + item 8.5)	20,155
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	469

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.

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

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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	

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.

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: 29 October 2020

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.

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