

# **High Peak Royalties Limited**

**ABN 79 118 065 704**

**Annual Report - 30 June 2025**

**High Peak Royalties Limited**  
**Corporate directory**  
**30 June 2025**

Directors	James Knowles (Executive Chairman) David Croll (Non-executive Director) Anthony Wooles (Non-executive Director)
Company secretary	Louisa Ho
Registered office	C/- Traverse Accountants Pty Ltd 24-26 Kent Street MILLERS POINT NSW 2000, AUSTRALIA
Principal place of business	C/- Traverse Accountants Pty Ltd 24-26 Kent Street MILLERS POINT NSW 2000, AUSTRALIA
Share register	Computershare Ltd Level 8 22 Pitt Street SYDNEY NSW 2000
Auditor	RSM Australia Partners Level 13, 60 Castlereagh Street SYDNEY NSW 2000
Stock exchange listing	High Peak Royalties Limited shares are listed on the Australian Securities Exchange (ASX code: HPR)
Website	<a href="http://www.highpeak.com.au">www.highpeak.com.au</a>

# High Peak Royalties Limited

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30 June 2025

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## High Peak Royalties Limited

### Directors' report

30 June 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of High Peak Royalties Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

#### Directors

The following persons were directors of High Peak Royalties Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

James Knowles; Executive Chairman

David Croll; Non-Executive Director

Anthony Wooles; Non-Executive Director

#### Principal activities

The Company continually seeks and reviews growth opportunities, including the acquisition of additional royalties.

The Company has royalties over 20 oil and gas permits in Australia, over 2,000 wells in the USA and is the operator of four geothermal permit interests. In the FY25 period, 4 royalties were generating income for the Company, with some royalties on exploration permits expected to provide income in due course (subject to discovery and development), with the potential for additional revenue from development, resulting in increased production on existing areas.

#### Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

#### Review of operations

The loss for the Group after providing for income tax amounted to \$477,119 (30 June 2024: \$192,664).

#### Royalties

High Peak continued to manage the diverse portfolio of royalty interests, which includes the following:

Table A1: Summary of Royalty Portfolio

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, and PL295		
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	Central Petroleum and Santos
EP(A)155	2.00	Mosman Oil and Gas

## High Peak Royalties Limited

### Directors' report

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Planet Gas USA Inc. Royalties	3.00	Empire Energy, Mai Oil and CHS Macpherson
United States (Harrison County East Texas, Preston Spraberry Permian Basin and Willacy County Texas Gulf Coast Basin)	0.20 to 0.40	RFE Operating LLC, Crescent Pass Energy LLC (Sabine Oil & Gas), Pioneer Natural Resources and Wagner Oil Company
United States (Burlison and Lee Counties, East Texas)	1.00	Atlas Operating LLC (acquired from 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

Table A2: Summary of Geothermal Exploration Licences (subject to the Northstar transaction)

Licence/Location	Ownership %	Area (Km <sup>2</sup> )
GEL 571 South Australia	80.10	871
GEL 572 South Australia	80.10	827
GEL 573 South Australia	80.10	519
GEL 574 South Australia	80.10	550
GELA 787 South Australia ( <i>under Application</i> )	N/A	823
GELA 788 South Australia ( <i>under Application</i> )	N/A	936
GELA 789 South Australia ( <i>under Application</i> )	N/A	660
GELA 790 South Australia ( <i>under Application</i> )	N/A	589
GELA 266 South Australia ( <i>under Application</i> )	N/A	104

Notes: GEL and GEL Applications are held by Torrens Energy (SA) Pty Ltd, a partly owned subsidiary of High Peak.

## High Peak Royalties Limited

### Directors' report

30 June 2025

#### Risks to the Business

##### Oil and Gas Reserves

Uncertainty in hydrocarbon reserve estimation and the broad range of possible recovery scenarios from existing resources could have a material adverse effect on the carrying value and financial performance of High Peak's royalties.

Management closely follows operator updates and monitors broader sources of information on field production and reserves to model expected future performance of its royalty assets.

##### Commodity Prices and Foreign Exchange

High Peak is exposed to commodity price variability with respect to crude oil and natural gas sales, which are impacted by broader economic factors beyond our control.

It is also exposed to foreign exchange risks, which it manages by way of holding cash in USD accounts and converting cash when rates are favourable.

##### Climate Change

Demand for oil and gas may subside over the longer term, impacting demand and pricing as lower carbon substitutes take market share. Global climate change policy also remains uncertain and has the potential to constrain High Peak's royalty assets from being commercialised or expanded.

Introduction of taxes or other charges associated with carbon emissions may have an adverse impact on High Peak's financial performance and asset values.

High Peak holds royalties in oil and gas assets that predominantly sell output in the US and Australian markets, where such commodities are seen as transitional and demand is expected to continue, at least in the medium term.

##### Dependence on Operators

Reservoir/field performance is subject to subsurface uncertainty. The actual performance could vary from that forecasted, which may result in diminished production and /or additional development costs. Production facilities are subject to hazards associated with the production of gas and petroleum, including major accident events such as spills and leaks, which can result in a loss of hydrocarbon containment, diminished production, additional costs, environmental damage or workplace injury or death.

Mismanagement at the operator level may also impact a royalty's future performance through diminished facility performance, downtime or impact on their licence to operate.

There are also associated risks with the exploration and evaluation of developing projects in which High Peak holds royalties. Unfavourable results from exploratory drilling, changes in permit approvals or feasibility studies may delay project development or even tenement relinquishment.

High Peak tries to minimise these risks at first instance through careful selection of royalty assets that are situated in established and proven oil and gas fields with reputable operators with known track records in resource extraction, operational management and environmental sustainability.

##### Reliance on Key Personnel

Failure to establish and develop sufficient capability and capacity to support our operations may impact the achievement of our objectives. We are focussed on securing and developing the right people to support the operation and development of our portfolio of assets and opportunities.

## High Peak Royalties Limited

### Directors' report

30 June 2025

We also proactively engage contractors to supplement any short-term gaps in capability and capacity to support the execution of our business plans.

#### Significant changes in the state of affairs

During the year, High Peak completed a Share Sale and Purchase Agreement for the Company's 100% owned subsidiary, Torrens Energy (SA) Pty Ltd (Torrens). The transaction includes the transfer of Geothermal Energy Licenses (GEL) 571, 572, 573, 574, Geothermal Energy License applications (GELA) 787, 788, 789, 790, 266 and all associated rights, obligations, transfers and approvals to Northstar Energy Limited.

Consideration for the divestment included:

- Assumption by Northstar of a royalty issued by Torrens to HPR. The royalty provides an ongoing 1.0% Gross Royalty over geothermal energy produced from the Torrens GELs and GELAs (as defined under the Energy Resources Act 2000 (SA)).
- Issuance of a total of 12,500,000 Completion Shares in Northstar with an issue price of A\$0.16 per share, being the most recent price of capital raised by Northstar, which equates to a current valuation of \$2,000,000, and is subject to a Two Tranche Completion.

The Completion Shares are evenly split across two Tranches, with Tranche 1 having been completed on 20 March 2025 when the Transaction was announced to the market.

Under the terms of the acquisition, Tranche 2 would therefore require Ministerial Consent, which requires an application for approval by Torrens. The timing of the Ministerial Consent is subject to the discretion of the Department for Energy and Mining (SA), and High Peak will keep the market informed as to the status of the Tranche 2 Completion.

For full details of the Transaction, please refer to the Company's announcement to the ASX on 20 March 2025.

There were no other significant changes in the state of affairs of the Group during the financial year.

#### Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

#### Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations has not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

#### Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

#### Information on directors

Name:	Mr James Knowles
Title:	Executive Chairman
Experience and expertise:	Mr James Knowles is the Founder and Technical Director of Measured Group Pty Ltd – an independent company which provides mining technical consulting services. James has over 23 years of experience in management and consulting roles, including at McElroy Bryan Geological Services Pty Ltd, Excel Coal Limited, BHP Billiton, and Peabody Energy Australia, where James was Director of Geology and Resources.
Other current directorships:	NA
Former directorships (last 3 years):	NA
Interests in shares:	1,779,066
Interests in options:	4,000,000

## High Peak Royalties Limited

### Directors' report

30 June 2025

Name: Mr David Croll  
Title: Non-Executive Director  
Experience and expertise: Mr David Croll is currently the Managing Director and Founder of Noontide Investments Limited – an investment management company based in Sydney, specialising in undervalued small-cap stocks. David is currently a director of Providence Wealth Advisory Group – an independent wealth manager providing advice to high-net-worth families.  
Other current directorships: NA  
Former directorships (last 3 years): NA  
Interests in shares: 73,238,540

Name: Mr Anthony Wooles  
Title: Non-Executive Director  
Experience and expertise: Mr Wooles is a highly qualified and successful professional who has held executive and advisory roles with leading private and public companies. He also has extensive knowledge of financial and capital markets. In his advisory capacity, Mr Wooles has worked closely with companies including BHP Minerals, Coles Myer, Telstra, Coca-Cola Amatil, FAL and Western Power.

His professional qualifications include: a Bachelor of Commerce (Economics) from Deakin University, a Graduate Diploma of Securities Analysis from the Securities Institute of Australia and an MBA (Finance) from the Wharton School of the University of Pennsylvania. He brings significant experience and knowledge in both the corporate finance and energy sectors.  
Other current directorships: Mr Wooles was appointed as Non-Executive Chairman of ASX-listed Company Imdex Limited (ASX: IMD) on 1 July 2016, and Bhagwan Marine Limited (ASX: BWN) on 30 July 2024.  
Former directorships (last 3 years): NA  
Interests in shares: 21,250,883

'Other current directorships' quoted above are current directorships for listed entities only and exclude directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and exclude directorships of all other types of entities, unless otherwise stated.

#### Company secretary

Louisa Ho was appointed as company secretary on 10 November 2022.

#### Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

Full Board	Attended	Held <sup>1</sup>
Mr Anthony Wooles	4	4
Mr James Knowles	4	4
Mr David Croll	4	4

<sup>1</sup>represents the number of meetings held during the time the director held office.

# High Peak Royalties Limited

## Directors' report

### 30 June 2025

#### Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001 (Cth) (Corporations Act)* and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation
- Additional disclosures relating to key management personnel

#### ***Principles used to determine the nature and amount of remuneration***

The objective of the Group's executive reward framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage/alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate, and retain high-performance and high-quality personnel.

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive rewards with shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets, as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high-calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

## High Peak Royalties Limited

### Directors' report

30 June 2025

#### *Non-executive directors' remuneration*

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently of the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his remuneration. Non-executive directors do not receive share options or other incentives.

The total aggregate fixed sum per annum to be paid to Directors (excluding salaries of executive Directors) may be varied by ordinary resolution of Shareholders at a general meeting.

#### *Executive remuneration*

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration that has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, is reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Group and comparable market remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example, motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

#### *Voting and comments made at the company's 2024 Annual General Meeting (AGM)*

At the 2024 AGM, 97.43% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

#### ***Details of remuneration***

##### *Amounts of remuneration*

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of High Peak Royalties Limited:

- David Croll – Non-Executive Director
- James Knowles - Executive Director and Chairman
- Anthony Wooles - Non-Executive Director

And the following person:

- Jarrod White

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**Directors' report**  
**30 June 2025**

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Other fees	Superannuation	Long service leave	Equity-settled	
<b>2025</b>	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Anthony Wooles	65,000	-	-	-	-	-	65,000
David Croll	-	-	-	-	-	-	-
<i>Executive Directors:</i>							
James Knowles	95,000	-	-	-	-	60,452	155,452
<i>Other Key Management Personnel:</i>							
Jarrold White	75,600	-	-	-	-	-	75,600
	<u>235,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,452</u>	<u>296,052</u>

Equity-settled benefits include the full assessed value of the performance rights issued in the year. These performance rights at at-risk and none have vested by year-end.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Other fees	Superannuation	Long service leave	Equity-settled	
<b>2024</b>	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Anthony Wooles	65,000	-	-	-	-	-	65,000
David Croll	-	-	-	-	-	-	-
<i>Executive Directors:</i>							
James Knowles	95,000	-	-	-	-	139,360	234,360
<i>Other Key Management Personnel:</i>							
Jarrold White	76,920	-	-	-	-	-	76,920
	<u>236,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>139,360</u>	<u>376,280</u>

Equity-settled benefits include the full assessed value of the performance rights issued in the year. These performance rights at at-risk and none have vested by year-end.

*Employment contracts*

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Mr Anthony Wooles

Title: Non-Executive Director

Agreement commenced: 27 February 2012 and is subject to re-election as required by the Company's constitution.

Details: \$65,000 p.a., inclusive of superannuation with no termination benefits.

Name: Mr James Knowles

Title: Executive Director and Chairman

Agreement commenced: 27 August 2021 and is subject to re-election as required by the Company's constitution.

Details: \$50,000 p.a., inclusive of superannuation with no termination benefits. Remuneration was increased to \$95,000 p.a. during the year following James' appointment as Chairman.

**High Peak Royalties Limited**  
**Directors' report**  
**30 June 2024**

**Share-based compensation**

*Issue of shares*

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025.

*Performance rights*

The terms and conditions of each grant of performance rights over ordinary shares affecting the remuneration of Executive Chairman, James Knowles, are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Share price hurdle for vesting	Fair value per right at grant date
James Knowles	1,000,000	12/11/2023	Conditional	16/11/2025	\$0.150	\$0.040
James Knowles	1,000,000	12/11/2023	Conditional	16/11/2025		\$0.052
James Knowles	1,000,000	12/11/2023	Conditional	16/11/2027	\$0.020	\$0.045
James Knowles	1,000,000	12/11/2023	Conditional	16/11/2028		\$0.052

The vesting of the performance rights is conditional:

Tranche 1	The 5-day VWAP of the Company Share Price being above \$0.15 within two (2) years from 16 November 2023.
Tranche 2	Completion of a successful commercial transaction: to be defined as a sale, spin-off, or meaningful transaction of the Company's existing non-core assets, or the creation of a royalty interest over any of the Company's existing assets.
Tranche 3	The 5-day VWAP of the Company Share Price being above \$0.20 within four (4) years from 16 November 2023.
Tranche 4	Payment of an inaugural dividend, where that dividend is paid out of recurring earnings.

Performance rights granted carry no dividend or voting rights.

Name	Grant date	Vesting date	Number of rights granted	Value of rights granted \$	Value of rights vested \$	Number of rights lapsed	Value of rights lapsed \$
James Knowles	12/11/2023	Conditional	1,000,000	37,900	-	-	-
James Knowles	12/11/2023	Conditional	1,000,000	39,000	-	-	-
James Knowles	12/11/2023	Conditional	1,000,000	45,300	-	-	-
James Knowles	12/11/2023	Conditional	1,000,000	17,160	-	-	-

## High Peak Royalties Limited

### Directors' report

30 June 2025

#### **Additional disclosures relating to key management personnel**

##### *Shareholding*

The number of shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Anthony Wooles	21,250,000	-	833	-	21,250,883
James Knowles	1,709,066	-	420,000	-	1,779,066
David Croll	71,566,859	-	1,646,681	-	73,213,540
	<u>94,525,925</u>	<u>-</u>	<u>2,067,514</u>	<u>-</u>	<u>96,243,489</u>

Mr David Croll is a controller and beneficiary of JP Morgan Nominees Australia Pty Limited.

***This concludes the remuneration report, which has been audited.***

#### **Shares under performance rights**

Unissued ordinary shares of High Peak Royalties Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
16/11/2023	16/11/2025	\$0.000	2,000,000
16/11/2023	16/11/2027	\$0.000	1,000,000
16/11/2023	16/11/2028	\$0.000	1,000,000
			<u>4,000,000</u>

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the company or of any other body corporate.

#### **Shares issued on the exercise of performance rights**

There were no ordinary shares of High Peak issued on the exercise of performance rights during the year ended 30 June 2025 and up to the date of this report.

#### **Indemnity and insurance of officers**

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against liability to the extent permitted by the *Corporations Act*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

#### **Indemnity and insurance of the auditor**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**High Peak Royalties Limited**  
**Directors' report**  
**30 June 2025**

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the *Corporations Act* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, taking responsibility on behalf of the company for all or part of those proceedings.

**Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act* is set out immediately after this directors' report.

**Auditor**

RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act*.

This report is made in accordance with a resolution of the directors, pursuant to section 298(2)(a) of the *Corporations Act*.

On behalf of the directors,



**James Knowles**  
Executive Chairman

30 September 2025

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of High Peak Royalties Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A stylized blue signature of 'RSM'.

**RSM AUSTRALIA PARTNERS**

A blue handwritten signature of 'C J Hume'.

**C J Hume**  
Partner

Sydney, NSW  
Dated: 30 September 2025

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING

**High Peak Royalties Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2025**

	Note	Consolidated 2025 \$	2024 \$
<b>Revenue</b>	5	1,049,416	1,101,185
Other income	6	7,318	2,434
Interest revenue calculated using the effective interest method		6,186	4,572
<b>Expenses</b>			
Professional fees	7	(494,261)	(479,474)
Employee benefits expense		(160,000)	(160,000)
Depreciation and amortisation expense		(327,407)	(325,531)
Impairment of assets		(240,000)	(3,202)
Share based payments expense	21	(60,452)	(33,149)
Other expenses		(164,978)	(141,173)
Finance costs		(92,941)	(158,326)
<b>Loss before income tax expense</b>		(477,119)	(192,664)
Income tax expense	8	-	-
<b>Loss after income tax expense for the year attributable to the owners of High Peak Royalties Limited</b>	22	(477,119)	(192,664)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(71,585)	486
Other comprehensive income for the year, net of tax		(71,585)	486
<b>Total comprehensive loss for the year attributable to the owners of High Peak Royalties Limited</b>		(548,704)	(192,178)
		<b>Cents</b>	<b>Cents</b>
Basic losses per share	32	(0.23)	(0.09)
Diluted losses per share	32	(0.23)	(0.09)

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**High Peak Royalties Limited**  
**Statement of financial position**  
**As at 30 June 2025**

		<b>Consolidated</b>	
	<b>Note</b>	<b>2025</b>	<b>2024</b>
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	339,543	1,282,619
Trade and other receivables	10	34,194	77,248
Other assets	11	158,734	185,909
<b>Total current assets</b>		<u>532,471</u>	<u>1,545,776</u>
<b>Non-current assets</b>			
Other financial assets	12	1,000,150	463
Intangibles	14	8,266,701	8,813,475
Other assets	11	161,361	155,353
<b>Total non-current assets</b>		<u>9,428,212</u>	<u>8,969,291</u>
<b>Total assets</b>		<u>9,960,683</u>	<u>10,515,067</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	15	166,803	101,104
Borrowings	16	-	1,132,246
Other liabilities	17	44,000	43,585
Deferred consideration	18	1,000,000	-
<b>Total current liabilities</b>		<u>1,210,803</u>	<u>1,276,935</u>
<b>Total liabilities</b>		<u>1,210,803</u>	<u>1,276,935</u>
<b>Net assets</b>		<u>8,749,880</u>	<u>9,238,132</u>
<b>Equity</b>			
Issued capital	19	28,407,942	28,407,942
Reserves	20	93,003	104,136
Accumulated losses	22	(19,751,065)	(19,273,946)
<b>Total equity</b>		<u>8,749,880</u>	<u>9,238,132</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**High Peak Royalties Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2025**

<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2023	28,468,918	70,500	(19,081,282)	9,458,136
Loss after income tax expense for the year	-	-	(192,664)	(192,664)
Other comprehensive income for the year, net of tax	-	486	-	486
Total comprehensive income for the year	-	486	(192,664)	(192,178)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued for purchase of asset	(60,976)	-	-	(60,976)
Share-based payments (note 21)	-	33,150	-	33,150
Balance at 30 June 2024	<u>28,407,942</u>	<u>104,136</u>	<u>(19,273,946)</u>	<u>9,238,132</u>
<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2024	28,407,942	104,136	(19,273,946)	9,238,132
Loss after income tax expense for the year	-	-	(477,119)	(477,119)
Other comprehensive loss for the year, net of tax	-	(71,585)	-	(71,585)
Total comprehensive loss for the year	-	(71,585)	(477,119)	(548,704)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 21)	-	60,452	-	60,452
Balance at 30 June 2025	<u>28,407,942</u>	<u>93,003</u>	<u>(19,751,065)</u>	<u>8,749,880</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**High Peak Royalties Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2025**

	Note	Consolidated	
		2025	2024
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from royalty rights		1,124,208	1,181,925
Payments to suppliers and employees		<u>(845,942)</u>	<u>(626,584)</u>
Subtotal		278,266	555,341
Interest received		173	87
Interest and other finance costs paid		<u>(53,312)</u>	<u>(158,519)</u>
Net cash from operating activities	31	<u>225,127</u>	<u>396,909</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of investments		<u>313</u>	<u>-</u>
Net cash from investing activities		<u>313</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Payments for share buy-backs		-	(60,975)
Repayment of borrowings		<u>(1,171,875)</u>	<u>(440,702)</u>
Net cash used in financing activities		<u>(1,171,875)</u>	<u>(501,677)</u>
Net decrease in cash and cash equivalents		(946,435)	(104,768)
Cash and cash equivalents at the beginning of the financial year		1,282,619	1,384,479
Effects of exchange rate changes on cash and cash equivalents		<u>3,359</u>	<u>2,908</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>339,543</u></u>	<u><u>1,282,619</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 1. General information**

The financial statements cover High Peak Royalties Limited as a Group consisting of High Peak Royalties Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is High Peak Royalties Limited's functional and presentation currency.

High Peak Royalties Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

24-26 Kent Street  
Millers Point NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2025. The directors have the power to amend and reissue the financial statements.

**Note 2. Material accounting policy information**

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 28.

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of High Peak Royalties Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. High Peak Royalties Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 2. Material accounting policy information (continued)**

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**Foreign currency translation**

The financial statements are presented in Australian dollars, which is High Peak Royalties Limited's functional and presentation currency.

*Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

**Revenue recognition**

The Group recognises revenue as follows:

*Sale of goods*

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 2. Material accounting policy information (continued)**

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Royalty revenue*

Revenue from royalties is recognised in the period of production of the underlying oil or gas being produced. Royalty agreements that are based on production, sales, and other measures are recognised by reference to the underlying arrangements.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities that intend to settle simultaneously.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 2. Material accounting policy information (continued)**

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

*Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

*Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit-impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument, discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**Intangible assets**

***Intangible assets acquired separately***

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised using the units of production method or straight-line basis. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Exploration and evaluation assets**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 2. Material accounting policy information (continued)**

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Contract liabilities**

**Deferred consideration**

Deferred consideration arising from business and asset divestments is initially recognised at fair value at the disposal date and classified as a financial liability. Deferred consideration is transferred to profit or loss once the conditions to completion under the relevant sales contract have been met.

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**Employee benefits**

*Share-based payments*

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date, less amounts already recognised in previous periods.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 2. Material accounting policy information (continued)**

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum, an expense is recognised as if the modification had not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if they had vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award are treated as if they were a modification.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Issued capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share are calculated by dividing the profit attributable to the owners of High Peak Royalties Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 2. Material accounting policy information (continued)**

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income-tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations are not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Impairment*

The Group assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

*Recoverability of exploration and evaluation costs (Key Judgement)*

The Company assesses the recoverability of the carrying value of capitalised exploration and evaluation costs at each reporting date (or at closer intervals should the need arise). In completing this assessment, regard is had to the Company's intentions with regard to proposed future exploration and development plans for individual exploration areas, to the success or otherwise of activities undertaken in individual areas in recent times, to the likely success of future planned exploration activities, and to any potential plans for divestment of individual areas. Any required adjustments to the carrying value of capitalised exploration are completed based on the results of this assessment. Management has exercised its judgement in determining that the exploration assets in note 14 remain impaired.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Intangible Assets – royalty interests in exploration permits (Key Judgement)*

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The portfolio in relation to its royalty interests is largely related to the exploration activities of the licenced operator. The assets are therefore treated in a similar way to exploration assets as contemplated in AASB 6 Exploration for and Evaluation of Mineral Resources. There is significant judgement required on the part of the Management and the Board in determining whether there are any impairment indicators with regards to royalty rights. To this extent they have considered the high-level financial indices, the exploration activities of the underlying assets, the current market conditions, the political climate in the jurisdiction in which the assets exists, as well as numerous other factors when considering asset impairments. Management and the Board have determined that there were no impairment indicators for any of the other individual underlying assets, and consequently it has not been necessary to fair value any of the other intangible assets using a value-in-use model.

**Note 4. Operating segments**

*Identification of reportable operating segments*

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information.

The Group operates in one business and two geographical segments, being the acquisition of royalty and exploration interests in oil and gas assets predominantly in Australia and the USA.

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the performance of individual royalty rights held.

Whilst the Company has a number of Geothermal and Oil and Gas exploration permits these are inactive assets and are considered non-core to the operations of the entity. Throughout the year there was no material movement to expenditure or capital paid on these permits and the Group considers its operations to focus solely on the operation and exploitation of proceeds from royalty rights.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 4. Operating segments (continued)**

*Operating segment information*

<b>Consolidated - 2025</b>	Australia \$	USA \$	Total \$
<b>Revenue</b>			
Revenue from operations	459,109	596,493	1,055,602
<b>Total revenue</b>	<u>459,109</u>	<u>596,493</u>	<u>1,055,602</u>
<b>EBITDA</b>			
Depreciation and amortisation	(400,204)	583,433	183,229
Impairment of assets	(98,566)	(228,841)	(327,407)
Finance costs	(240,000)	-	(240,000)
	(3,192)	(89,749)	(92,941)
<b>Profit/(loss) before income tax expense</b>	<u>(741,962)</u>	<u>264,843</u>	<u>(477,119)</u>
Income tax expense			-
<b>Loss after income tax expense</b>			<u>(477,119)</u>
<b>Assets</b>			
Segment assets	7,323,888	2,636,795	9,960,683
<b>Total assets</b>			<u>9,960,683</u>
<b>Liabilities</b>			
Segment liabilities	1,209,798	1,005	1,210,803
<b>Total liabilities</b>			<u>1,210,803</u>
<b>Consolidated - 2024</b>	Australia \$	USA \$	Total \$
<b>Revenue</b>			
Revenue from operations	427,962	677,795	1,105,757
<b>Total revenue</b>	<u>427,962</u>	<u>677,795</u>	<u>1,105,757</u>
<b>EBITDA</b>			
Depreciation and amortisation	(366,125)	657,511	291,386
Finance costs	(98,567)	(226,964)	(325,531)
	(3,545)	(154,974)	(158,519)
<b>Profit/(loss) before income tax expense</b>	<u>(468,237)</u>	<u>275,573</u>	<u>(192,664)</u>
Income tax expense			-
<b>Loss after income tax expense</b>			<u>(192,664)</u>
<b>Assets</b>			
Segment assets	6,991,125	3,523,942	10,515,067
<b>Total assets</b>			<u>10,515,067</u>
<b>Liabilities</b>			
Segment liabilities	140,107	1,136,828	1,276,935
<b>Total liabilities</b>			<u>1,276,935</u>

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 5. Revenue**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
Royalty revenue	1,049,416	1,101,185

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
Receipts from royalty rights	1,055,602	1,101,185
<i>Geographical regions</i>		
Australia	459,109	426,024
USA	596,493	675,161
	<u>1,055,602</u>	<u>1,101,185</u>
<i>Timing of revenue recognition</i>		
Revenue received at a point in time	<u>1,055,602</u>	<u>1,040,488</u>

**Note 6. Other income**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
Net foreign exchange gain	7,318	2,434

**Note 7. Professional fees**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
Accounting and audit fees	213,298	199,352
Other corporate fees	144,385	167,256
Consulting fees	136,578	112,866
	<u>494,261</u>	<u>479,474</u>

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 8. Income tax expense**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(477,119)	(192,664)
Tax at the statutory tax rate of 25%	(119,280)	(48,166)
Deferred tax assets not brought to account	119,280	48,166
Income tax expense	-	-

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	18,435,025	19,541,369
Potential tax benefit @ 25%	4,608,756	4,885,342

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Prepayments	(12,650)	(10,352)
Accrued expenses	11,000	10,896
Accrued income	(27,034)	(20,952)
Royalty rights	782,493	640,941
Accumulated impairment (financial asset)	360,913	360,913
Cost of equity	8,651	8,651
Total deferred tax assets not recognised	1,123,373	990,097

The above potential tax benefit, which excludes tax losses, for deductible temporary differences, has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

**Note 9. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current assets</i>		
Cash at bank	339,543	1,282,619

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 10. Trade and other receivables**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current assets</i>		
Trade receivables	28,026	70,464
Other receivables	6,168	6,784
	<u>34,194</u>	<u>77,248</u>

**Note 11. Other assets**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current assets</i>		
Accrued revenue	108,134	144,503
Prepayments	50,600	41,406
	<u>158,734</u>	<u>185,909</u>
<i>Non-current assets</i>		
Other deposits	161,361	155,353
	<u>320,095</u>	<u>341,262</u>

**Note 12. Other financial assets**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Non-current assets</i>		
Shares in listed corporation	150	463
Shares in Northstar Energy Limited	1,000,000	-
	<u>1,000,150</u>	<u>463</u>

On completion of Tranche 1 of the Group's divestment of Torrens Energy (SA) Pty Ltd (19.9%), the Company received 6,250,000 shares in Northstar Energy Limited with an issue price of A\$0.16 per share, being the most recent price of capital raised by Northstar, which equates to a current valuation of \$1,000,000.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 13. Exploration and evaluation**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation - at cost	2,313,901	2,310,699
Less: Impairment	<u>(2,313,901)</u>	<u>(2,310,699)</u>
	<u>-</u>	<u>-</u>

**Note 14. Intangibles**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Non-current assets</i>		
Royalty rights- at cost	21,435,062	17,765,668
Less: Accumulated amortisation	(5,771,030)	(2,848,326)
Less: Impairment	<u>(7,397,331)</u>	<u>(6,103,867)</u>
	<u>8,266,701</u>	<u>8,813,475</u>

*Reconciliations*

Reconciliations of the written-down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	Royalty Rights	Total
	\$	\$
Balance at 1 July 2023	9,138,866	9,138,866
Exchange differences	140	140
Amortisation expense	<u>(325,531)</u>	<u>(325,531)</u>
Balance at 30 June 2024	8,813,475	8,813,475
Exchange differences	20,633	20,633
Impairment of assets	(240,000)	(240,000)
Amortisation expense	<u>(327,407)</u>	<u>(327,407)</u>
Balance at 30 June 2025	<u>8,266,701</u>	<u>8,266,701</u>

Where necessary, the recoverable amount of each royalty interest above for the purposes of testing for impairment was historically determined based on value-in-use calculations. Where measurable, the value-in-use was calculated based on the present value of cash flow projections over a 10-year period or the expected life of the project (whichever is longer), with the period extending beyond 12 months extrapolated using an estimated growth rate. The cash flows were discounted to account for the time value of money and project variability. For other assets where projected cash flows were more difficult to measure due to their stage of development, value-in-use was based on observable inputs and market transactions or recent activity. Management and the Board determined that there were no impairment indicators in the year under review and consequently, no value-in-use modelling was done in this year.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 14. Intangibles (continued)**

The following key assumptions were used in the historical value-in-use calculations:

- Growth Rate: expected forward production curve of underlying assets as applicable
- Discount Rate: 10%
- Oil Price: \$67.68/BBL USD (2025) then 5-year forward curve
- Gas Price: \$3.70gj USD

Where able, management based the value-in-use calculations on budgets for each royalty interest. These budgets used production and volume-related growth rates to project revenue that was linked to the underlying proven and probable resource estimates and reserves of the underlying assets. Costs were calculated taking into account historical gross margins as well as estimated weight average inflation rates over the period. Discount rates were pre-tax and were adjusted to incorporate risks associated with a particular royalty interest. Management had estimated the production start date for royalty interests that had not yet commenced producing.

Amortisation of intangible assets

Amortisation is recognised under two methods:

1. The units of production method, which is calculated based on the annual production of a royalty interest and is apportioned over its total proven and probable reserves; and
2. The straight-line basis method, which is calculated over the estimated field life of the asset.

Impairment of intangible assets

The Group reviews its intangible assets for impairment each reporting period.

**Note 15. Trade and other payables**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current liabilities</i>		
Trade payables	166,803	101,104

Refer to note 23 for further information on financial instruments.

**Note 16. Borrowings**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current liabilities</i>		
Bank loans	-	1,132,246

Refer to note 23 for further information on financial instruments.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 16. Borrowings (continued)**

*Financing arrangements*

Unrestricted access was available at the reporting date to the following lines of credit:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
Total facilities		
Bank loans (US\$15,000,000 limit)	-	22,644,928
Used at the reporting date		
Bank loans (US\$15,000,000 limit)	-	1,132,246
Unused at the reporting date		
Bank loans (US\$15,000,000 limit)	-	21,512,682

On 7 December 2018, the Company wholly acquired the assets of Planet Gas USA, Inc. The acquisition involved the assumption of Planet Gas USA, Inc's Macquarie Bank Loan facility, which at the time of the acquisition was AU\$3,886,425 in drawn balance. The total loan facility has a ceiling of US\$15 million. Key terms of the facility are as follows:

- Total US \$15,000,000 (AUD: \$21,150,000) facility
- Facility Fees:
- Interest charged: Libor plus 5.5%
- No other facility fees
- Standard parent company guarantees
- Term: three years (from completion on 7 December 2018)
- The facility expires on 7 December 2024, with principal repayments being required on the following basis:
  - 7 December 2023 - US\$250,000;
  - 7 December 2024 - US\$750,000;
- Remaining Term Unless Extended: 7 December 2024.

The facility was fully repaid and terminated in the financial year.

**Note 17. Other liabilities**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current liabilities</i>		
Accrued expenses	44,000	43,585

**Note 18. Deferred consideration**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Current liabilities</i>		
Deferred consideration	1,000,000	-

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 18. Deferred consideration (continued)**

On completion of Tranche 1 of the Group's divestment of Torrens Energy (SA) Pty Ltd (19.9%), the Company received 6,250,000 shares in Northstar Energy Limited with an issue price of A\$0.16 per share, being the most recent price of capital raised by Northstar which equates to a current valuation of \$1,000,000.

The fair value of consideration received will be recognised as income on full completion of the Torrens divestment.

**Note 19. Issued capital**

	Consolidated			
	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	208,059,714	208,059,714	28,407,942	28,407,942

*Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	208,956,399		28,468,918
Share buy-back	23 August 2023	(896,685)	\$0.068	(60,976)
Balance	30 June 2024	<u>208,059,714</u>		<u>28,407,942</u>
Balance	30 June 2025	<u>208,059,714</u>		<u>28,407,942</u>

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

*Capital risk management*

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

**Note 20. Reserves**

	Consolidated	
	2025 \$	2024 \$
Foreign currency reserve	(611)	70,974
Share-based payments reserve	93,601	33,149
Other reserves	<u>13</u>	<u>13</u>
	<u>93,003</u>	<u>104,136</u>

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 20. Reserves (continued)**

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

**Note 21. Share-based payments**

In the FY2024 financial period, performance rights were issued to the Executive Chairman, as approved at the Annual General Meeting.

For the performance rights granted during the FY2024 financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
12/11/2023	16/11/2025	\$0.052	\$0.000	110.00%	-	3.90%	\$0.040
12/11/2023	16/11/2025	\$0.052	\$0.000	110.00%	-	3.90%	\$0.052
12/11/2023	16/11/2027	\$0.052	\$0.000	110.00%	-	3.85%	\$0.045
12/11/2023	16/11/2028	\$0.052	\$0.000	100.00%	-	3.85%	\$0.052

The vesting of the performance rights are conditional:

Tranche 1	The 5-day VWAP of the Company Share Price being above \$0.15 within two (2) years from 16 November 2023
Tranche 2	Completion of a successful commercial transaction: to be defined as a sale, spin off or meaningful transaction of the Company's existing non-core assets, or the creation of a royalty interest over any of the Company's existing assets
Tranche 3	The 5-day VWAP of the Company Share Price being above \$0.20 within four (4) years from 16 November 2023
Tranche 4	Payment of an inaugural dividend, where that dividend is paid out of recurring earnings

**Note 22. Accumulated losses**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Accumulated losses at the beginning of the financial year	(19,273,946)	(19,081,282)
Loss after income tax expense for the year	<u>(477,119)</u>	<u>(192,664)</u>
Accumulated losses at the end of the financial year	<u><u>(19,751,065)</u></u>	<u><u>(19,273,946)</u></u>

**Note 23. Financial instruments**

***Financial risk management objectives***

The Group's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 23. Financial instruments (continued)**

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

**Market risk**

*Foreign currency risk*

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2025	2024	2025	2024
<b>Consolidated</b>	\$	\$	\$	\$
US dollars	285,062	1,178,253	1,005	1,136,828

The Group had net assets denominated in foreign currencies of \$349,132 as at 30 June 2025 (2024: 41,425). Based on this exposure, had the Australian dollars weakened by 5%/strengthened by 5% against these foreign currencies with all other variables held constant, the Group's profit before tax for the year would have been \$17,457 lower/\$17,457 higher (2024: \$2,071 lower/\$2,071 higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations.

*Price risk*

The Group is not exposed to any significant price risk in its day-to-day operations.

Movements in the price of commodities, especially gold and copper may impact on the recoverable value of its exploration assets. It is currently impractical to manage these risks given these assets are still at exploratory stages.

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has minimal credit risk exposure as the majority of its receivables are from large corporations or government bodies.

**Liquidity risk**

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 23. Financial instruments (continued)**

*Financing arrangements*

Unused borrowing facilities at the reporting date:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
Bank loans (US\$15,000,000 limit)	-	21,512,682

The bank overdraft facilities were fully repaid and terminated in the financial year.

***Fair value of financial instruments***

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

**Note 24. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	\$	\$
<i>Audit services - RSM Australia Partners</i>		
Audit and review of the financial statements	57,000	57,000

**Note 25. Contingent liabilities**

The Company has an existing well stock of 21 wells for which it may be liable for rehabilitation costs. The company had historically provided for an estimate of \$200,000 for these costs in its financial statements. Having reconsidered the position, the management team have concluded the obligation is not wholly within the control of the company and is contingent on a future event being the final inspection when the permit is relinquished. In addition, it is questionable whether the potential obligation can be measured with sufficient reliability. It is quite possible that no outflow of resources will be required to fulfill and obligations around the site rehabilitation. To this extent, the provision has been released to other income. The original range of the estimate disclosed in the Prospectus when the company listed in 2014 was between \$200,000 and \$1,150,000 which was based on internal and external sources at that time. It is important to note that in the event that a liability exists, the effect on the profit and loss will initially be nil due the fact that the cost to restore the site will initially be capitalised into the cost of the asset, and then re-assessed for potential impairment.

Pursuant to the originating agreement dated 5 December 2009, Phoenix Oil and Gas is obliged to pay, \$1,000,000 within 30 days of Commercial Production from PL 171. Under the same agreement, Phoenix Oil and Gas is also obliged to pay, \$1,000,000 within 30 days of Commercial Production from ATP 574P.

Commercial Production in both instances is defined as when the first royalty payment is received from the operator of the permit as a result of gas sales from that permit.

At balance date Commercial Production is not foreseeable within the coming financial year.

There are no guarantees or commitments other than those mentioned in the financial report.

**Note 26. Commitments**

The Group did not have any commitments as at 30 June 2025 (2024: nil)

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 27. Related party transactions**

*Parent entity*

High Peak Royalties Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 29.

*Key management personnel*

Disclosures relating to key management personnel are set out in the remuneration report included in the directors' report.

*Transactions with related parties*

The Group incurred \$7,120 in consultancy costs from Measured Group, a related party of Director James Knowles, for geological and technical advisory services. The Board considers these services to have been provided on an arm's length commercial terms.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current reporting date.

At 30 June 2024, \$6,243 was payable to Measured Group, a related party of Director James Knowles.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

**Note 28. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax	(1,134,113)	(189,549)
Total comprehensive loss	(1,134,113)	(189,549)

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 28. Parent entity information (continued)**

*Statement of financial position*

	<b>Parent</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Total current assets	3,355,988	3,736,604
Total assets	11,845,957	11,662,164
Total current liabilities	1,209,798	139,818
Total liabilities	1,209,798	139,818
Equity		
Issued capital	50,640,861	50,640,861
Share-based payments reserve	176,605	116,141
Other reserves	457,370	457,383
Accumulated losses	(40,638,677)	(39,692,039)
Total equity	<u>10,636,159</u>	<u>11,522,346</u>

*Contingent liabilities*

Please refer to note 25 for details of contingent liabilities.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

*Material accounting policy information*

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

**Note 29. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

<b>Name</b>	<b>Principal place of business / Country of incorporation</b>	<b>Ownership interest</b>	
		<b>2025</b>	<b>2024</b>
		%	%
Torrens Energy (SA) Pty Ltd	Australia	80.10%	100.00%
Phoenix Oil and Gas Pty Ltd	Australia	100.00%	100.00%
Oil & Gas Royalties Pty Ltd	Australia	100.00%	100.00%
GEO Capital Pty Ltd	Australia	100.00%	100.00%
HPR USA Inc	USA	100.00%	100.00%
Planet Gas USA, Inc.	USA	100.00%	100.00%
High Peak Royalties LLC	USA	100.00%	100.00%

**High Peak Royalties Limited**  
**Notes to the financial statements**  
**30 June 2025**

**Note 30. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Note 31. Reconciliation of loss after income tax to net cash from operating activities**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax expense for the year	(477,119)	(192,664)
Adjustments for:		
Depreciation and amortisation	327,407	325,531
Impairment of intangibles	240,000	3,202
Share-based payments	60,452	33,149
Foreign exchange differences	(61,958)	54,434
Change in operating assets and liabilities:		
Decrease in trade and other receivables	70,231	113,289
Increase in trade and other payables	66,114	59,968
Net cash from operating activities	<u>225,127</u>	<u>396,909</u>

**Note 32. Losses per share**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of High Peak Royalties Limited	<u>(477,119)</u>	<u>(192,664)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic losses per share	<u>208,059,714</u>	<u>208,189,918</u>
Weighted average number of ordinary shares used in calculating diluted losses per share	<u>208,059,714</u>	<u>208,189,918</u>
	<b>Cents</b>	<b>Cents</b>
Basic losses per share	(0.23)	(0.09)
Diluted losses per share	(0.23)	(0.09)

**High Peak Royalties Limited**  
**Consolidated entity disclosure statement**  
**As at 30 June 2025**

Entity name	Entity type	Trustee in a Trust, Partner in a Partnership or a participant in a Joint Venture	Place formed / Country of incorporation	Ownership interest %	Tax residency
High Peak Royalties Limited	Body corporate	N/A	Australia	-	Australia
Torrens Energy (SA) Pty Ltd	Body corporate	N/A	Australia	80.10%	Australia
Phoenix Oil and Gas Pty Ltd	Body corporate	N/A	Australia	100.00%	Australia
Oil & Gas Royalties Pty Ltd	Body corporate	N/A	Australia	100.00%	Australia
GEO Capital Pty Ltd	Body corporate	N/A	Australia	100.00%	Australia
HPR USA Inc	Body corporate	N/A	USA	100.00%	USA
Planet Gas USA Inc	Body corporate	N/A	USA	100.00%	USA

**High Peak Royalties Limited**  
**Directors' declaration**  
**30 June 2025**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board, as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act.

On behalf of the directors,

  
\_\_\_\_\_  
**James Knowles**  
Executive Chairman

30 September 2025

**RSM Australia Partners**

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NSW 2000  
Australia  
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rsm.com.au

## INDEPENDENT AUDITOR'S REPORT

### To the Members of High Peak Royalties Ltd

#### REPORT ON THE AUDIT OF THE FINANCIAL REPORT

##### Opinion

We have audited the financial report of High Peak Royalties Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

##### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

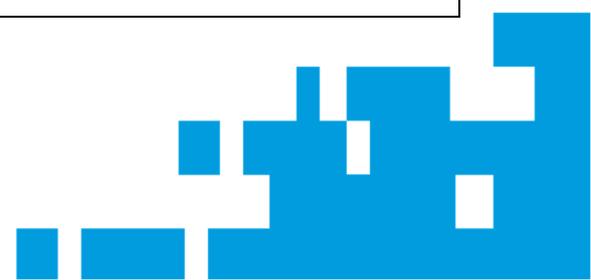
We believe that the audit evidence we have obtained to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### THE POWER OF BEING UNDERSTOOD ASSURANCE | TAX | CONSULTING

Key Audit Matter	How our audit addressed this matter
<p><b>Royalty Rights</b> Refer to Note 14 in the financial statements</p>	
<p>The Group has capitalised mineral royalty rights with a carrying value of \$8.3m. We determined this to be a key audit matter due to the size of the carrying value, and because the directors' assessment of impairment involves judgements around the current and long terms prospects of the related exploration activities, the current market conditions, the political climate in the jurisdiction in which the assets exists, the uncertainty over long-term commodity prices, as well as numerous other factors when determining whether there are any impairment indicators for intangible assets.</p>	<p>Our audit procedures in relation to Royalty Rights included:</p> <ul style="list-style-type: none"> <li>• Comparing the carrying value of the individual assets in the current year to that of the previous year, and investigating unexpected movements.</li> <li>• For impairment during the year, testing the appropriateness of management's assessment to supporting external evidence.</li> <li>• Assessing the high-level economic inputs used to determine the fair value of royalty rights as at 30 June 2023 and evaluating those economic inputs as at the reporting date so as to identify potential impairment indicators.</li> <li>• Critically evaluated management's assessment of each individual asset in terms of impairment indicators and considered such evaluation with regards to internal and external documentation available to support such assessment. Management determined that there were no impairment indicators for any of its existing royalty rights, and consequently, no value-in-use impairment models were prepared.</li> <li>• Where possible, reviewing the ASX announcements for companies in which the royalties relate, so as to identify other potential impairment indicators in relation to the assets over which the royalties relate.</li> </ul>
<p><b>Share sale of Torrens Energy (SA) Pty Limited</b> Refer to Note 12 &amp; 18 in the financial statements</p>	
<p>On 20 March 2025, the Company executed a Share Sale and Purchase Agreement for its wholly owned subsidiary, Torrens Energy (SA) Pty Limited ('Torrens'). The Completion Shares are divided into two equal tranches. Tranche 1 was completed on the execution date, while Tranche 2 remains subject to Ministerial Consent, which is yet to be obtained.</p> <p>We identified the divestment of Torrens as a key audit matter due to the significance of the transaction during the reporting period and the level of judgement involved. This included determining the appropriate date on which control of the subsidiary would be lost, in accordance with <i>AASB 10 Consolidated Financial Statements</i>, and assessing the fair value of the consideration received within the reporting period.</p>	<ul style="list-style-type: none"> <li>• Inspecting the Share Sale Agreement, and other related documents for contractual terms associated with the sale.</li> <li>• Evaluated management's assessment regarding the status of control over Torrens at reporting date, including the conditions required for loss of control under AASB 10 and the expected timing that this would be effective.</li> <li>• Reviewing the accounting entries in relation to the transaction and determined that they were in accordance with the Share Sale Agreement.</li> <li>• Obtained the financial information in relation to the Tranche 1 shares issued since the transaction.</li> <li>• Assessing the compliance of the financial presentation and disclosures with the requirements of Australian Accounting Standards.</li> </ul>



## Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf). This description forms part of our auditor's report.

## REPORT ON THE REMUNERATION REPORT

### Report on the Remuneration Report

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 8 to 12 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of High Peak Royalties Ltd, for the year ended 30 June 2025, complies with section 300A of the Corporations Act 2001.

*Responsibilities*

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A stylized, handwritten signature in blue ink that reads "RSM".

**RSM Australia Partners**

A handwritten signature in blue ink that reads "C J Hume".

**C J Hume**

Partner

Sydney 30 September 2025

**High Peak Royalties Limited**  
**Shareholder information**  
**30 June 2025**

The shareholder information set out below was applicable as at 26 September 2025.

**Top 20 Shareholders – Ordinary Shares**

Rank	Name	Units	% Units
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	74,242,251	35.68
2	MR ANTHONY EDWARD WOOLLES + MRS ALISON LOUISE WOOLLES <A & A SUPER FUND A/C>	15,065,670	7.24
3	NORFOLK ENCHANTS PTY LTD <TROJAN RETIREMENT FUND A/C>	11,275,000	5.42
4	MR ARCHIBALD GEOFFREY LOUDON	10,185,662	4.90
5	MARTIN PLACE SECURITIES NOMINEES P/L <ALCARDO INVESTMENTS A/C>	6,357,765	3.06
6	MR GEOFFREY KEVIN CAMELL <CAMELL DISCRETIONARY A/C>	4,830,000	2.32
7	MR ANTHONY EDWARD WOOLLES + MS ALISON LOUISE WOOLLES <A & A SUPER A/C>	4,281,540	2.06
8	TOPAZ HOLDINGS PTY LTD <MYLES K ERTZEN FAMILY A/C>	4,000,000	1.92
9	MR MURRAY JOHN JACOB + MRS SARA CAROLINE JACOB <AQUATICA SUPERFUND A/C>	3,000,000	1.44
10	CURZON NOMINEES PTY LTD <BADHAM FAMILY A/C>	2,823,086	1.36
11	DAWNEY & CO LTD	2,500,000	1.20
12	BYRNE HOLDINGS PTY LTD	2,000,000	0.96
12	MRS SARA JACOB	2,000,000	0.96
12	QGAS PTY LTD	2,000,000	0.96
12	RACCOLTO INVESTMENTS PTY LTD <MAPLELEAF SUPER FUND A/C>	2,000,000	0.96
12	TRI-HIRE PTY LTD <THE N & SJ MCDAVITT S/F A/C>	2,000,000	0.96
12	MR SIMON DAVID YEO + MRS JENNIFER DALE YEO <CAPE SUPERANNUATION FUND A/C>	2,000,000	0.96
18	AEW HOLDINGS PTY LTD <AEW CAPITAL A/C>	1,902,790	0.91
19	BEACON EXPLORATION PTY LTD	1,500,000	0.72
20	GREENLINK PTY LTD <THE DEBSAGO A/C>	1,350,000	0.65
20	MR PAUL MOSS + MRS ZOE MOSS <DEAD MODERN SUPER FUND A/C>	1,350,000	0.65
<b>Totals: Top 21 holders of ORDINARY FULLY PAID SHARES (Total)</b>		<b>156,663,764</b>	<b>75.30</b>
<b>Total Remaining Holders Balance</b>		<b>51,395,950</b>	<b>24.70</b>

**Equity security holders**

*Unquoted equity securities*

There are no unquoted equity securities.

**Substantial holders**

Substantial holders in the company are set out below:

Shareholder	Number of Shares	Voting Power
<b>NOONTIDE INVESTMENTS LTD</b>	73,725,608	35.43%
<b>AEW HOLDINGS PTY LTD</b>	21,510,883	10.34%
<b>NORFOLK ENCHANTS PTY LTD</b>	11,275,000	5.42%

**High Peak Royalties Limited**  
**Shareholder information**  
**30 June 2025**

**Distribution of Shareholders Number**

Range	Total holders	Units	% Units
1 - 1,000	22	5,134	0.00
1,001 - 5,000	10	30,508	0.01
5,001 - 10,000	32	283,672	0.14
10,001 - 100,000	160	6,691,529	3.22
100,001 Over	133	201,048,871	96.63
Rounding			0.00
<b>Total</b>	<b>357</b>	<b>208,059,714</b>	<b>100.00</b>

**Unmarketable Parcels**

Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.0600 per unit	45	124,337

**Voting rights**

The voting rights attached to ordinary shares are set out below:

*Ordinary shares*

On a show of hands, every member present at a meeting in person or by proxy shall have one vote, and upon a poll, each share shall have one vote.

**The name of the Company Secretary is Ms Louisa Ho. Ms Ho's qualifications are:**

Ms Louisa Ho is a lawyer by profession, holding an LLB, Bachelor of Business (major in accounting) and Bachelor of Laws from the University of Technology Sydney and has been admitted as a lawyer of the Supreme Court of New South Wales.

**The address of the registered and principle office is:**

24-26 Kent Street,  
 Millers Point, NSW 2000

**Registers of securities are held at the following address**

Computershare Limited  
 Level 8  
 22 Pitt Street  
 Sydney NSW 2000

**Stock Exchange Listing**

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Stock Exchange Limited.

**Restricted securities**

*Ordinary Shares*

Of the 208,059,714 ordinary shares on issue as at 26 September 2025, all ordinary shares are quoted on the Australian Stock Exchange. No ordinary shares are subject to escrow restrictions.

*Options*

No options are subject to escrow restrictions.