



Texas, USA Royalties

0.20% to 0.40% Royalty Interests over 53 wells in Harrison County
East Texas, Preston Spraberry Permian Basin and Willacy County
Texas Gulf Coast Basin

Operated by RFE Operating LLC, Crescent Pass Energy LLC (Sabine
Oil & Gas), Pioneer Natural Resources and Wagner Oil Company

These royalty interests over 53 wells in Harrison, Midland and Willacy Counties, Texas were the first US royalties acquired by High Peak in February 2015.

Royalty income is primarily from natural gas production. The royalties (both overriding royalty interests and non-participating royalty interests) are less than 1% (0.2% to 0.4%) and the term of the overriding royalty interests will be dependent on the term of the underlying leases (typically held by production) whilst the term of the non-participating royalty interests are normally perpetual.