REVOCABLE PROXY HIGHLANDS BANKSHARES, INC.

ANNUAL MEETING OF SHAREHOLDERS MAY 14, 2013

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS.

The undersigned hereby appoints Morris M. Homan, Jr. and Kathy G. Kimble., either of whom may act with full power of substitution, as proxies to vote, as designated below, at the Annual Meeting of Shareholders to be held on May 14, 2013, and at any adjournment thereof, the shares of Highlands Bankshares, Inc. common stock held of record by the undersigned as of March 28, 2013. Each share is entitled to one vote per nominee unless a shareholder requests cumulative voting at least 48 hours before the meeting. If cumulative voting for the election of directors is requested, the proxies, unless otherwise directed, shall have full discretion and authority to cumulate their votes and vote for less than all such nominees.

The shares to which this proxy relates will be voted as specified. If no specification is made, such shares will be voted in favor of the proposals set forth on this proxy. Mark here if you no longer wish to receive paper annual meeting materials and instead view them online. Mark here if you plan to attend the meeting. Mark here for address change. Comments: T DETACH - PLEASE ACT PROMPTLY ROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE 2. PROPOSAL TWO: RATIFICATION OF APPOINTMENT OF BROWN, EDWARDS & COMPANY, LLP AS INDEPENDENT Ahstain REGISTERED CERTIFIED PUBLIC ACCOUNTANTS IN THEIR DISCRETION. THE PROXIES ARE AUTHORIZED TO VOTE UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE ANNUAL MEETING.

	FOLD HERE – PLEASE DO NO DATE, SIGN, AND MAIL THIS PI
PLEASE MARK VOTES AS IN THIS EXAMPLE	
1. PROPOSAL ONE: Election of directors	For Authority Except
Class C: Leslie A. Barr Jack George L. Ford Class B: Jack C. Barr	H. Walters
INSTRUCTION: To withhold authority to All Except" and write that nominee's na	vote for any individual nominee, mark "Foi ime in the space provided below.
Please be sure to date and si this proxy card in the box below	
Sign above	— Co-holder (if any) sign above —
Please complete, date and sign the proxy and	return it as soon as possible in the enclosed signed exactly as the name or names appear on

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