

21 December 2016

Company Announcements Office
ASX Limited

Fitzroy welcomes Royalco's formal recommendation of the Fitzroy Offer

Fitzroy Corporation Limited ("**Fitzroy**") (**ASX: FZR**) acknowledges the release by Royalco Resources Limited ("**Royalco**") (**ASX: RCO**) of its Target's Statement in response to Fitzroy's cash Offer announced on 14 December 2016.

Royalco's Target's Statement contains its Directors' unanimous recommendation to accept Fitzroy's 20 cents per share cash Offer in the absence of a superior proposal. The recommendation follows the decision by associates of Royalco's Chairman, Peter Topham, to sell 2.669 million Royalco shares to Fitzroy at 20 cents a share on 13 December 2016. Mr Topham and his Associates have agreed to accept Fitzroy's Offer in respect of their remaining 3.136 million shares in the absence of a superior proposal.

The Chairman of Fitzroy, Malcolm McComas, said: *"The Board of Fitzroy is very pleased to have secured the unanimous recommendation of Royalco's Board for Fitzroy's Offer which gives Royalco shareholders the certainty of price and liquidity of 20 cents per Share"*.

Mr McComas also noted: *"Royalco has advised its shareholders that no proposals have been put to Royalco or are currently under consideration by Royalco which are alternatives to Fitzroy's Offer. Furthermore, Royalco's Directors have advised their shareholders that they are not aware of any other proposal that might be made as an alternative to the Offer."*

Fitzroy advises that its Offer Document containing the Bidder's Statement is expected to be mailed to Royalco shareholders on Thursday 29 December 2016. The Offer Document will contain a personalised Offer Acceptance Form and a Reply Paid envelope.

Malcolm McComas also said: *"Royalco shareholders should also be aware that Fitzroy's stockbroker, Taylor Collison, is currently offering to buy Royalco shares on market at 20 cents each. Shareholders who elect to take advantage of this option will be paid through their stockbroker two business days after the sale"*.

Royalco shareholders who have queries about how to accept Fitzroy's Offer are invited to contact Fitzroy's Company Secretary, Justin Clyne, on 02 9993 4407. The Offer is currently scheduled to close on Monday 30 January 2017.

For further information:

Malcolm McComas

Non-Executive Chairman – Fitzroy River Corporation
0412 016 009



Justin Clyne

Non-Executive Director/Company Secretary – Fitzroy River Corporation
+ 61 2 9993 4407

Chris Still

TC Corporate - Advisor to Fitzroy River Corporation
02 9377 1500

About Fitzroy River Corporation Limited:

Fitzroy River Corporation Limited is an ASX listed (ASX: FZR) oil and gas investment holding company with a focus on non-operational assets such as royalties, free carried interests and minority equity positions. Its current royalty agreements are centered around oil and gas production in the onshore Canning Basin in far north Western Australia. The royalty agreements are with Buru Energy Limited (ASX: BRU) (the operator) and Diamond Resources (Fitzroy) Pty Ltd and Diamond Resources (Canning) Pty Ltd, subsidiaries of Mitsubishi Corporation. Fitzroy's royalties cover some (but not all) of Buru's permits which include the Ungani oil field and Laurel Basin gas system.