

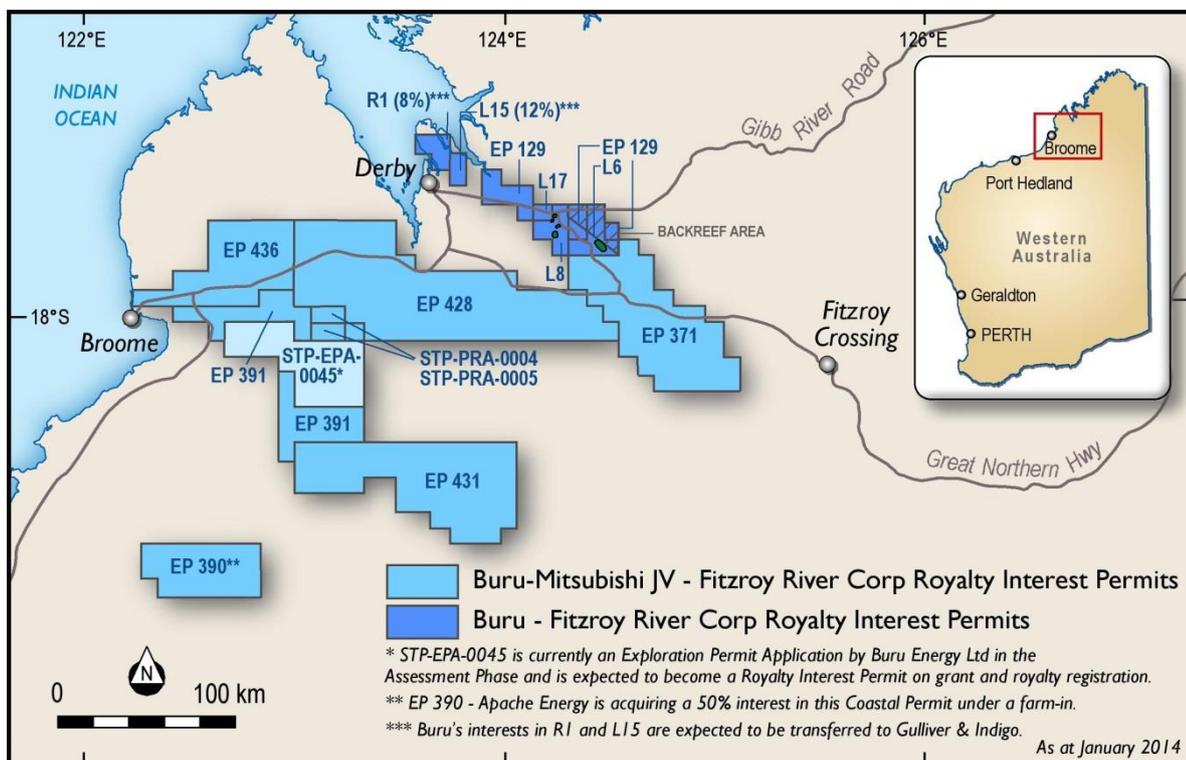
Quarterly Activities Report (for the Quarter ended 31 December 2013)

Fitzroy River Corporation Ltd ('Fitzroy' or the 'Company') reports on its activities during the 3 months ended 31 December 2013.

Fitzroy holds royalty interests in several permits in the Canning Basin (via 2 separate Royalty Deeds).

A) Canning Basin Royalty - Canning Basin (Western Australia)

The map below shows the location of all of the royalty interests, including those under the Canning Basin Royalty.



The Canning Basin Royalty has the potential to become a very important income producing asset of Fitzroy.

EP 391, EP 431, EP 436, EP 371, EP 390, EP 428 (2% Royalty) – Buru-Mitsubishi JV

These 6 Permits as shown in the map above are currently held 50% by Buru Energy Ltd ('Buru') and 50% by either Diamond Resources (Fitzroy) Pty Ltd ('DRF'), or Diamond Resources (Canning) Pty Ltd ('DRC'), both of which are wholly owned subsidiaries of Mitsubishi Corporation ('Mitsubishi'). DRF and DRC are currently each responsible, as to 50%, for the obligations and liabilities under the 26 August 2006 'Canning Basin

Royalty Deed' relating to these 6 Permits. Mitsubishi has guaranteed to Fitzroy the performance of DRF's and DRC's obligations. See also the discussion regarding EP 390 below.

Ungani Field recommencing production - EP 391 (R2) (2% Royalty on 100% participation interest)

Fitzroy continues to closely monitor relevant announcements concerning the Ungani Field that are made by Buru, particularly regarding steps being taken in aiming for full field production during 2014. Buru announced on 13 December 2013 that oil production from the Ungani Field had recommenced. Crude oil is now trucked from Ungani to a storage facility at the Port of Wyndham.

Fitzroy notes that Buru's operations update of 30 December 2013 stated that the Ungani 2 well had been producing strongly, that Ungani 1 was in the process of being brought on line, that there were 10,000 barrels of oil in storage at the Wyndham Port facility, and that 'as Ungani 1 is cleaned up and brought on line, additional trucking capacity will be brought on line with the objective of increasing production to the planned rate for this phase of the project of 1,500 bopd'.

The Ungani 3 well was spudded on 14 January 2014.

As at Quarter end, STP-PRA-0004 and 0005, the applications for Petroleum Production Licences in respect of the Ungani Field (lodged in May 2012, and to be carved out of EP 391 as shown in the above map) were in the assessment stage.

Royalty Payments Received during the Quarter

The total amount Fitzroy received in production royalties during the Quarter in respect of Ungani production was \$nil (paid, as distinct from accrued), due to the suspension of production in February 2013. Fitzroy is expecting further royalty payments from Buru and DRF in 2014 now that oil production has recommenced as discussed above.

Royalty Calculation Dispute

For further details regarding calculation of this royalty, which remains under dispute, please refer to Fitzroy's announcements dated 2 October 2012, 26 August and 12 December 2013, as well as periodic reports by the Company.

Fitzroy announced on 26 August 2013 that it had filed an Originating Summons in the Supreme Court of Western Australia seeking a declaration concerning the proper construction of those terms of its 'Canning Basin Royalty Deed' that relate to the calculation of the royalty. Fitzroy announced that it was seeking a declaration that upon a proper construction of the terms of the Royalty Deed dated 26 August 2006 between the Company and ARC Energy Limited (ACN 009 204 031) (now AWE Perth Pty Limited, 'ARC') it is entitled to be paid a royalty at the rate of 2% of the gross value in Australian currency of petroleum at the well head (as agreed or determined from time to time for the purpose of calculation of the State Royalty) which is recovered from the area covered by the permits the subject of the Canning Basin Royalty Deed without deduction for any costs or expenses.

During the Quarter, the Company received the 'Defendants' Defence and Counterclaim' dated 10 December 2013.

Retention Lease R1 (2% Royalty on 8% participation interest)

Fitzroy continues to monitor activities by the R1 joint venture participants. Fitzroy's 8% participating interest in R1 was sold together with various other Canning Basin Assets in 2006. R1 is over 3 blocks and renewal number 1 was granted on 8 November 2010. Fitzroy's 8% royalty rights are currently held as against Buru, one of the joint venture participants. On 23 December 2013, Buru announced that its 43.28% interest in R1 is to be transferred to Gulliver Productions Pty Ltd ('Gulliver', a subsidiary of Key Petroleum Limited) and Indigo Oil Pty Ltd ('Indigo') as part of an asset swap and Buru's 'ongoing acreage rationalisation program'. The assignment provisions of the Canning Basin Royalty Deed apply to this transaction and as at Quarter end Fitzroy is engaged in applicable negotiations with Buru.

Production Licence L15 (2% Royalty on 12% participation interest)

Fitzroy continues to monitor activities by the L15 joint venture participants. L15 (over 2 blocks) was granted on 1 April 2010 and expires on 31 March 2031. Fitzroy's 12% royalty rights are currently held as against Buru, one of the joint venture participants. On 23 December 2013, Buru announced that its 15.50% interest in L15 is to be transferred to Gulliver and Indigo as part of an asset swap and Buru's 'ongoing acreage rationalisation program'. The assignment provisions of the Canning Basin Royalty Deed apply to this transaction and as at Quarter end Fitzroy is engaged in applicable negotiations with Buru.

STP-EPA-0045

Buru has previously applied for an Exploration Permit over 25 blocks comprising EPA 0045. On 9 October 2013, Fitzroy advised Buru that if and when it is granted, the EP will be a 'Replacement Permit' referable to EP 391 (as it stood in 2006 when sold by Fitzroy) and therefore Fitzroy's 2% Royalty will apply to it. Buru advised during the previous quarter that its view is that the EP shouldn't constitute a 'Replacement Permit'.

EP 390

On 4 November 2013, Buru announced that a subsidiary of Apache Energy Limited will farm-in to a number of permits in the Buru-Mitsubishi joint venture. EP 390, one of the so-called 'Coastal Permits', will become 50% held by Apache once Apache funds an exploration program on the Coastal Permits during 2014. The assignment provisions of the Canning Basin Royalty Deed apply to this transaction and as at Quarter end Fitzroy is engaged in applicable negotiations with Buru.

EP 428, EP 431, EP 371 (R1) and EP 436

Renewal applications for these 4 permits were lodged by Buru in late October 2013. These 4 permits are 4 out of the 5 State Agreement permits (discussed extensively in previous reports by Fitzroy) and are exempt from the requirement to drop 50% of the blocks as part of the renewal application process.

B) Lennard Shelf Royalty - Canning Basin (Western Australia)

Royalty (3% of Well Head Value (net)) over EP129 and L6 and L8 production and sales

No Blina oilfield royalty payments were received by Fitzroy from Buru during the Quarter. Buru has advised that there were no sales during the months of September, October and November 2013. Buru stated as follows in its financial statements for the year ended 30 June 2013:

Blina and Sundown

Oil sales from the Company's Blina and Sundown oilfields, in the L6 and L8 production licences, averaged approximately 34 bopd before the Fields were shut-in in January 2013 due to weather and operational constraints. A review is being undertaken to consider options to maximise the value from these Fields.

EP 129

Fitzroy notes that Buru has applied for a suspension with extension for the 8 block EP 129 R5, which is currently due to expire on 31 January 2015, with such application having been made on 30 August 2013.

Backreef Area of EP 129 and L6

Fitzroy is monitoring the activities on the 'Backreef Area' of L6 and EP129, particularly those of Oil Basins Ltd. It is understood that Buru holds 100% of the Backreef Area on trust for Oil Basins Ltd and other parties due to the completion of the drilling of the East Blina-1 well on 31 October 2012 in accordance with the 'Backreef Play Agreement'.

L17

During April 2013, a new petroleum production licence L17 was granted to Buru. L17 is over a single block (block 6275, which was formerly part of EP129). L17 constitutes a 'Replacement Permit' under the Royalty Deed. Fitzroy has applied to register the Lennard Shelf Royalty against L17 and this is being done as part of Fitzroy's routine title maintenance activities (ensuring royalty dealings are and remain registered under Section 75 of the Petroleum and Geothermal Energy Resources Act (WA) against relevant permits). As at Quarter end the registration application's status was 'pending'.

C) Other Projects and Assets & Corporate Matters

Exploration, development and production activities and principal activities

Fitzroy has not had any direct activities of this nature during the Quarter.

As a direct result of the demerger of European Gas Limited (an unlisted private company incorporated in England and Wales) ('EGL UK'), the principal activities of the Company shifted to being an oil and gas investment holding company with a current focus on nonoperational assets such as royalties and minority equity positions.

The Company's primary focus has to date been in Western Australia, specifically the Canning Basin where the Company holds royalty interests in several permits via the two Royalty Deeds mentioned above, entered into as part of the Australian assets sales process in 2006. Shareholders endorsed this strategic shift by strongly supporting the February 2013 renounceable rights issue, which recorded take up by shareholders of 76% of the new shares on offer and raised approximately \$3.8 million for the purposes set out in the offer document dated 12 February 2013, and through the high level of support for the resolution passed at the general meeting held on 24 September 2013.

Fitzroy advised shareholders in the August 2013 Explanatory Memorandum issued for the September general meeting, which contained a detailed discussion of the impact of the sale on the Company, that it might acquire further oil and gas passive investments or royalty interests compatible with the Company's principal activities, which may include royalties and other financial investments in projects and companies in the energy and resources sectors.

Fitzroy continues to hold a small parcel of shares in Columbus Energy Ltd, a Canadian listed company in the energy sector. These shares were acquired during the Company's Australian asset sales program in 2006.

Shareholders

As at 31 December 2013, Fitzroy had 90,788,294 ordinary shares on issue, held by 1,110 registered shareholders.

Dated: 20 January 2014

Important

Certain information in this report refers to the statements, intentions or opinions of Buru Energy Ltd (ABN 71 130 651 437, ASX Code: BRU) and is based on public statements by it. Statements have been attributed to Buru Energy Ltd where applicable. Petroleum production targets announced by Buru Energy Ltd are subject to risks, uncertainties and other factors that may cause Fitzroy's actual results, performance or achievements to differ from those suggested or referred to in this report and regard should be given to Buru's statements and other announcements concerning the risks, uncertainties and other factors that may cause Buru to not meet production targets or result in delays meeting those targets.

As and when Fitzroy becomes aware of information concerning it in connection with its royalty and other assets then Fitzroy intends to comply with its continuous disclosure obligations under Australian law. Information about specified events or matters that may have some connection with Fitzroy's royalty assets is often being made known or generally available by Buru Energy Ltd (ABN 71 130 651 437, ASX Code: BRU) or other listed entities, and other information may consist of readily observable matters.

Market participants and investors making or drawing their own deductions, conclusions or inferences from any other company's ASX announcements do so at their own risk.