

Quarterly Activities Report (Quarter ended 31 March 2018)

Highlights:

- **Highlights in relation to Buru Royalty (see Buru Quarterly report dated 19 April and other operation updates)**
 - Receipt of a \$41,665 royalty from Buru for oil sold in the prior quarter and \$41,729 in respect of Production at Ungani sold in the current quarter;
 - Recommencement of production by Buru planned for early May when access road is re-opened to heavy vehicles;
 - Ungani 4 and Ungani 5 wells to be commissioned as part of production restart; and
 - Production is anticipated to increase toward 3,000 bopd (subject to production results from Ungani 4 and Ungani 5).
- **Highlights in relation to resources in relation to Buru Royalty**
 - Ungani 4 logs indicate a 74 metre oil column (9 January 2018) and Ungani 5 has an oil column of approximately 53 metres (2 January 2018);
 - Buru announced an increase in Contingent and Prospective resources at Yulleroo (18 January 2018); and
 - Program to flow test Ungani 4 and Ungani 5, which is required for an upgrade to resources, to be undertaken when production restarts.
- **Highlights in relation to Byron Energy Limited (ASX: BYE)**
 - FZR investment of \$1.5m BYE currently has a market value of approximately \$6.8m (closing price 37.5 cents on 24 April 2018) after excellent drilling results in the previous quarter and the commencement of production.
- **Highlights in relation to Capital Management**
 - 830,344 Shares purchased pursuant to the On-Market Share Buy-back during the quarter with 2.337m Shares purchased in total since June 2017 (approximately 2.5% of prior issued shares); and
 - FZR has continued to reduce administration costs and Board fees (as previously announced).

Fitzroy River Corporation Ltd (**Fitzroy, FZR or Company**) is pleased to report on its activities during the quarter ended 31 March 2018.

A) Corporate:

1. Summary of Announcements to the ASX During the Quarter:

Date:	Announcement
2 January	Daily share buy-back notice – Appendix 3E (22,258 shares)
3 January	Daily share buy-back notice – Appendix 3E (5,000 shares)
10 January	Cancellation of Shares – Form 484 (111,749 shares)
23 January	Daily share buy-back notice – Appendix 3E (125,000 shares)
24 January	Daily share buy-back notice – Appendix 3E (184,200 shares)
24 January	Daily share buy-back notice – Appendix 3E (184,200 shares) - Amended
31 January	Quarterly Activities and Cashflow Report
31 January	Daily share buy-back notice – Appendix 3E (25,200 shares)
5 February	Daily share buy-back notice – Appendix 3E (12,000 shares)
6 February	Daily share buy-back notice – Appendix 3E (180,000 shares)
7 February	Cancellation of Shares – Form 484 (526,400 shares)
14 February	Daily share buy-back notice – Appendix 3E (1,500 shares)
22 February	Daily share buy-back notice – Appendix 3E (950 shares)
28 February	Daily share buy-back notice – Appendix 3E (11,430 shares)
5 March	Daily share buy-back notice – Appendix 3E (7,500 shares)
5 March	Daily share buy-back notice – Appendix 3E (24,390 shares)
6 March	Daily share buy-back notice – Appendix 3E (145,615 shares)
12 March	Cancellation of Shares – Form 484 (191,385 shares)
16 March	Half Year Accounts
21 March	Daily share buy-back notice – Appendix 3E (16,000 shares)
26 March	Daily share buy-back notice – Appendix 3E (14,687 shares)
26 March	Daily share buy-back notice – Appendix 3E (76,872 shares)

Table 1: Summary of ASX releases by Fitzroy during the March Quarter.

2. Significant Progress under the On-market Share Buy-back:

During the quarter, the Company continued to acquire shares under its on-market share buy-back (*refer ASX announcement 5 June 2017*) in which the Company aims to acquire up to 9.0m shares which represents approximately 10% of all shares on issue prior to the commencement of the buy-back. During the quarter, the Company bought back a total of 830,344 shares. Total shares purchased under the buy-back to date is 2,337,435 for a total consideration of approximately \$500,000. The buy-back remains in place until 21 June 2018, unless terminated earlier.

Quarter	Number Bought	Cumulative Total	Remaining to be Bought
June 2017	25,000	25,000	8,975,000
September 2017	348,122	373,122	8,626,878
December 2017	1,115,516	1,488,638	7,511,362
March 2018	830,344	2,318,982	6,681,018
June 2018 (part to 23 April)	18,453	2,337,435	6,662,565

Table 2: Summary of shares purchased under the Buy-back by Quarter.

The buy-back gives Fitzroy the flexibility to buy back the Company's ordinary shares in circumstances where it is beneficial to the efficient capital management of the Company and is dependent on market conditions, volumes, price and other relevant conditions from time to time.

3. Royalties:

During the quarter, Fitzroy received a royalty payment from Buru for the quarter ended 31 December 2017 of \$41,665 based on the sale of 54,980 bbls of production. Subsequent to the end of the quarter, Fitzroy received a royalty payment of \$41,729 based on a lifting of 53,377 bbls on 11 January. Pursuant to the royalty agreement with Buru, Fitzroy receives a 2% net royalty.

4. Significant Investment in Byron Energy Limited:

As previously announced, the Company has invested a total of \$1.5m in Byron Energy Limited (ASX: **BYE**) with a total of 18.131m shares representing approximately 2.76% of BYE at an average price of \$0.083 per share. Fitzroy is pleased to see the continuing progress made by BYE with its recent drilling success and commencement of production in March 2018.

5. Shareholders

Fitzroy has 88,450,859 ordinary shares on issue, held by 901 registered shareholders.

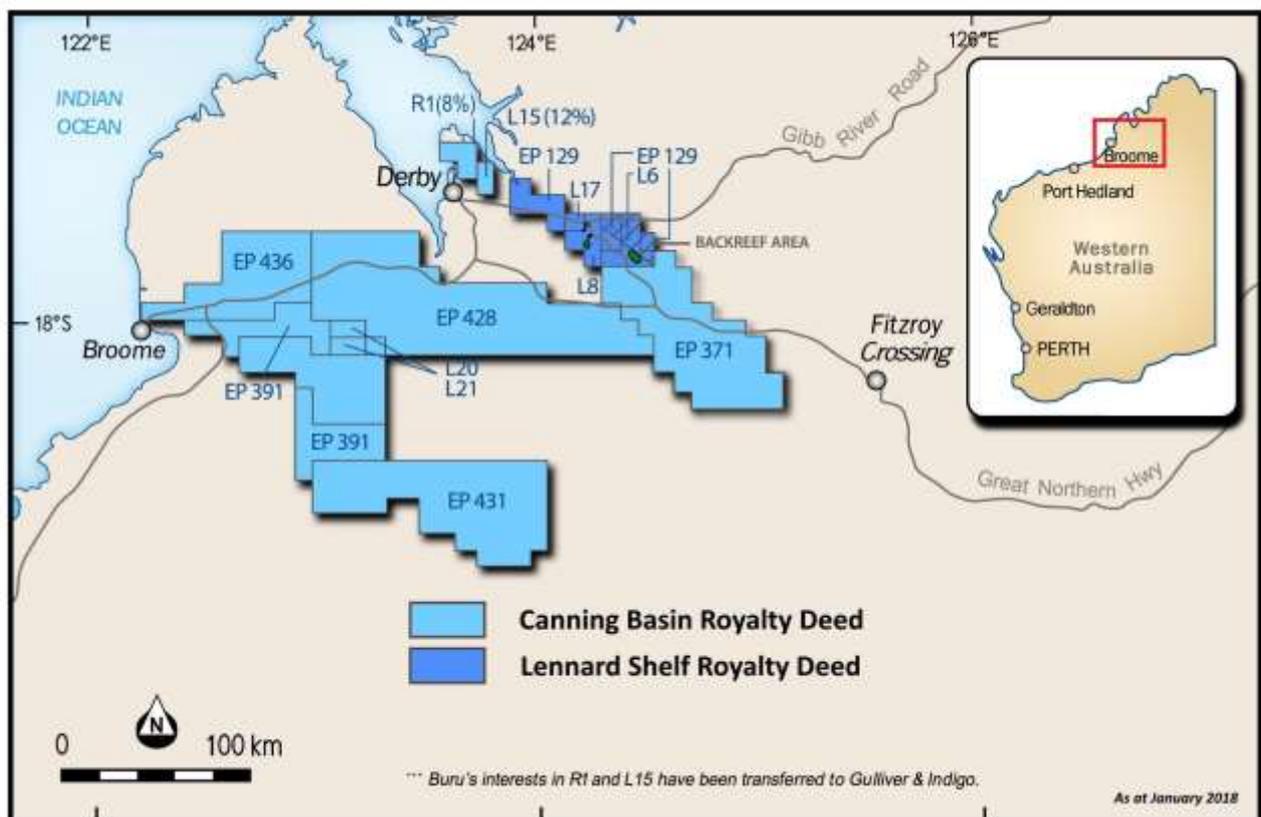
B) Projects and Assets

1. Royalty deeds:

Fitzroy holds royalty interests in several permits in the Canning Basin originally acquired via 2 separate Royalty Deeds, the Canning Basin Royalty Deed and the Lennard Shelf Royalty Deed.

The map below shows the location of all the Company’s royalty interests with those acquired under the Canning Basin Royalty shown in light blue and with those shown in dark blue being the areas acquired under the Lennard Shelf Royalty.

Figure 1: Map of Tenements over which Fitzroy has a royalty.



2. Announcements by Buru Energy Limited (ASX: BRU):

On 12 January 2018, Buru announced that it has suspended production from the Ungani Oilfield due to the access roads being inaccessible to heavy vehicles.

On 17 April, Buru announced (in part):

“...The field crew has been accessing the field and preparations are underway to commence the restart as soon as heavy vehicle access is restored and the current inventory in the storage tanks is able to be lifted. Preparations for the flowline completion and hookup have also commenced.

Subject to the production results from the Ungani 4 and Ungani 5 wells, the forward plan is to continue to build production to the target rate of 3,000 barrels of oil per day. The existing oil cartage contractor Fuel Trans Australia Pty Ltd has committed six road trains in quad configuration for Ungani production on re-start which will allow production transport capacity of ~2,400 bopd. A contract has now also been executed with Road Trains Australia Pty Ltd for an additional three road trains in triple configuration which will provide capacity to increase production transport capacity to Buru’s target of ~3,000 bopd.

As the on-site storage tanks are full with an inventory of some 5,000 barrels of oil this will be the immediate focus on the resumption of the trucking operation to provide ullage for the resumption of production and the commissioning of Ungani 4 and 5...”.

3. Exploration, development and production activities:

Fitzroy did not have any direct activities of this nature during the Quarter however the Company continues to actively seek investment opportunities by way of additional royalty interests, free carried interests and minor equity positions.

4. Petroleum tenement and farm-in agreement information:

Canning Basin Royalty Deed:

EP or PL #	Date Issued	Expiry	Area (km2)	Registered Holder
EP 391	1 Feb. 2015	31 Jan. 2024 ¹	2,274.7736 (26 blocks)	Buru Energy Limited
EP 371	31 July 2014	30 July 2023	3,663.2577 (45 blocks)	Diamond Resources (Canning) Pty Ltd (50%)/ Diamond Resources (Fitzroy) Pty Ltd (50%)
EP 428	31 July 2014	30 July 2023	6,431.9741 (79 blocks)	Buru Energy Limited
EP 431	31 July 2014	30 July 2023	4,211.4604 (52 blocks)	Buru Energy Limited

¹ The termination dates for EP’s 391, 371, 428, 431 and 436 are subject to ratification by the WA Parliament which is expected sometime in 2018. The current termination dates as recorded by the WA Department of Mines, Industry Regulation and Safety are 31 January 2020 for EP 391 and 30 July 2019 for the other 4 EP’s.

EP 436	31 July 2014	30 July 2023	2,404.1372 (30 blocks)	Buru Energy Limited
L20	2 July 2015	-	162.7085 (2 blocks)	Buru Energy Limited
L21	2 July 2015	-	162.6399 (2 blocks)	Buru Energy Limited
R 1	11 Oct 2016	10 Oct 2021	245.1571 (3 blocks)	Gulliver Productions Pty Ltd (85.23%) and Indigo Oil Pty Ltd (14.77%)
L 15	1 April 2010	31 March 2031	163.46 (2 blocks)	Gulliver Productions Pty Ltd (85.40%) and Indigo Oil Pty Ltd (14.60%)

Lennard Shelf Royalty Deed:

EP or PL #	Date Issued	Expiry	Area (km2)	Held by
EP 129 ²	18 March 2016	17 March 2021	652.9955 (8 blocks)	Buru Energy Limited
L 6	19 May 2006	18 May 2027	407.9 (5 blocks)	Buru Energy Limited
L 8	19 May 2006	18 May 2027	326.3084 (4 blocks)	Buru Energy Limited
L 17	10 April 2013	Indefinite as per the terms of the license dated 10 April 2013	81.6 (1 block)	Buru Energy Limited

Table 3: Schedule of Tenements under the Lennard Shelf Royalty Deed.

EP = Exploration Permit, PL = Production Licence (e.g. L20, L21 etc).

5. Information Pursuant to Listing Rule 5.4.3:

In accordance with ASX Listing Rule 5.4.3, but noting its several royalty interests as described above, Fitzroy advises that:

- 1) No petroleum tenements were held at the end of the Quarter;
- 2) No petroleum tenements were acquired or disposed of during the Quarter;

² Fitzroy is monitoring the activities on the 'Backreef Area' of EP 129 and L6, particularly those of Emperor Energy Ltd (ASX: EMP) (formerly Oil Basins Ltd). It is understood that Buru holds 100% of the Backreef Area on trust for Emperor Energy Ltd due to the completion of the drilling of the East Blina-1 well on 31 October 2012 in accordance with the 'Backreef Play Agreement' dated 30 October 2008. As previously announced, Fitzroy had some negotiations with Buru during 2013 regarding the terms of a deed of covenant proposed to be entered into by the beneficial owners of the Backreef Area, to support Fitzroy's royalty interest. As at Quarter end, the contractual relationship governing the 3% royalty obligation (which is registered against EP 129 and L6) is between Fitzroy and Buru alone

- 3) The beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter was nil; and
- 4) The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the Quarter was nil.

Malcolm McComas – Chairman

Dated: 26 April 2018

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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Fitzroy River Corporation Ltd

ABN

75 075 760 655

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	42	79
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(121)	(381)
1.3 Dividends received (see note 3)		
1.4 Interest received	12	43
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(67)	(259)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments	(67)	(1,067)
(d) other non-current assets		

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(67)	(1,067)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)	(174)	(464)
3.10 Net cash from / (used in) financing activities	(174)	(464)

Other relates to share buy backs

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,786	4,268
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(67)	(259)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(67)	(1,067)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(174)	(464)
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	2,478	2,478

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,478	2,786
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,478	2,786

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

37

Director and company secretarial fees

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	130
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	130

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



26 April, 2018

Sign here:
(Director/Company Secretary)

Date:

Print name:Justin Clyne.....

Note-++

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.