

FITZROY RESOURCES LTD

ABN 43 145 590 110

Fast Facts – 12 November 2013

Share Code	ASX: FRY
Shares on Issue	47 Million
Options	11 Million
Market Cap @\$0.043	\$2.02M
Cash at Bank	\$1.46M

Directors

Tom Henderson, **Chairman**
 Will Dix, **Director**
 Ric Vittino, **Director**
 Russell Lynton-Brown, **Director**
 Ben Lane, **Interim CEO**

Projects
Rookwood:

- Queensland
70km NW of Rockhampton

Glentanna:

- Queensland
140km SW of Brisbane

Emmaus:

- West Virginia, USA
100km S of Charleston, WV

Contact Details

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12 November 2013

Increase in Property Area and Substantial Reduction in Consideration under Premier Coking Coal Deal

- **Fitzroy amends terms of option agreement to acquire hard coking coal assets in USA to substantially reduce the consideration**
- **Secured further option for additional, permitted property adjacent to Emmaus within amount of reduced consideration**

As announced on 14 August 2013, Fitzroy Resources Ltd ("Fitzroy" or "FRY") signed an option agreement to acquire 100% of Premier Coking Coal Limited ("Premier" or "PCC") and its subsidiary, Premier Coking Coal LLC, a US based coal exploration and development company ("Premier Option"). Premier holds an option to acquire the Emmaus project ("Emmaus") from Emmaus Partners LLC ("Emmaus Partners").

In the period since first signing the Premier Option, Fitzroy has substantially improved the terms of the agreements and increased the property area under option and potentially de-risked development through the acquisition of a mining permit.

Summary of New Terms

Fitzroy has renegotiated the Premier Option agreement and with the support of Premier has also renegotiated the terms of the option agreement with Emmaus Partners to acquire the Emmaus lease. In addition Premier with the support of Fitzroy has secured an option to acquire an adjacent 1,134 acre lease named Blackstone owned by Blackstone Energy Corporation ("Blackstone Corp"). The table below shows the total consideration under the new and previous transactions:

Previous terms	<u>Fitzroy receives:</u> Emmaus Lease <u>Share consideration:</u> 55 million FRY ordinary shares 55 million FRY performance shares <u>Cash consideration:</u> US\$1,600,000
New Terms	<u>Fitzroy receives:</u> Emmaus Lease Blackstone Lease Deep Mine Permit <u>Share consideration:</u> 30 million FRY ordinary shares 20 million FRY performance shares <u>Cash consideration:</u> US\$805,000

This is a significant outcome for Fitzroy. Not only have we substantially improved the terms and cash requirements to complete the deal, but we will have also brought the current owners of the property leases, Emmaus Partners, onto the Fitzroy share register. This is a show of faith in the projects that we are acquiring. Emmaus Partners are individuals who have mined and done business within the West Virginian coal industry for a long period of time.

We have also included a project, Blackstone, which is adjacent to Emmaus and a deep mine permit will give us immediate access to the Red Ash/Douglas seam at any time in the future after we have completed our technical, engineering and financial analysis.

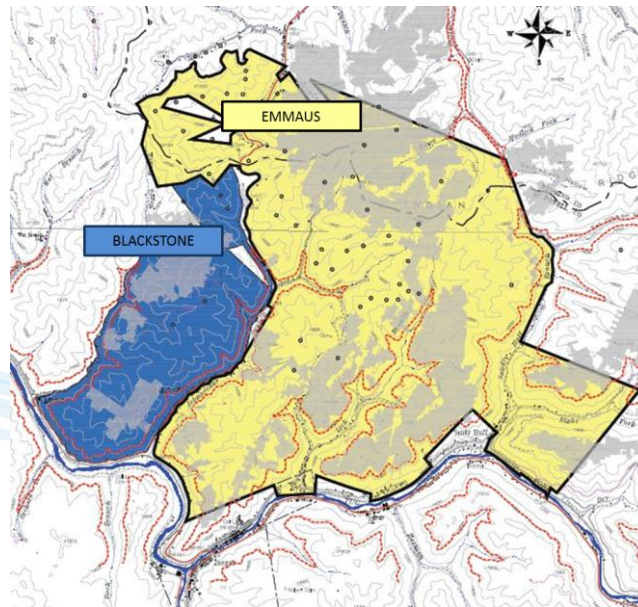


FIGURE 1 - EMMAUS AND BLACKSTONE PROPERTIES IN MCDOWELL AND WYOMING COUNTIES, WEST VIRGINIA, USA

Transaction Details

The Premier Option may be exercised at any time before its expiration on 16th December 2013 (although the option period may be extended for a further three months by the Company paying US\$250,000 to Premier to meet its obligations under the Emmaus option agreement) and is subject to satisfactory due diligence and the transaction obtaining all necessary regulatory and shareholder approvals.

Premier Coking Coal Acquisition

Upon exercise of the Premier Option, Fitzroy will issue 20 million FRY shares and 20 million FRY performance shares to the owners of PCC. The FRY performance shares will be issued subject to Shareholder and ASX approval and will convert to FRY shares on a one for one basis on satisfaction of the following milestones:

- The FRY share price is over \$0.20 for a continuous period of 30 business days; and
- Either:
 - Fitzroy making a decision to mine at either the Blackstone or Emmaus properties and attaining a mining rate of 15,000 tons per month; or
 - Fitzroy making a decision to construct a processing facility within the Blackstone or Emmaus properties planning to process at a rate of 30,000 tons per month

Premier Coking Coal currently has US\$200,000 in shareholder loans which remain if the option is exercised and which will be repaid by Fitzroy either in cash or by the issue of 4,000,000 Fitzroy shares at Fitzroy's option.

Emmaus Lease

A total of US\$500,000 is required to be paid to the current owners of Emmaus (not related to the owners of PCC) and issue 7.5m Fitzroy shares for the final acquisition of the Emmaus project in the following instalments:

- US\$250,000 on 16 of December, 2013;
- US\$250,000 on the date that Premier acquires the Emmaus project following exercise of the Emmaus option; and
- 7,500,000 ordinary Fitzroy shares on the date that Premier acquires the Emmaus project following exercise of the Emmaus option

Blackstone Lease

A total of US\$105,000 is required to be paid to the current owners of Blackstone (not related to the owners of PCC) and issue 2.5m Fitzroy shares for the final acquisition of the Blackstone project in the following instalments:

- US\$55,000 on executing the Blackstone option;
- US\$50,000 on 16 December, 2013; and
- 2,500,000 ordinary Fitzroy shares on the date that Premier acquires the Blackstone project following exercise of the Blackstone option

Blackstone Deep Mine Permit

Fitzroy has signed an option agreement where it will have an obligation to pay US\$50,001 to the current owner of the deep mine permit (not related to the owners of PCC) in the following instalments:

- \$1 upon signing;
- \$50,000 upon approval of the transfer of ownership from the West Virginian Department of Environment.

Capital Structure

The capital structure of Fitzroy on completion of the transaction is below.

	Current	Transaction ¹	Post transaction ¹
Ordinary Shares	47,000,005	30,000,000	77,000,005
Options - 5m at \$0.30 (Exp 6 Dec 2013) 6m at \$0.30 (Exp 31 Jul 2015)	11,000,000	0	11,000,000
Performance Shares	0	20,000,000	20,000,000

1. The company is obliged to pay certain advisory fees in relation to the transaction which Fitzroy will seek shareholder approval to satisfy via the issue of up to 4,000,000 shares in lieu of making cash payments. The Company is also considering issuing up to 2,500,000 incentive securities following completion of the transaction to management.

Regulatory Approvals and Notice of Meeting

Completion of the Premier Option agreement is subject to satisfactory due diligence and Fitzroy obtaining all necessary regulatory and shareholder approvals. The Company will seek shareholder approval under Listing Rule 7.1 and 11.1.2 for the issue of the FRY shares and FRY performance shares under the transaction.

Under the Premier Option Agreement, the vendors of Premier have the right to appoint two directors to the Board of Fitzroy on completion of the transaction. The parties will mutually agree a Chief Executive Officer.

The Notice of Meeting seeking shareholder approval for the transaction is in the process of being finalised and will be dispatched to shareholders in the coming days.

Update on Due Diligence Activities

As part of its confirmatory drilling, eight holes have been designed and Fitzroy has commenced drilling. Fitzroy expect the program to complete by the end of November and the Company will release the results of this drilling as sample results from the drilling program are processed.