

13 January 2017

Company Announcements Office
ASX Limited

Royalco Chairman accepts Fitzroy's Takeover Offer

Fitzroy River Corporation Limited (**Fitzroy**, ASX: **FZR**) has today lodged an updated ASIC Form 604 Notice of Change in Substantial Shareholding in relation to its current off-market takeover offer (**Offer**) for Royalco Resources Limited (**Royalco**). Fitzroy now has a relevant interest in a total of 15,836,491 million Royalco shares representing 30.04% of Royalco's issued share capital.

Fitzroy is also pleased to advise that the Chairman of Royalco, Mr Peter Topham, has accepted the Offer for the remaining shareholding held by him and his associates being 3,136,140 Royalco shares, representing 5.95% of Royalco's issued share capital. These acceptances are in addition to the 2,669,000 shares (5.06%) acquired by Fitzroy from Mr Topham and his associates in December 2016. Mr Bruce Pertzelt, non-executive director of Royalco, has also accepted the Offer in respect of his entire shareholding.

Fitzroy Chairman Malcolm McComas said: *"We are pleased to have reached agreement with Peter and the Royalco board for their recommendation and their acceptances for their Royalco shares at 20 cents each. The acceptance of the Offer by Peter Topham and Bruce Pertzelt is significant and moves Fitzroy's relevant interest to 30.04% of Royalco. On behalf of the Board of Fitzroy, I urge all remaining Royalco shareholders to accept the offer without delay prior to the current scheduled closing date of Monday 30 January 2017."*

Fitzroy notes that the Offer of 20 cents for every RCO share is recommended by Mr Peter Topham and the board of Royalco in the absence of a superior proposal. Details of their unanimous recommendation is contained in the Target's Statement dated 19 December 2016 and despatched to Royalco Shareholders on 30 December 2016.

Any Royalco shareholder who has mislaid their Acceptance Form can contact Justin Clyne, the Company Secretary of Fitzroy on + 61 2 9993 4407 or via email at jclyne@clynecorporate.com.au to request a replacement Acceptance Form. Alternatively, Royalco shareholders are advised that Fitzroy's stockbroker is offering to acquire all outstanding Royalco shares on-market.

For further information:

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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.