

20 January 2017

ASX Limited
Company Announcements Office

Fitzroy Extends Recommended Takeover Offer for Royalco

Fitzroy River Corporation Limited (**Fitzroy**, ASX: **FZR**) announces that it will extend the closing date of its current off-market takeover offer (**Offer**) for Royalco Resources Limited (**Royalco**) from 30 January 2017 until 7.00pm on Monday 13 February 2017¹.

The directors of Royalco have unanimously recommended that Royalco shareholders accept the Offer in the absence of a superior proposal and have now accepted the Offer for their own shareholdings.

As at the date of this announcement, Fitzroy has a relevant interest in 21,779,128 Royalco shares being 41.31% of Royalco's issued share capital. This includes acceptances from Mr Peter Topham, Chairman of Royalco, Mr Bruce Pertzelt, a non-executive director and various shareholdings associated with Mr David Ogg, a former director of Royalco.

This extension of the Offer will provide remaining Royalco shareholders with additional time to accept the Offer.

The key reasons for the directors of Royalco recommending acceptance of the Offer are set out in Section 1 of Royalco's Target's Statement. For convenience, the headings are set out below:

- (a) *Offer Price sufficient for Royalco Directors to accept;*
- (b) *Offer Price represents a premium;*
- (c) *Certainty of price and liquidity of 20 cents per Share;*
- (d) *There will be a number of disadvantages for Shareholders if Royalco is delisted in the future;*
- (e) *No superior proposal has emerged;*
- (f) *No guarantee of the future performance of Royalco;*
- (g) *Uncertainty of outcome at upcoming spill meeting; and*
- (h) *Other considerations [as detailed on Page 6 of the Target's Statement].*

Royalco shareholders are also advised that Fitzroy's stockbroker (Taylor Collison) is offering to acquire all outstanding Royalco shares on-market at the Offer price of 20 cents per share. All on-market trades will be settled in the normal course of business on a T+2 basis.

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.

¹ Unless withdrawn and subject to any extension of that date in accordance with the *Corporations Act 2001 (Cth.)*.



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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.