

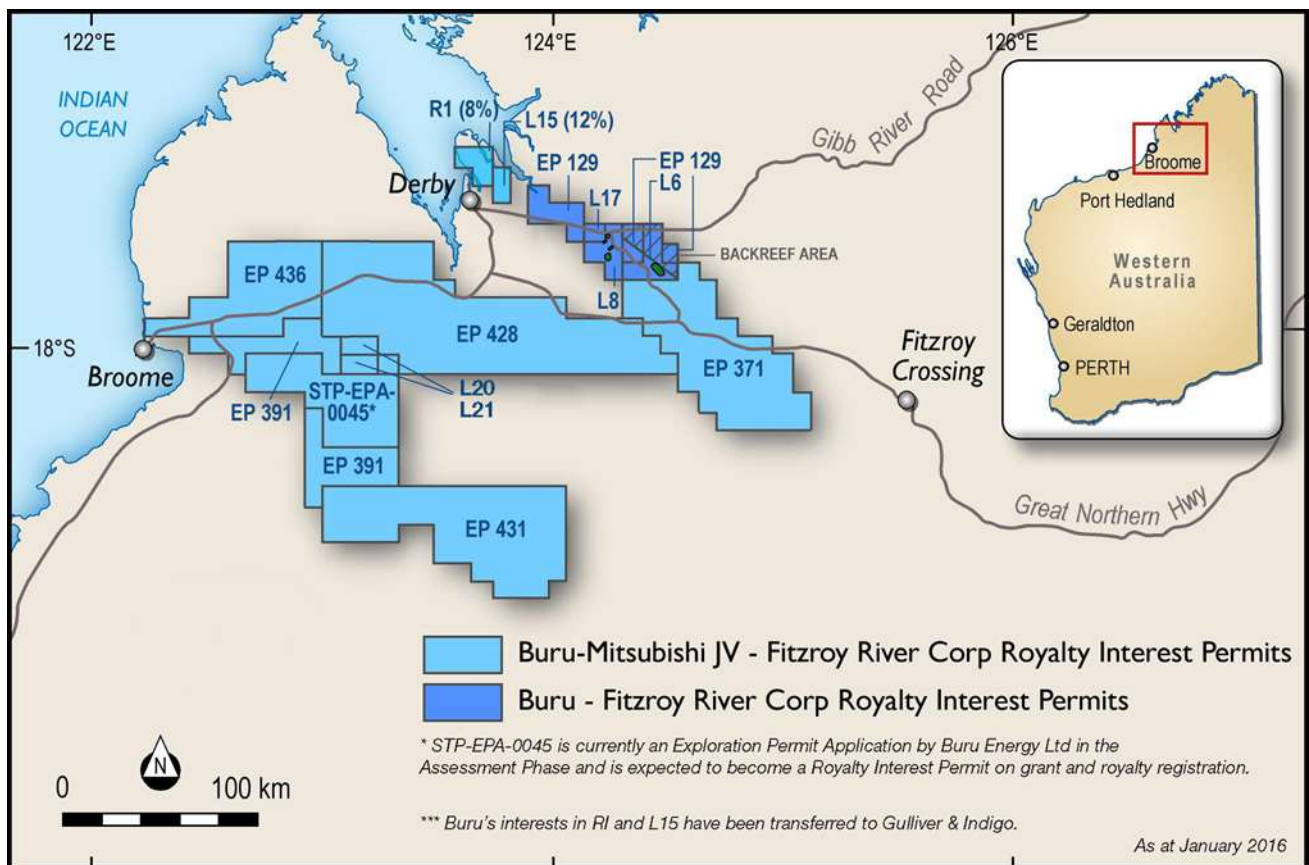
Quarterly Activities Report (Quarter ended 31 December 2015)

Fitzroy River Corporation Ltd ('Fitzroy', 'FZR' or the 'Company') reports on its activities during the 3 months ended 31 December 2015.

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 Company's royalty interests, including those under the Canning Basin Royalty shown in light blue. The dark blue areas are under the Lennard Shelf Royalty discussed in section B) below.



The Company believes that the royalties have the potential to become important income producing assets for Fitzroy.

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

These 5 Permits as shown in the map on page 1 are currently held 50% by Buru Energy Ltd ('Buru') and 50% by either Diamond Resources (Fitzroy) Pty Ltd ('DRF') (EP 391, EP 431 and EP 436), or Diamond Resources (Canning) Pty Ltd ('DRC') (EP 371 and EP 428). DRF and DRC 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 5 Permits. Mitsubishi has guaranteed to Fitzroy the performance of DRF's and DRC's obligations.

Production Licences L 20 (formerly STP-PRA-0004) which covers 2 blocks (6694 and 6695) and L 21 (formerly STP-PRA-0005) which covers 2 blocks (6766 and 6767) both previously fell within the area of EP391 and are now also subject to the Canning Basin Royalty. The applications to register Fitzroy's royalties over these two production licences have been lodged and are awaiting registration. The production licences authorise the joint venture to produce oil from the Ungani field and will remain in force indefinitely, subject to the usual conditions applying to these types of licences, including the requirement to pay a net wellhead royalty to the State.

During the quarter Buru announced that the Ungani Far West 1 Appraisal Well was spudded on 28 November 2015. The appraisal well is located within L 21 (over which Fitzroy has a royalty), 97 kms east of Broome and 3.3 kms southwest of the Ungani Oil Field in the Canning Basin. Subsequent to the end of the quarter on 14 January 2016, in its update on the appraisal well, Buru advised the market as follows:

"Interpretation of the completed logging and sampling program results confirmed the preliminary interpretation of an oil column of at least 14 meters of which some five meters is net pay in the Anderson Formation."

Prior to this, on 7 January 2016 in an earlier update, Buru's Executive Chairman, Eric Streitberg said about the results that *"This is an excellent outcome for the Ungani area and the Canning Basin generally with an oil discovery in a new play..."*

Fitzroy will continue to monitor and wait for further announcements in relation to exploration and production from the Ungani Far West 1 Appraisal Well and all the tenements over which it holds a royalty interest.

In its Quarterly Activities Report released 25 January 2016 Buru reported that there are strong flow rates from the Laurel Formation Tight Gas Pilot Exploration Program (TGS15) flowback. Buru reported that the TGS15 program continued through the quarter with the following operations undertaken:

"Valhalla North 1

- *Four zones were stimulated with sand and ceramic proppants*
- *The zones reacted in line with predictions with good stimulation characteristics*

- *Early cleanup rate the 7 inch casing from two zones, before the completion was run, recovered water, gas, and condensate with relatively stable three phase flow through the separator. Indicative calculations suggested a liquids/gas ratio of ~40 barrels per million cubic feet of gas. This is in excess of estimates made from data from existing wells and regional data*
- *Prior to completion of the well the shut in well head pressure was in excess of 3,100 psi, with significant frac fluid in the well, demonstrating excellent reservoir support and desirable reservoir overpressure*

Asgard 1

- *Seven zones were stimulated with slickwater and sand proppant*
- *Zones reacted generally as predicted*
- *Shut in well head pressure was in excess of 2,800 psi prior to commencing flowback, with significant frac fluid in the well, demonstrating excellent reservoir support and desirable reservoir overpressure*

Following the end of the quarter, the Valhalla North 1 and Asgard 1 wells continued their strong production performance constantly unloading stimulation fluid and flowing hydrocarbons. Fluid recovery to date from the Valhalla North 1 and Asgard 1 wells is 73% and 35% respectively... Due to the encroaching wet season, the Joint Venture has decided to suspend the testing operations. During the suspension period the data gathered will be analysed to plan the forward program. The joint venture is also moving forward with the commissioning of an independent resource report from DeGolyer and MacNaughton."

Royalty Payments Received during the Quarter

During the quarter the Company received a total of \$29,286 in royalties for the months of July, August and September. In its Quarterly Activities Report released 25 January 2016 Buru stated that *"...The Ungani Oilfield continued to produce at strong daily rates. However, a shutdown to resolve trucking issues resulted in total production for the quarter being reduced to ~56,000 bbls (September 2015: ~76,000 bbls). During the quarter, two shipments totalling ~59,000 bbls were made from Wyndham Port giving joint venture sales revenue of \$2.0 million..."*. On this basis, Fitzroy believes that it will shortly receive royalty payments in respect of the October to December quarter from the Buru-Mitsubishi joint venture parties.

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

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 2% royalty rights on its 8% participating interest have been held as against Buru, one of the joint venture participants.

Pursuant to a Deed of Covenant dated 20 December 2013, Buru transferred its 43.28% interest in R1 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'.

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

L15 (over 2 blocks) was granted on 1 April 2010 and expires on 31 March 2031. Fitzroy's 2% royalty right on its 12% participating interest have been held as against Buru, one of the joint venture participants.

Pursuant to a Deed of Covenant dated 20 December 2013, Buru transferred its 15.5% interest in L15 to Gulliver Productions Pty Ltd ('Gulliver', a subsidiary of ASX listed Key Petroleum Limited) and Indigo Oil Pty Ltd ('Indigo') as part of an asset swap and Buru's 'ongoing acreage rationalisation program'.

On 1 October 2015 Key Petroleum released its Maiden Reserves and Contingent Resources Reports in respect of both R1 and L15. It was stated therein that the West Kora Oil Field has "gross proved probable (2P) reserves of 380,000 barrels of oil...The West Kora Oil Field (L15) has a gross (2C) contingent resource of 120,000 barrels of oil and the Point Torment Gas Field (R1) gross (2C) contingent gas resources of 4.725 Bcf...".

In its AGM presentation to shareholders, Key Petroleum stated that it is considering commercialisation discussions by way of a farm out for R1.

STP-EPA-0045

On 7 October 2011, Buru applied for an Exploration Permit over 25 blocks comprising EPA 0045. On 9 October 2013, Fitzroy advised Buru that if and when EPA 0045 is granted, it will constitute a 'Replacement Permit' referable to EP 391 (as it stood in 2006 when sold by Fitzroy) and therefore Fitzroy's 2% Royalty will apply. Buru has advised that its view is that EPA 0045 does not constitute a 'Replacement Permit'. The EPA still remains in the assessment stage.

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 EP 129 and L6 and L8 production and sales

No Blina oilfield royalty payments were received by Fitzroy from Buru during the Quarter and no payments are expected. In its Quarterly Activities Report released 25 January 2016 Buru stated that "The Blina and Sundown Oilfields remained shut-in during the quarter. Maintenance and well inspections were continued together with further rehabilitation operations."

EP 129

The Lennard Shelf Royalty was created by a Royalty Deed dated 5 September 2006 over the entire area covered by EP 129, as well as over Production Licences L6 and L8 and was registered on 2 March 2007. EP 129 is due to expire on 31 January 2016 and the Company notes that on 30 October 2015 a renewal application was lodged by Buru which remains pending.

On 27 January 2015 Buru announced that it had commenced drilling operations on the Sunbeam 1 well located on EP 129 and in its final drilling report announced to the market on 9 February Buru stated drilling did not encounter any significant hydrocarbons and the well would be suspended for possible re-entry and deepening into the underlying Emanuel prospect during the coming dry season. There has been no significant update since that time.

EP 129 is subject to the Trident Energy farm in right to earn a 17.5% interest. Mitsubishi is entitled to an interest equal to Buru's interest.

Backreef Area of EP 129 and L6

Fitzroy is monitoring the activities on the 'Backreef Area' of EP 129 and L6, particularly those of Oil Basins Ltd. It is understood that Buru holds 100% of the Backreef Area on trust for Oil Basins 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.

L17

In 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. In July 2013 Fitzroy applied to register the Lennard Shelf Royalty against L17 and this was 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). On 19 May 2014 the registration application was approved.

C) Other Projects and Assets & Corporate Matters

Exploration, development and production activities

Fitzroy has not had any direct activities of this nature during the Quarter however the Company is actively seeking to invest its current funds by seeking out additional royalty interests, free carried interests and minor equity positions.

Future Investments

With respect to potential future investments, FZR is actively seeking investments related to royalty interests, free carried interests and minor equity positions and is presently reviewing a number of prospective opportunities as part of this process. During the quarter the Company announced that it had purchased a 6.308% stake in ASX listed Royalco Resources Limited (ASX: RCO).

Annual General Meeting

The Company held its Annual General Meeting on Tuesday 24 November. Both resolutions were passed including the re-election of Ms Susan Thomas to the Board.

Petroleum tenement and farm-in agreement information

Canning Basin Royalty Deed:

EP or PL #	Date Issued	Expiry	Area (km2)	Held by (50% each unless otherwise stated)
EP 391	1 Feb. 2015	31 Jan. 2020	2,274.7736 (26 blocks)	Buru Energy Limited Diamond Resources (Fitzroy) Pty Ltd
EP 371	31 July 2014	30 July 2019	3,663.2577 (45 blocks)	Buru Energy Limited Diamond Resources (Canning) Pty Ltd
EP 428	31 July 2014	30 July 2019	6,431.9741 (79 blocks)	Buru Energy Limited Diamond Resources (Canning) Pty Ltd
EP 431	31 July 2014	30 July 2019	4,211.4604 (52 blocks)	Buru Energy Limited Diamond Resources (Fitzroy) Pty Ltd
EP 436	31 July 2014	30 July 2019	2,404.1372 (30 blocks)	Buru Energy Limited Diamond Resources (Fitzroy) Pty Ltd
L20 (formerly part of EP 391)	2 July 2015	-	162.7085 (2 blocks)	Buru Energy Limited Diamond Resources (Fitzroy) Pty Ltd
L21 (formerly part of EP 391)	2 July 2015	-	162.6399 (2 blocks)	Buru Energy Limited Diamond Resources (Fitzroy) Pty Ltd
STP-EPA- 0045	Lodged 7 October 2011. Currently in	-	-	Buru Energy Limited

	Assessment Stage			
R 1	8 Nov. 2010	31 Jan. 2016	245.15 (3 blocks)	Gulliver Productions Pty Ltd (85.23%) Indigo Oil Pty Ltd (14.77%)
L 15	1 April 2010	31 March 2031	163.46 (2 blocks)	Gulliver Productions Pty Ltd (85.40%) Indigo Oil Pty Ltd (14.60%)

Lennard Shelf Royalty Deed:

EP or PL #	Date Issued	Expiry	Area (km2)	Held by
EP 129	22 Jan. 2007	31 Jan. 2016 (EP renewal lodged 30/10/15 - pending)	653.27 (8 blocks)	Buru Energy Limited
L 6 (formerly part of EP 129)	19 May 2006	18 May 2027	407.9 (5 blocks)	Buru Energy Limited
L 8 (formerly part of EP 129)	19 May 2006	18 May 2027	326.3084 (4 blocks)	Buru Energy Limited
L 17 (formerly part of EP 129)	10 April 2013	Not shown	81.6 (1 block)	Buru Energy Limited

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

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;
- 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.

Shareholders

Fitzroy has 90,788,294 ordinary shares on issue, held by 973 registered shareholders.

Top 20 Shareholders

The Company notes a number of changes recently to its top 20 shareholders and for this reason publishes an up to date schedule of top 20 shareholders as at 19 January 2016.

#	Shareholder Name	Number of Shares	Percentage
1	FLEXIPLAN MANAGEMENT PTY LTD <SUSAN THOMAS PSF A/C>	15,810,992	17.415
2	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	10,236,628	11.275
3	J P MORGAN NOMINEES AUSTRALIA LIMITED	9,055,129	9.974
4	ONE MANAGED INVT FUNDS LTD <1 A/C>	7,440,954	8.196
5	JH NOMINEES AUSTRALIA PTY LTD <HARRY FAMILY SUPER FUND A/C>	3,149,654	3.469
6	ROCKET SCIENCE PTY LTD <THE TROJAN CAPITAL FUND A/C>	2,400,000	2.644
7	NORFOLK ENCHANTS PTY LTD <TROJAN RETIREMENT FUND A/C>	2,200,000	2.423
8	AMK INVESTMENTS (WA) PTY LTD <THE AMK A/C>	1,879,448	2.070
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,858,023	2.047
10	MRS CAROLE CHRISTINE ROWAN	1,375,000	1.515
11	MERCANTILE INVESTMENT COMPANY LTD	1,300,000	1.432
12	YUAN QUAN PTY LTD <POCOCK FAMILY NO 2 A/C>	1,250,000	1.377
13	MR RUSSELL JOHN BATH & MRS DIANNE MARGARET BATH <BATH SUPER FUND A/C>	750,000	0.826
14	MR KENNETH BRUCE WILLIMOTT	608,200	0.670
15	MR MITCHELL JAMES VOSS & MRS LINDA MICHELLE VOSS	600,002	0.661
16	M E J C PTY LTD <MEJ CLARKE FAMILY A/C>	600,000	0.661
17	MR ROBERT LANGDON HANWRIGHT & MRS MARGARET JEAN HANWRIGHT	575,000	0.633
18	NATIONAL NOMINEES LIMITED	573,600	0.632

19	BNP PARIBAS NOMS PTY LTD <DRP>	526,653	0.580
20	MRS SUZANNE FERRIER <FERRIER FAMILY A/C>	502,200	0.553
	Total – Top 20 Shareholders	62,691,483	69.052%
	Total – All Shareholders	90,788,294	100.000%

Events Subsequent to Quarter's End

There are no material events subsequent to the quarter's end to report.

Malcolm McComas

Chairman

Dated: 29 January 2016

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.