

7 July 2014

Sell down of Rookwood interest

- **51% of Rookwood sold to Zenith Minerals Limited**
- **Zenith has option to acquire remaining 49% within 2 years**
- **Fitzroy to continue focus on US coking coal**

Sell down of Rookwood interest

Fitzroy Resources Limited ("Fitzroy") is pleased to announce the sell down of its 100% owned Rookwood property in Queensland to Zenith Minerals Limited ("Zenith"). The terms of the sell down are described below.

The decision to sell Rookwood is consistent with Fitzroy's change in focus toward US coking coal and the 2013 purchase of its Emmaus and Blackstone properties in West Virginia, USA. Fitzroy will continue to focus on its existing assets in the United States and the growth of its presence in that region.

Zenith Announcement

Zenith's announcement with regard to the sell down of Rookwood, released today (7 July 2014), is available on the ASX website. Zenith calls the project "Devlin Creek" rather than "Rookwood", in reference to the deposit at Rookwood with a Mineral Resource.

Terms of the transaction

Key Terms of the Develin Creek Sale and Option Agreement are as follows:

- Up-front cash payment of \$200k and 0.5 million ordinary Zenith Minerals Limited shares to purchase 51% equity,
- An exclusive 24 month period within which Zenith has the option to purchase the remaining 49% equity in the Devlin Creek project at Zenith's election, the 24 month period will include an automatic extension period when there is bona fide no or limited access to the project site due to major rainfall events or events beyond Zenith's control,
- An option exercise fee of \$300k cash and 3 million ordinary Zenith Minerals Limited shares to acquire the remaining 49% equity,
- If after 24 months Zenith decides at its absolute discretion not to purchase the remaining 49% equity, then:
 - The companies will either form a joint venture to progress the evaluation of the project with normal industry contribution and dilution clauses or
 - Fitzroy has a one-off opportunity to buy-back 100% of the project for cash consideration equal to the greater of \$200k or 50% of the total expenditure incurred by Zenith during the option period.
- Zenith must sole fund the exploration activities during the 24 month period.

For further information contact:

Mr Benjamin Lane
 Chief Executive Officer
 +61 8 9481 7111

Mr Simon Robertson
 Company Secretary
 +61 8 9481 7111

About Fitzroy Resources

Capital Structure (31 March 2013)

Share Code	ASX: FRY
Shares on Issue	120 Million
Options	6 Million
Performance Shares on issue	20 Million

Directors and Management

Tom Henderson, **Chairman**
 Will Dix, **Director**
 Ric Vittino, **Director**
 Russell Lynton-Brown, **Director**

Benjamin Lane, **Chief Executive Officer**
 Simon Robertson, **Company Secretary**

Projects

Emmaus: Hard Coking Coal Property West Virginia, USA 100km S of Charleston, WV	Rookwood: VHMS copper/gold prospect 70km NW of Rockhampton, Qld
Blackstone: Hard Coking Coal Property West Virginia, USA 100km S of Charleston, WV	Glentanna: VHMS copper/gold prospect 140km SW of Brisbane, Qld

Fitzroy Resources Ltd is an Australian based coal development company, with two hard coking coal projects in West Virginia, USA.

Fitzroy's main focus is to explore the coal potential of the Emmaus and Blackstone projects for hard coking coal and to rapidly develop into a producer of hard coking coal to the US domestic and export markets.

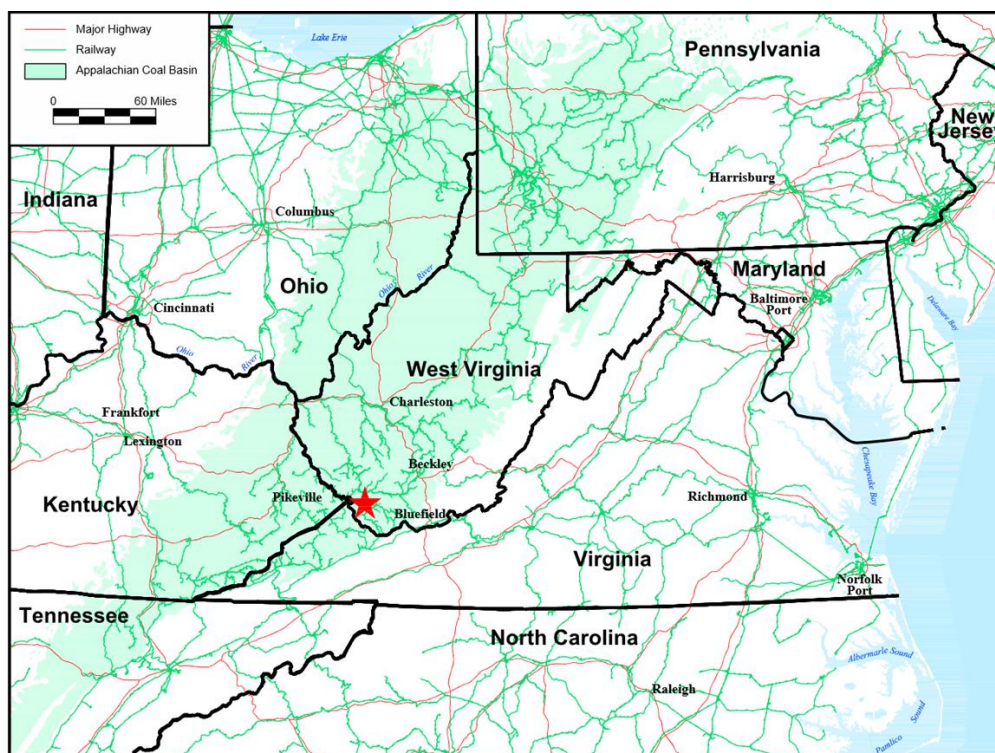


FIGURE 1 – LOCATION OF EMMAUS AND BLACKSTONE

Fitzroy also owns the Rookwood and Glentanna exploration tenements in Queensland, Australia. Rookwood contains potential for the discovery of substantial VHMS copper/gold deposits beyond the existing resource.