

30 October 2015

Quarterly Report for the period ending 30 September 2015

CORPORATE

4D-S LIMITED

During the quarter Fitzroy Resources Limited (ASX: FRY), ('Fitzroy' or 'The Company') announced that it had signed a Bid Implementation Agreement (BIA) to merge with 4D-S Limited (4D-S), an unlisted public company. 4D-S has a wholly owned subsidiary, 4DS Inc, based in Fremont, California, which is developing a next generation non-volatile memory, ReRAM (or RRAM) for mobile and cloud storage applications.

The 4D-S transaction is proposed to be effected by means of scrip for scrip off market takeover offers by the Company to acquire all the voting shares in 4D-S. Total consideration for all classes of 4D-S securities is 385,603,642 Fitzroy shares, 67,604,019 Performance Shares and 36,458,333 unlisted options exercisable at \$0.02 on or before 30 June 2020

Both parties completed legal and financial due diligence and the transaction received the unanimous support and recommendation of both boards of directors. As a result of the takeover bids, 4D-S will become a wholly owned subsidiary of the Company, and security holders in 4D-S will become security holders in the Company.

Completion of the transaction is subject to the satisfaction of certain bid conditions which must be satisfied or waived by Fitzroy, including:

- Fitzroy having a relevant interest in at least 90% of each class of 4D-S voting shares at the end of the offer period applicable to that class;
- Fitzroy shareholders approving various matters relating to the transaction at a General Meeting;
- Fitzroy obtaining subscriptions for at least A\$2,250,000 pursuant to the capital raising; and
- Fitzroy receiving written confirmation from ASX that ASX will re-admit the Company's securities to quotation, subject to the satisfaction of such terms and conditions (if any) as are prescribed by ASX or the Listing Rules.

In connection with the merger, the Company has received firm commitments to place 90,000,000 fully paid ordinary shares in the Company to sophisticated and professional investor clients of Forrest Capital each at an issue price of A\$0.025 to raise A\$2.25million (before costs), with oversubscriptions of up to a further 20,000,000 shares to raise up to an additional A\$500,000. 30 million Advisor Options will be issued to Forrest Capital (or its nominees) exercisable at A\$0.05 on or before 30 June 2020. The issue of the shares and options is subject to shareholder approval.

Subsequent to the quarter end, the Bidder's Statement and Target Statement were lodged with the ASX on 7 October 2015 and sent to the relevant security holders, a prospectus was lodged with the ASX on 19 October 2015 and shareholder approval to the transaction obtained at the annual general meeting of the Company held on 23 October 2015.

US ASSETS - WITHDRAWAL FROM US COKING COAL VENTURE

The Company has now lodged all relevant notices and documentation in order to affect the process of winding up the US operations and subsidiaries.

QUEENSLAND ASSETS

Rookwood - (51% Zenith owned, with right to acquire 100% from Fitzroy Resources Limited)

During the quarter, Zenith Minerals Limited ("Zenith") advised that assay results had been received from infill surface soil sampling from the *Huntsman* prospect located 3km south east of the known Develin Creek copper-zinc-gold-silver deposits located in Queensland.

Results from the soil sampling program at Huntsman define a 350 metre by 100 metre, coincident copper-zinc anomaly surrounding the area where float samples of new gossans in an area of very poor outcrop. The infill soil sampling better defines the high-grade copper-zinc portion of the geochemical anomaly at *Huntsman*.

In mid-June 2015 Zenith reported the discovery of rock chip samples of gossans (weathered surface expression of sulphide zones) containing copper results up to 1.1% copper with associated anomalous pathfinder elements gold, arsenic and zinc from the northern portion of the newly defined Huntsman copper-zinc soil anomaly.

Trenching of the soil covered prospect area at Huntsman to expose bedrock is planned prior to initial drill testing.

Fitzroy retains a 49% interest in the project.

Glentanna – Fitzroy 100%

No field work was undertaken at the Glentanna Project during the quarter. The project continues to be assessed by a third party for a potential joint venture.

Tenement Schedule

Project	Location	Tenement	Interest
Rookwood	Queensland	EPM17604	49%
Rookwood	Queensland	EPM18845	49%
Rookwood	Queensland	EPM16749	49%
Glentanna	Queensland	EPM15401	100%

Coal Lease	Location	Land Owner	Lease Date
Emmaus	WV, USA	Kim Peraldo Gilley, et al., Trustees	24/7/2012
Emmaus	WV, USA	Harrold Investment, LP	23/8/2012
Emmaus	WV, USA	Red Bird Pocahontas Land, LLC	26/9/2012
Emmaus	WV, USA	C.O. Davis, Jr., et al.,	21/11/2012
Blackstone	WV, USA	Marco Land Company, Inc	26/9/2012

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About Fitzroy Resources

Capital Structure

Share Code
 Shares on Issue
 Options
 Performance Shares on issue

ASX: FRY
163.5 Million
29.66 Million
6.66 Million

Directors and Management

Tim Grice, **Director**
 Ric Vittino, **Director**
 Peter Webse, **Director/Company Secretary**

Projects

Emmaus (100%):
 Hard Coking Coal Property
 West Virginia, USA
 100km S of Charleston, WV
Blackstone (100%):
 Hard Coking Coal Property
 West Virginia, USA
 100km S of Charleston, WV

Rookwood (49%):
 VHMS copper/gold prospect
 70km NW of Rockhampton, Qld
Glentanna (100%):
 VHMS copper/gold prospect
 140km SW of Brisbane, Qld