

FITZROY RESOURCES LTD.
ACN 145 590 110
INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2012

CORPORATE DIRECTORY

Registered and Corporate Office

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Share Registry

Link Market Services Limited
Ground Floor
178 St Georges Terrace
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Telephone: 1 300 554 474

Securities Exchange listing

Australian Securities Exchange Limited
ASX Code: FRY

Solicitors to the Company

GTP Legal
Level 1, 28 Ord Street
West Perth WA 6005

Auditor

PKF Mack and Co Chartered Accountants
Level 4, 35 Havelock Street
West Perth WA 6005

FITZROY RESOURCES LTD.

ACN 145 590 110

Contents	Page
DIRECTORS' REPORT	4
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	6
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	7
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	8
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	9
CONDENSED NOTES TO THE FINANCIAL STATEMENTS	10
DIRECTORS' DECLARATION	14
AUDITOR'S INDEPENDENCE DECLARATION	15
AUDITOR'S INDEPENDENT REVIEW REPORT	16

FITZROY RESOURCES LTD.

ACN145 590 110

DIRECTORS' REPORT

Your directors present the financial report of Fitzroy Resources Ltd. And controlled entities (the "Group") for the half year ended 31 December 2012.

DIRECTORS

The names of the directors who held office during or since the end of the half year are:

Mr Tom Henderson – Chairman

Mr Will Dix – Managing Director

Mr Riccardo Vittino – Director

COMPANY SECRETARY

Mr Simon Robertson

REVIEW AND RESULTS OF OPERATIONS

The net loss of the consolidated entity after income tax for the half year ended 31 December 2012 amounted to a loss of \$265,955 (2011: \$1,005,948).

REVIEW OF ACTIVITIES

The consolidated entity's activities are reported in announcements to the ASX. Highlights of the half year 1 July 2012 to 31 December 2012 include:

During the half year the Company evaluated several new areas at its Rookwood Project with a number of new targets identified for sampling. The target areas have been identified through a combination of historic geochemical results and co-incident re-processed geophysical data.

The company continues to focus on creating value from its resource assets and pursuing new opportunities in the resource sector, and has reviewed a number of local and international new business opportunities during the half year.

SUBSEQUENT EVENTS

There have been no matters or circumstances that have arisen since 31 December 2012 that have significantly affected or may significantly affect:

- the Consolidated Entity's operations in future years; or
- the results of those operations in future years; or
- the Consolidated Entity's state of affairs in future years.

FITZROY RESOURCES LTD.

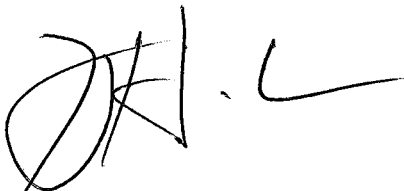
ACN145 590 110

DIRECTORS' REPORT (CONTINUED)

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration to the directors of the consolidated entity on page 15 forms part of the Directors' report for the half year ended 31 December 2012.

This report is signed in accordance with a resolution of the Board of Directors.



T Henderson

Chairman

15 March 2013

Perth, Western Australia.

Information in this report that relates to Exploration Results is based on information compiled by William Dix, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Dix is a full-time employee of Fitzroy Resources and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dix consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FITZROY RESOURCES LTD.**ACN145 590 110****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Half year ended 31 December 2012	Half year ended 31 December 2011
	\$	\$
Revenues from continuing activities	41,891	87,361
Administrative services	(118,372)	(188,878)
Depreciation expense	(4,768)	(8,403)
Employee expenses	(159,109)	(189,046)
Exploration expenses	(25,597)	(706,982)
Loss before income tax expense	(265,955)	(1,005,948)
Income tax expense	-	-
Total comprehensive loss and loss attributable to members of parent entity Fitzroy Resources Limited	(265,955)	(1,005,948)
Basic and diluted loss per share (cents)	(0.63)	(2.45)

The accompanying condensed notes form part of these financial statements.

FITZROY RESOURCES LTD.

ACN 145 590 110

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	Notes	31 December 2012	30 June 2012
CURRENT ASSETS			
		\$	\$
Cash and cash equivalents		2,043,797	2,071,916
Trade and other receivables		23,673	27,480
Other current assets		10,075	7,316
TOTAL CURRENT ASSETS		<u>2,077,545</u>	<u>2,106,712</u>
NON-CURRENT ASSETS			
Plant and equipment		26,901	31,670
Exploration and evaluation expenditure	7	1,892,199	1,892,199
TOTAL NON-CURRENT ASSETS		<u>1,919,100</u>	<u>1,923,869</u>
TOTAL ASSETS		<u>3,996,645</u>	<u>4,030,581</u>
CURRENT LIABILITIES			
Trade and other payables		57,810	70,197
Provisions		-	27,644
TOTAL CURRENT LIABILITIES		<u>57,810</u>	<u>97,841</u>
TOTAL LIABILITIES		<u>57,810</u>	<u>97,841</u>
NET ASSETS		<u>3,938,835</u>	<u>3,932,740</u>
EQUITY			
Issued capital	5	6,729,437	6,457,387
Reserves	6	403,800	403,800
Accumulated losses		(3,194,402)	(2,928,447)
TOTAL EQUITY		<u>3,938,835</u>	<u>3,932,740</u>

The accompanying condensed notes form part of these financial statements.

FITZROY RESOURCES LTD.

ACN 145 590 110

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Share Capital \$	Accumulated Losses \$	Option Reserve \$	Total \$
Balance as at 1 July 2012	6,457,387	(2,928,447)	403,800	3,932,740
Loss for the period	-	(265,955)	-	(265,955)
Transactions with owners in their capacity as owners:				
Issue of shares, net of share issue costs	272,050	-	-	272,050
Balance as at 31 December 2012	<u>6,729,437</u>	<u>(3,194,402)</u>	403,800	<u>3,938,835</u>

	Share Capital \$	Accumulated Losses \$	Option Reserve \$	Total \$
Balance as at 1 July 2011	6,457,387	(1,587,680)	403,800	5,273,507
Loss for the period	-	(1,005,948)	-	(1,005,948)
Balance as at 31 December 2011	<u>6,457,387</u>	<u>(2,593,628)</u>	403,800	<u>4,267,559</u>

The accompanying condensed notes form part of these financial statements.

FITZROY RESOURCES LTD.**ACN 145 590 110****CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Half year ended 31 December 2012	Half year ended 31 December 2011
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	38,144	109,569
Payments for exploration and evaluation expenditure	(29,484)	(324,001)
Payments to suppliers and employees including exploration	(309,510)	(726,946)
Net cash used for operating activities	<u>(300,850)</u>	<u>(941,378)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	8,000
Payments for purchase of property, plant and equipment	-	(4,073)
Net cash provided by investing activities	<u>-</u>	<u>3,927</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	300,000	-
Cost of capital raising	(27,269)	-
Net cash provided by financing activities	<u>272,731</u>	<u>-</u>
Net decrease in cash and cash equivalents held	(28,119)	(937,451)
Cash and cash equivalents at 1 July	<u>2,071,916</u>	<u>3,375,345</u>
Cash and cash equivalents at 31 December	<u>2,043,797</u>	<u>2,437,894</u>

The accompanying condensed notes form part of these financial statements.

FITZROY RESOURCES LTD.

ACN 145 590 110

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

NOTE 1: REPORTING ENTITY

The financial report of Fitzroy Resources Ltd. and its controlled entities (the "Group" or "Consolidated Entity") for the half year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors on 15 March 2013

Fitzroy Resources Ltd. (the "Group") is a listed public company, trading on the Australia Securities Exchange, limited by shares, incorporated and domiciled in Australia. The Group's principal place of business and registered office is located at Level 1, Suite 1, 35-37 Havelock Street, West Perth WA 6005. The Group's primary strategy is the discovery and commercialisation of mineral deposits.

NOTE 2: BASIS OF PREPARATION

Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2012 annual financial report for the financial year ended 30 June 2012, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new or revised accounting standards and interpretations

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. The Group has not early adopted any accounting Standards or Interpretations.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half years. However, the application of AASB 2011-9 has resulted in changes to the group's presentation of, or disclosure in, its half-year financial statements.

FITZROY RESOURCES LTD.

ACN 145 590 110

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

NOTE 2: BASIS OF PREPARATION (CONTINUED)

AASB 2011-9 introduces new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section:

- (a) items that will not be reclassified subsequently to profit or loss; and
- (b) items that may be reclassified subsequently to profit or loss when specific conditions are met.

Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Use of Estimates and Judgements

The preparation of the half year financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Going Concern

The half year financial statements have been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Company incurred a loss of \$265,955 (2011: \$1,005,948) for the period ended 31 December 2012.

The ability of the Company to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital and ultimately developing one of its mineral properties.

The Directors believe it is appropriate to prepare these accounts on a going concern basis because:

- The Directors have an appropriate plan to raise additional funds as and when it is required. In light of the Group's current exploration projects, the Directors believe that any additional capital required can be raised in the market; and
- The Directors have an appropriate plan to contain certain operating and exploration expenditure if appropriate funding is unavailable.

The accounts have been prepared on the basis that the Company can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of assets and liabilities in the ordinary course of business.

FITZROY RESOURCES LTD.

ACN 145 590 110

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

NOTE 3: SEGMENT INFORMATION

Management has determined that the company has one reportable segment, being mineral exploration in Queensland. As the company is focused on mineral exploration, the Board monitors the company based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date and capital available to the company.

NOTE 4: CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities.

NOTE 5: ISSUED CAPITAL

	31 December 2012 \$	30 June 2012 \$
Ordinary fully paid Shares	6,729,437	6,457,387

Movements in ordinary share capital	31 December 2012		30 June 2012	
	Number of shares	\$	Number of shares	\$
Balance 1 July	41,000,005	6,457,387	41,000,005	6,457,387
Issued during the period:				
– Ordinary shares issued at 5 cents	6,000,000	300,000	-	-
– Capital raising costs incurred	-	(27,950)	-	-
Balance 31 December	47,000,005	6,729,437	41,000,005	6,457,387

There are no dividends paid or declared during the period.

NOTE 6: SHARE-BASED PAYMENTS

The Company provides benefits to employees, including directors of the Company in the form of share-based payment transactions, whereby options to acquire ordinary shares are issued as an incentive to improve employee and shareholder goal congruence. There were no options issued during the period.

NOTE 7: EXPLORATION EXPENDITURE

There has been no significant change to the Company's exploration and expenditure commitments since 30 June 2012.

The directors do not consider the carrying value of capitalised exploration and evaluation expenditure to be impaired.

FITZROY RESOURCES LTD.

ACN 145 590 110

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

NOTE 8: SUBSEQUENT EVENTS

There has been no matters or circumstances that have arisen since 31 December 2012 that have significantly affected or may significantly affect:

- the Consolidated Entity's operations in future years; or
- the results of those operations in future years; or
- the Consolidated Entity's state of affairs in future years.

FITZROY RESOURCES LTD.

ABN43 145 590 110

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 13 are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the period ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



T Henderson
Non-executive Chairman
15 March 2013
Perth, Western Australia.

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF FITZROY RESOURCES LIMITED

In relation to our review of the financial report of Fitzroy Resources Limited for the half year ended 31 December 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Mack and Co.

PKF MACK & CO

S Fermanis

SIMON FERMANIS
PARTNER

15 MARCH 2013
WEST PERTH,
WESTERN AUSTRALIA

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
FITZROY RESOURCES LTD.**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Fitzroy Resources Ltd. and controlled entities (the consolidated entity) which comprises the condensed consolidated statement of financial position as at 31 December 2012, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2012.

Director's Responsibility for the Half-Year Financial Report

The directors of Fitzroy Resources Ltd. are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting, the Corporation Regulations 2001. As the auditor of Fitzroy Resources Ltd. and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that we have provided an independence declaration as required by the Corporations Act 2001 to the directors of Fitzroy Resources Ltd.

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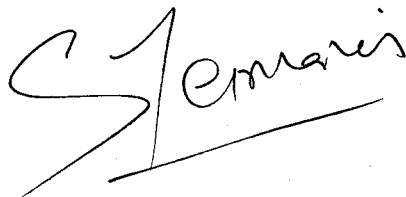
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Fitzroy Resources Ltd. and controlled entities is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

PKF Mack and Co.

PKF MACK & CO



SIMON FERMANIS
PARTNER

15 MARCH 2013
West Perth,
Western Australia