

12 February 2013

Dear Shareholder,

Renounceable entitlement offer to raise approximately A\$3.8 million

Fitzroy River Corporation Ltd (*Fitzroy River* or the *Company*) has announced a fully underwritten pro-rata renounceable entitlement offer (*Entitlement Offer* or *Offer*) of one (1) new ordinary share (*New Shares*) for every five (5) existing Fitzroy River shares to raise approximately A\$3.8 million (before costs of the Offer) at an issue price of A\$0.25 per share (*Issue Price*).

The Issue Price represents a 23.8% discount to the 10 day volume weighted average price of Fitzroy River shares ending on 11 February 2013 (A\$0.328 per share), and a 26.5% discount to the last closing price of Fitzroy River shares on 11 February 2013 (A\$0.34 per share). The Offer is fully underwritten by Bell Potter Securities Limited (ABN 25 006 390 772).

The record date for the Offer is 20 February 2013. The Offer is open to Shareholders at the record date whose registered address is in Australia, New Zealand or the United Kingdom. According to our Share registry records, the registered address for your holding is not in Australia, New Zealand or the United Kingdom and therefore you are not eligible to participate in the Entitlement Offer.

In accordance with ASX Listing Rule 7.7.1, Fitzroy River has decided that it is unreasonable to extend the Offer to Shareholders with a registered address outside of Australia, New Zealand and the United Kingdom having to regard to:

- the number of Shareholders outside of Australia, New Zealand and the United Kingdom;
- the number and value of New Shares that would be offered to Shareholders outside of Australia, New Zealand and the United Kingdom; and
- the cost of complying with the legal requirements, and requirements of regulatory authorities, in those overseas jurisdictions.

Consequently, Fitzroy River has arranged to sell your rights to subscribe for New Shares through Bell Potter Nominees Limited (the *Nominee*) in Australia. The net proceeds (if any) from the sale of your rights under the Offer will be sent to you at your registered address.

The Nominee will have the absolute and sole discretion to determine the timing and the price at which your rights may be sold and the manner in which any sale is made. Any interest earned on the proceeds of the sale of rights will firstly be applied against the expenses of the sale, including brokerage, and any balance will accrue to Fitzroy River.

The proceeds of sale (if any) will be paid in Australian dollars to you in proportion to your shareholding (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by Fitzroy River in

distributing those proceeds, the proceeds may be retained by Fitzroy River. Notwithstanding that the Nominee may sell your rights, you may not receive any net proceeds if the costs of the sale are greater than the sale proceeds.

Neither Fitzroy River nor the Nominee will be liable for a failure to sell rights or to sell rights at any particular price. If, in the reasonable opinion of the Nominee, there is no viable market for the rights, or a surplus over the expenses of the sale cannot be obtained, then the rights will be allowed to lapse.

If you have any questions in relation to any of the above matters, please contact:

- your stockbroker or professional adviser; or
- Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT) Monday to Friday.

Yours sincerely



Sebastian Hempel
Executive Director