



14 November 2019

Company Announcements Office

ASX Limited

### **TAKEOVER OFFER BY FITZROY RIVER CORPORATION**

The board of directors of Royalco Resources Limited (ASX: **RCO**) (the **Company** or **Royalco**) notes the announcement of an off-market takeover offer by Fitzroy River Corporation Limited (**Fitzroy**) under which Fitzroy has offered to acquire all Royalco shares it does not own for 24 cents cash per share, subject to certain defeating conditions (**Offer**).

Fitzroy already owns 47.76% of shares on issue in Royalco.

#### **Independent board committee**

Royalco's board of directors has formed an independent board committee (**IBC**) comprising Mr David Croll, who is the only director of Royalco (on a board consisting of 3 members) who is not also a director of Fitzroy, to consider the takeover offer from Fitzroy.

As part of that, the board adopted a protocol in respect of the IBC which governs how the IBC operates, and prevents the conflicted directors (Ms Susan Thomas and Mr Malcolm McComas, who are also directors of Fitzroy) from being involved in deliberations in respect of a takeover offer from Fitzroy on behalf of Royalco, except in very limited circumstances.

#### **Take no action**

The IBC is reviewing the Offer and is not currently in a position to make a formal recommendation to shareholders. Shareholders are advised to **take no action** in relation to the Offer at this stage. A target's statement containing a formal recommendation from the IBC will be prepared and released by the Company following release of a bidder's statement by Fitzroy.

#### **Independent expert**

Royalco will appoint an independent expert to prepare a report on whether the Offer is fair and reasonable, which will be included in the target's statement to be prepared by Royalco and sent to shareholders. This will occur following release of a bidder's statement by Fitzroy.

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Please refer to the announcement by Fitzroy for further information regarding the Offer.

Royalco will make further announcements on ASX as circumstances warrant.

Watson Mangioni is acting as legal adviser to Royalco.

**DAVID CROLL**

Director

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