

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Reedy Lagoon Corporation Limited

ABN

41 006 639 514

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|-----------------|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 12,500,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.10 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Exploration funding and general working capital</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>NA</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>NA</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	NA	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	NA	
6f	Number of +securities issued under an exception in rule 7.2	NA	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	NA	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	NA	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	NA	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	10 April 2013	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		61,100,000	Ordinary fully paid shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	4,000,000	Options over ordinary shares exercise dates and exercise prices various
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	none	

Part 2 - Pro rata issue

11	Is security holder approval required?	No																			
12	Is the issue renounceable or non-renounceable?	Non-renounceable																			
13	Ratio in which the +securities will be offered	1 for 3,888 shares held																			
14	+Class of +securities to which the offer relates	Ordinary shares																			
15	+Record date to determine entitlements	19 March 2013																			
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No																			
17	Policy for deciding entitlements in relation to fractions	Round up to next whole number of shares																			
18	Names of countries in which the entity has security holders who will not be sent new offer documents	<table border="1"> <tbody> <tr> <td>Bermuda</td> <td>(46,940)</td> </tr> <tr> <td>Brazil</td> <td>(12,520)</td> </tr> <tr> <td>Canada</td> <td>(62,590)</td> </tr> <tr> <td>Liechtenstein</td> <td>(350,000)</td> </tr> <tr> <td>Singapore</td> <td>(148,510)</td> </tr> <tr> <td>South Africa</td> <td>(15,650)</td> </tr> <tr> <td>UK</td> <td>(53,210)</td> </tr> <tr> <td>USA</td> <td>(15,650)</td> </tr> <tr> <td colspan="2">Total 705,070 shares (1.45% of issued)</td> </tr> </tbody> </table>		Bermuda	(46,940)	Brazil	(12,520)	Canada	(62,590)	Liechtenstein	(350,000)	Singapore	(148,510)	South Africa	(15,650)	UK	(53,210)	USA	(15,650)	Total 705,070 shares (1.45% of issued)	
Bermuda	(46,940)																				
Brazil	(12,520)																				
Canada	(62,590)																				
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Singapore	(148,510)																				
South Africa	(15,650)																				
UK	(53,210)																				
USA	(15,650)																				
Total 705,070 shares (1.45% of issued)																					
	Note: Security holders must be told how their entitlements are to be dealt with.																				
	Cross reference: rule 7.7.																				

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19 Closing date for receipt of
acceptances or renunciations

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	NA
21	Amount of any underwriting fee or commission	None for Entitlement Offer. Underwriting fees or commission may be paid in connection with any Shortfall Placement.
22	Names of any brokers to the issue	NA
23	Fee or commission payable to the broker to the issue	nil
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	nil
25	If the issue is contingent on security holders' approval, the date of the meeting	NA
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	20 March 2013
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	8 March 2013
28	Date rights trading will begin (if applicable)	NA
29	Date rights trading will end (if applicable)	NA
30	How do security holders sell their entitlements <i>in full</i> through a broker?	NA
31	How do security holders sell <i>part</i> of their entitlements through a	NA

+ See chapter 19 for defined terms.

broker and accept for the
balance?

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Appendix 3B New issue announcement

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Director/~~Company secretary~~)

Date: 8 March 2013.

Print name:
Geoffrey Fethers

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	
Total ["A" x 0.10] – "E"	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.



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8 March 2013

Dear Shareholder,

Pro-rata Entitlement Offer to raise \$ 1.25 million.

On 8 March 2013 RLC announced on ASX that it proposed to make a 1 for 3.888 non-renounceable pro rata entitlement offer of RLC ordinary shares at an offer price of \$ 0.10 per new share to raise \$ 1.25 million for exploration and general working capital.

As you will be aware (ASX announcements 21/10/2012 and 31/01/2013) RLC's 25% owned Bullamine Joint Venture has been successful in discovering several magnetite (iron ore) deposits. An inferred Mineral Resource of 53.6 million tonnes at 29.3% has been delineated at Chitterberrin and drilling at Burracoppin has discovered wide intercepts of magnetite. The quality of the magnetite tested (grind size, level of impurities) indicate comparative advantages in production costs. The deposits are located close to substantial infrastructure including rail and road links to ports. RLC also has exploration projects (100%) for hematite in Western Australia and for uranium and gold.

The offer ("Entitlement Offer") opens on Wednesday 20 March 2013 and closes on Friday 5 April 2013.

The Record Date for Entitlements is 7:00 PM (AEST) on Tuesday 19 March 2013. Entitlements will be rounded up to the next whole number of new shares.

Existing RLC shares will trade ex-entitlement from Wednesday 13 March 2013. Only shareholders with a registered address in Australia or New Zealand are eligible to take up the Entitlement Offer.

Optionholders who wish to participate in the Entitlement Offer need to exercise their options so as to be registered as the holder of RLC shares by the Record Date.

No prospectus will be used for the Entitlement Offer. Instead the Entitlement Offer will be made pursuant to provisions of the Corporations Act 2001 (Cth) that allows entitlement offers to be offered by providing certain updates and information to the market.

RLC shareholders who take up their Entitlements in full will be able to apply for additional shares which may be issued if not all Entitlements are taken up.

The Entitlement Offer is non-renounceable and RLC shareholders who do not take up their Entitlements will not receive any payment or value for their Entitlements. Entitlements will not be able to be traded on the ASX or privately transferred.

Any shortfall arising from Entitlements not being taken up (after satisfying applications for additional shares) may be placed with professional investors or sophisticated investors ("Shortfall Placement").

The Entitlement Offer is not underwritten, but underwriting or commission may be paid in connection with the Shortfall Placement. There are no brokers to the issue.

A maximum of 12,500,000 new shares (20.5% of post issue share capital) will be issued as fully paid under the Entitlement Offer and Share Placement. Post issue RLC will have 61,100,000 ordinary shares on issue. No shareholder approval is required for the issue. RLC has applied for quotation of the new shares on ASX. The new shares will rank equally in all respects to existing ordinary shares in RLC.

The indicative timetable for the Entitlement Offer is:

Announcement of Entitlement Offer	Friday 8 March 2013
Ex Date for Entitlements	Wednesday 13 March 2013
Record Date for determining Entitlements	7.00pm AEST Tuesday 19 March 2013
Entitlement Offer opens	Wednesday 20 March 2013
Entitlement Offer closes	5.00pm AEST Friday 5 April 2013
Issue of New Shares under the Entitlement Offer	Wednesday 10 April 2013
Despatch of allotment confirmations for New Shares	Thursday 11 April 2013
New Shares commence normal trading on ASX	Friday 12 April 2013

An Entitlement and Acceptance Form together with a Booklet explaining the Entitlement Offer and how to accept will be mailed to eligible RLC shareholders on 20 March 2013.

Please pay particular attention to the mailing date of the Entitlement and Acceptance Form and the closing date for acceptances. As these dates occur around Easter, please ensure you have arrangements in place to submit your acceptance should you wish to take up the offer.

If you have any questions regarding the Entitlement Offer or your eligibility to participate, please contact our share registry, Link Market Services on 1300 366 176.



Geoff Fethers
Managing Director



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8 March 2013

Dear Foreign Shareholder,

Non-renounceable Entitlement Offer

On 8 March 2103 Reedy Lagoon Corporation ("RLC") announced on ASX that it proposed to make a 1 for 3.888 non-renounceable pro rata entitlement offer ("**Entitlement Offer**") of fully paid RLC ordinary shares at an offer price of \$ 0.10 per new share to raise \$ 1.25 million for exploration and general working capital.

As you are a shareholder with a registered address outside of Australia and New Zealand ("**Foreign Shareholder**") the Entitlement Offer will not be extended to you. The Company has formed the view that it would be unreasonable to extend the Entitlement Offer to Foreign Shareholders having regard to:

1. The number of shareholders outside of Australia and New Zealand as a proportion of the total shareholders of the Company;
2. The number and value of the shares to be offered to shareholders outside of Australia and New Zealand; and
3. The costs of complying with the legal requirements and requirements of regulatory authorities in overseas jurisdictions.

The Entitlement Offer is non-renounceable and you will not receive any payment or value for any entitlements you would otherwise have had if the Entitlement Offer had extended to you.

A maximum of 12,500,000 new shares (20.5% of the post issue share capital) will be issued under the Entitlement Offer. The Entitlement Offer is not underwritten.

If you have any questions regarding the Entitlement Offer or your eligibility to participate, please contact our share registry, Link Market Services on + 61 2 8767 1310.

Geoff Fethers

Managing Director