

For immediate release
24 April 2013

Bullamine JV Iron (Magnetite) project update.

The joint venture has identified magnetite at Burracoppin, Chitterberin and Wongamine. Additional magnetite occurrences which may subsequently be of interest are known but access issues currently preclude further assessment.

The Manager has reported that it believes all significant magnetite targets within the Bullamine JV (magnetite) project tenements have now been identified and that there is no observable potential for significant untested targets that could be economic under currently assumed long term capital and pricing scenarios.

As a consequence exploration activities for new deposits will cease and tenement E70/3805 will be surrendered.

The remaining joint venture tenements will comprise: E70/2719, E70/2846, E70/3462, E70/3769 and E70/3770.

With \$8,663,889 Joint Venture expenditure completed to end March 2013 the Manager has advised exploration expenditure will now reduce to the level required to maintain the tenements in good standing. No drilling is currently planned by the joint venture for 2013.

The Bullamine JV Iron (Magnetite) Project is a joint venture between Bullamine Magnetite Pty Ltd, a wholly owned subsidiary of Reedy Lagoon Corporation ("RLC") and Cliffs Magnetite Holdings Pty Ltd ("Cliffs"), a wholly owned subsidiary of Cliffs Natural Resources Inc., NS Iron Ore Development Pty Ltd, and Sojitz Mineral Development Pty Ltd. RLC retains a 25% interest fully funded by the other JV parties until a decision to mine with funding repayable only out of its portion of production. Joint venture operations are managed by Cliffs.

For further information, please visit www.reedylagoon.com.au

or contact

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Reedy Lagoon Corporation Limited is exploring for:

iron ore in WA

uranium at projects in the Gascoyne region (WA) on the Gawler Craton (SA) and in the Tanami (NT).

Issued shares: 53,548,494

Issued options: 4,000,000 unlisted (exercisable @ \$0.20 & \$0.21)

Share price: \$0.08

Directors and management:

Jonathan Hamer, Chairman, Non-Executive Director

Geof Fethers, Managing Director, Co. Secretary

Hugh Rutter, Director