



REEDY LAGOON CORPORATION LIMITED

ABN 41 006 639 514

Suite 2, 337A Lennox Street
Richmond, Australia
Ph: (03) 8420 6280
Fax: (03) 8420 6299

Postal Address: P O Box 2236,
Richmond South VIC 3121

Email: info@reedylagoon.com.au
reedylagoon.com.au

23 June 2014

Dear Shareholder,

Pro-rata Entitlement Offer to raise \$ 0.714 million.

On 23 June 2014 RLC announced on ASX that it proposed to make a 2 for 3 non-renounceable pro rata entitlement offer of RLC ordinary shares at an offer price of \$ 0.02 per new share to raise \$ 0.714 million for exploration and general working capital.

RLC is now the owner of 100% of the Bullamine tenements (ASX announcement 17 April 2014) and needs funds to engage independent experts to assess whether the deposit which has been discovered at Burracoppin can be processed into a saleable product profitably. This assessment should be completed by September this year.

The offer ("Entitlement Offer") opens on Wednesday 2 July 2014 and closes on Friday 18 July 2014.

The Record Date for Entitlements is 7:00 PM (AEST) on Tuesday 1 July 2014. Entitlements will be rounded up to the next whole number of new shares.

Existing RLC shares will trade ex-entitlement from Friday 27 June 2014. 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 allow 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 or through stockbrokers ("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 35,698,996 new shares (40% of post issue share capital) will be issued as fully paid under the Entitlement Offer and Share Placement. Post issue of this number of shares RLC will have 89,247,490 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	Monday 23 June 2014
Ex Date for Entitlements	Friday 27 June 2014
Record Date for determining Entitlements	7.00pm AEST Tuesday 1 July 2014
Entitlement Offer opens	Wednesday 2 July 2014
Entitlement Offer closes	5.00pm AEST Friday 18 July 2014
Issue of New Shares under the Entitlement Offer	Thursday 24 July 2014
Despatch of allotment confirmations for New Shares	Friday 25 July 2014
New Shares commence normal trading on ASX	Monday 28 July 2014

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 2 July 2014.

Please pay particular attention to the mailing date of the Entitlement and Acceptance Form and the closing date for acceptances. 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 1 300 668 378.



Geof Fethers
Managing Director