

For immediate release
22 June 2011

Bullamine iron-ore project, WA : Cliffs completes stage 1 expenditure and elects to proceed to stage 2

Cliffs Asia Pacific Iron Ore Pty Ltd (“Cliffs”), a wholly owned subsidiary of Cliffs Natural Resources Inc. (NYSE: CLF, Paris: CLF), has given notice that it has completed Stage 1 expenditure (\$1m) under the Bullamine Farm-in and Joint Venture Agreement and has elected to proceed to Stage 2.

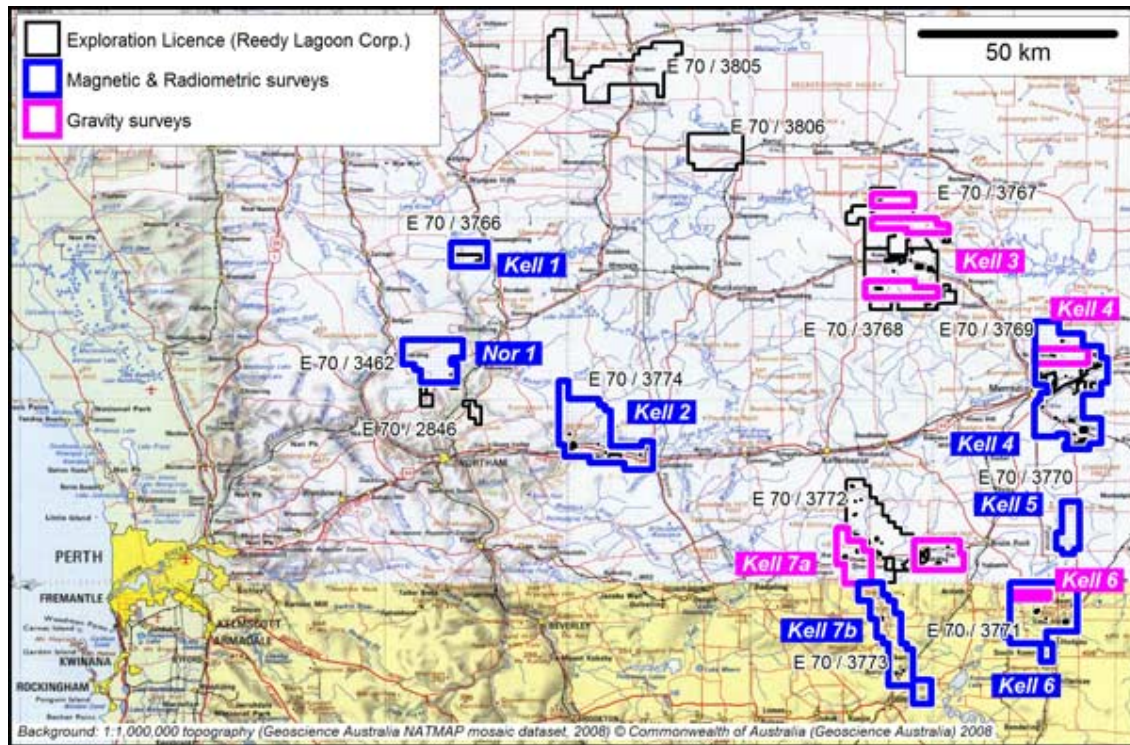
Stage 1 expenditure has been completed more than 7 months ahead of schedule.

During Stage 2 Cliffs is required to expend a total of \$4m on exploration in order for Cliffs to maintain its 75% interest in the project. If Cliffs elects to proceed to Stage 3, subsequent exploration and development to completion of a feasibility study will be funded by Cliffs with RLC’s 25% share of these costs repayable out of RLC’s share of future mine production.

Located east of Perth in Western Australia, the Bullamine iron ore project comprises 3,484 square kilometres with extensive magnetic anomalies which are potentially indicative of magnetite mineralisation (iron-ore). Investigations to date have identified magnetite mineralisation with good processing attributes and low levels of impurities. The joint venture has completed substantial detailed airborne magnetic, radiometric and gravity surveys, conducted ground magnetic survey at Frenches prospect, conducted mapping and rock chip sampling over outcropping magnetite (BIF) mineralisation at the West Burracoppin, Booraan and Chitterberin prospects, and performed metallurgical test work on the mineralisation at some of the prospects.

For further information, please visit www.reedylagoon.com.au
or contact
Geof Fethers, Managing Director
Telephone: (03) 8420 6280

The information in this report that relates to Exploration Results is based on information compiled by Geof Fethers and Hugh Rutter, who are members of the Australian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG) respectively. Geof Fethers and Hugh Rutter are directors of the Company and each has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to each qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Geof Fethers and Hugh Rutter consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Bullamine Joint Venture tenements showing areas covered by the geophysical surveys completed. The magnetic and radiometric surveys are at 50 metre flight line spacing, whilst the Falcon (gravity) surveys are at 200 metre flight line spacing.

Reedy Lagoon Corporation Limited is exploring for:

iron ore in WA

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

Issued shares: 48,600,000

Issued options: 13,550,000 unlisted (exercisable @ \$0.20, \$0.21, \$0.30 & \$0.50)

Share price: \$0.09

14 June 2011

Directors and management:

Jonathan Hamer, Chairman, Non-Executive Director

Geof Fethers, Managing Director, Co. Secretary

Hugh Rutter, Exploration Director