



Reclaim Industries Limited
(Subject to Deed of Company Arrangement)
ABN 47 090 671 819
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PERTH WA 6000
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25th May 2012

Company Announcements
Australian Securities Exchange Limited
Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sir/Madam

Reclaim Industries Limited ACN 090 671 819
(Subject to Deed of Company Arrangement)
ASX Code: RCM

APPENDIX 3B – SHARE ISSUE

We refer to the prospectus lodged by the Company on 18 May 2012, for the issue of:

- 225,000,000 shares at 1 cent each to raise \$2,250,000
- 12,280,509 shares for nil consideration to the Deed Administrators
- 120,000,000 shares to convertible noteholders for conversion shares at 0.5 cents

An Appendix 3B is attached for lodgement by way of announcement under ASX Listing Rule 3.10.4. The shares will be issued following approval of shareholders at the General Meeting to be held 20 June 2012 and following the date the prospectus closes. It is also noted that a resolution to consolidate the Company's existing capital on a 1 for 5 basis is being put to shareholders for approval at the General Meeting to be held 20 June 2012.

Yours faithfully

Paige Exley
Company Secretary

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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Reclaim Industries Limited

ABN

090 671 819

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 | Fully paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 225,000,000*
(b) 12,280,000*
(c) 120,000,00*

*Post consolidation shares, subject to the completion of the offer |
| 3 | Principal terms of the +securities (eg, 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) | (a) Same as existing Ordinary shares
(b) Same as existing Ordinary shares
(c) Same as existing Ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	<p>(a) Yes (b) Yes (c) Yes</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 				
5	Issue price or consideration	<p>(a) 225,000,000 Ordinary shares at 1 cent per share (b) 12,208,509 Ordinary shares for nil consideration (c) 120,000,000 Ordinary shares for nil consideration on conversion of convertible notes</p>				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>(a) To</p> <ul style="list-style-type: none"> - facilitate the Company's reinstatement on the ASX, - To provide capital for evaluation, investigation and development of investment opportunities, - For working capital <p>(b) For the benefit of Creditors under the Deed of Company Arrangement (c) On conversion of convertible notes</p>				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	TBA				
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="703 1727 999 1760">Number</th> <th data-bbox="999 1727 1286 1760">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1760 999 1995">Following a 1 to 5 consolidation of the Company's share capital, the number of shares on issue will be approximately 380,000,000</td> <td data-bbox="999 1760 1286 1995">Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	Following a 1 to 5 consolidation of the Company's share capital, the number of shares on issue will be approximately 380,000,000	Ordinary shares
Number	+Class					
Following a 1 to 5 consolidation of the Company's share capital, the number of shares on issue will be approximately 380,000,000	Ordinary shares					

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Nil	

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?		
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12	Is the issue renounceable or non-renounceable?		
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13	Ratio in which the +securities will be offered		
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14	+Class of +securities to which the offer relates		
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15	+Record date to determine entitlements		
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?		
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17	Policy for deciding entitlements in relation to fractions		
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18	Names of countries in which the entity has +security holders who will not be sent new issue documents		
	Note: Security holders must be told how their entitlements are to be dealt with.		
	Cross reference: rule 7.7.		

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 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
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?

+ See chapter 19 for defined terms.

- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch 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.

Appendix 3B
New issue announcement

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 date of
 allotment 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 (<i>including</i> 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 not available now, 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:

(Company secretary)

Date: 25 May 2012

Print name: Paige Exley

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+ See chapter 19 for defined terms.