



Reclaim Industries Limited
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Update on Placement and Execution of Loan Agreement

Placement

Further to the ASX Announcement on 16th May 2014 released by Reclaim Industries Limited ("**the Company**"), the Directors of are pleased to announce that they have completed a Placement raising of \$582,000 at \$0.006. The Placement is to be completed in 2 tranches.

On 28th May 2014, 56,000,000 fully paid ordinary shares were issued under Tranche 1. The funds raised enabled the Company to advance loan funds to Skills Connect Pty Ltd ("**SCL**") (see below) as well as provide additional working capital.

41,000,000 fully paid ordinary shares under Tranche 2 will be issued following Shareholder approval which is to be sought at a meeting of shareholders to be held on 1 July 2014.

Loan Agreement

Pursuant to the Heads of Agreement entered into on 15th May 2014 to acquire SCL, the Directors of the Company have entered into a Loan Agreement with SCL on the 28th May 2014. Under the Loan Agreement, the Company has advanced \$500,000 to SCL as a secured loan. The loan will provide working capital funds to SCL.

Deborah Ho
Company Secretary