

ASX RELEASE

17 April 2013

Gold hedging position

Following the recent volatility in the gold price, Western Australian gold producer, Reed Resources Ltd (**ASX: RDR**) ("**Reed**" or "**the Company**"), confirms its gold hedging position for the benefit of the market and Reed shareholders.

As announced to ASX on 28 November 2012, Reed secured a participating forward hedging structure comprising 70,000 ounces in forward delivery contracts and 40,000 ounces in bought puts, enabling Reed to achieve a floor price for its produced gold of approximately A\$1626 per ounce (net of put premium costs) over 110,000 hedged ounces.

Reed's hedge book currently comprises:

	Ounces Covered	Strike/Contract Price	Mark-to-Market/ Close Out Value @ AUD 1320
AUD Puts	29,465	\$1600	\$7.7M
AUD Forwards	70,000	\$1641	\$20.2M

Reed's hedging structure was designed to enable the Company to mitigate its risk should an unexpected gold price downturn occur. Reed will continue to monitor the gold price closely and evaluate the potential to realise any inherent financial value from its hedging position.

ENDS

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About Reed Resources

Reed Resources Ltd (ASX: RDR, OTC: RDRUY) is a Western Australian gold producer.

Reed Resources' wholly owned Meekatharra Gold Operation is located in the prolific Murchison region of Western Australia and includes the 3Mtpa Bluebird processing plant.

Reed Resources' other projects include:

- **Mount Marion:** High-grade lithium project located 40km south of Kalgoorlie in JV with Mineral Resources Limited (ASX: MIN).
- **Barrambie:** Currently in approvals process and evaluating recovery of titanium, vanadium and iron units via a proprietary hydrometallurgical processing route.
- **Comet Vale:** Currently on care & maintenance. High grade gold resource.
- **Mount Finnerty:** Iron ore JV with Cliffs Natural Resources and nickel option with Barranco Resources NL.

Reed Resources' American Depositary Receipts (ADR's) trade under the code RDRUY (CUSIP Number: 758254106). Each Reed Resources ADR is equivalent to 10 ordinary shares of Reed Resources as traded on the ASX. The Bank of New York Mellon is the depository bank.

Website: www.reedresources.com