

For immediate release  
22 February 2011

## **Assay results (Uranium and Rare Earth Elements) Victory prospect, SA**

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RLC 100% : EL 4377

Assay results have been received for repeat analyses of samples collected in the September 2010 quarter on the Victory prospect and the auger and surface rock samples collected on that prospect in November 2010. Victory is a part of the Edward Creek project in South Australia.

Assays for Rare Earth Elements (REE) and uranium (U) were conducted on samples using a fusion (Lithium) analysis.

The repeat analyses on samples collected in the September Quarter are comparable with the analyses previously reported (ASX 12 October 2010 and 16 November 2010). Summaries are provided in table 1 appended. The anomalous uranium identified by the acid digest analysis for sample EC40 (412 ppm uranium) was also identified by the fusion analysis (420 ppm uranium). The trends shown in Chondrite normalised plots of the REE analyses by acid digest are essentially reproduced in the analyses by fusion.

Assay results from the sampling conducted during November 2010 provide further support for the presence of a mineralised system at Victory.

The November sampling comprised surface rock and a traverse along which samples were collected at 5 metre intervals from depths of about 50 centimetres. The traverse included a sample (VA001) taken from a depth of 60 centimetres at the EC40 site. VA001 assayed 73 ppm uranium. A graph showing sample assay results for the samples collected along the traverse together with equivalent uranium (Ue) measured by spectrometer (down-hole) is attached.

A detailed airborne magnetic survey will now be undertaken to assist in identifying structural trends on which to plan follow up drilling.

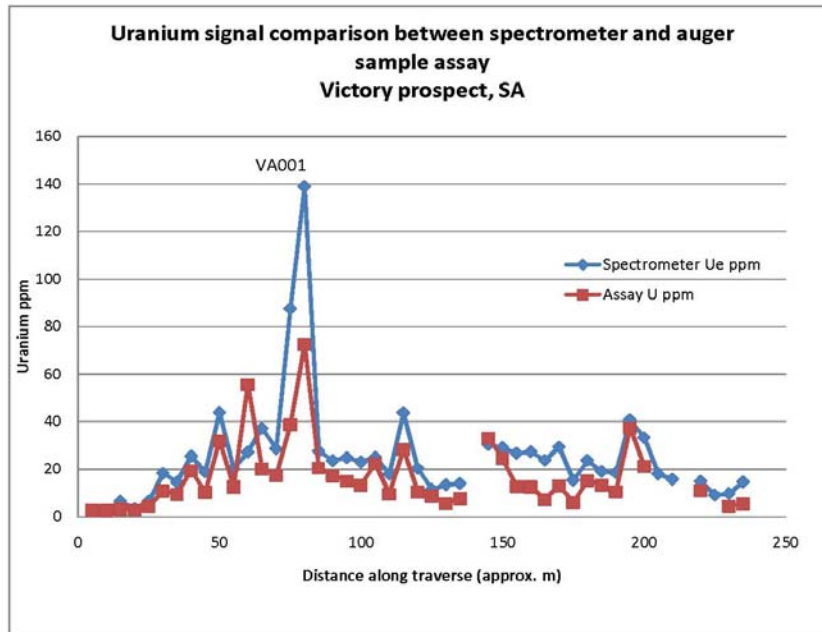
For further information, please visit [www.reedylagoon.com.au](http://www.reedylagoon.com.au)  
or contact  
Geof Fethers, Managing Director  
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*The information in this report that relates to Exploration Results is based on information compiled by Geof 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.*

Table 1. Comparison assay results for samples from Victory prospect, Edward Creek project, SA. Results show good correlation and indicate the acid digest preparation is adequate for the mineral species recovered.

Sample	FUSION					ACID DIGEST					Variation
	U	HREE+Y	LREE	TREE+Y	LREE/HREE+Y	U	HREE+Y	LREE	TREE+Y	LREE/HREE+Y	TREE+Y
	ppm	ppm	ppm	%		ppm	ppm	ppm	%		%
	FB6/MS	FB6/MS	FB6/MS	FB6/MS		ME-MS61r	ME-MS61r	ME-MS61r	ME-MS61r		(F-AD)
EC38	71	263	511	0.077	1.9	62	239	464	0.070	1.9	0.007
EC39	114	318	887	0.120	2.8	92	264	768	0.103	2.9	0.017
EC40	420	623	4693	0.532	7.5	412	544	3374	0.392	6.2	0.140
EC41	7	38	192	0.023	5.1	8	34	175	0.021	5.2	0.002
EC42	27	70	171	0.024	2.4	30	66	200	0.027	3.0	-0.003
EC43	27	97	260	0.036	2.7	19	69	217	0.029	3.2	0.007
EC44	16	361	483	0.084	1.3	16	163	542	0.071	3.3	0.014
EC45	2	36	88	0.012	2.4	2	21	95	0.012	4.5	0.001
EC46	2	48	164	0.021	3.4	2	38	178	0.022	4.7	0.000
EC47	4	35	99	0.013	2.8	2	30	100	0.013	3.4	0.000
EC48	1	9	30	0.004	3.4	1	8	30	0.004	3.7	0.000
EC49	1	10	33	0.004	3.3	1	10	35	0.004	3.4	0.000
EC50	7	163	490	0.065	3.0	7	159	510	0.067	3.2	-0.002
EC51	6	312	611	0.092	2.0	6	310	713	0.102	2.3	-0.010
EC52	1	39	120	0.016	3.1	1	36	131	0.017	3.7	-0.001
EC53	0	12	31	0.004	2.5	0	9	32	0.004	3.4	0.000
EC54	2	167	160	0.033	1.0	2	150	175	0.032	1.2	0.000
EC55	5	189	224	0.041	1.2	5	178	259	0.044	1.5	-0.002
EC56	20	32	235	0.027	7.3	18	29	241	0.027	8.4	0.000
EC57	22	123	385	0.051	3.1	10	65	163	0.023	2.5	0.028
EC58	36	206	584	0.079	2.8	31	177	522	0.070	2.9	0.009
EC59	21	228	580	0.081	2.5	20	222	591	0.081	2.7	-0.001
EC60	6	18	48	0.007	2.7	6	18	51	0.007	2.8	0.000
EC61	15	21	88	0.011	4.2	15	24	102	0.013	4.3	-0.002
EC62	83	81	217	0.030	2.7	94	81	266	0.035	3.3	-0.005
EC63	7	32	83	0.011	2.6	7	32	85	0.012	2.7	0.000
EC64	7	28	178	0.021	6.3	7	43	206	0.025	4.8	-0.004
EC65	11	44	98	0.014	2.2	10	42	108	0.015	2.6	-0.001
EC66	16	54	61	0.011	1.1	16	54	71	0.012	1.3	-0.001
EC67	3	6	18	0.002	2.7	2	7	17	0.002	2.7	0.000
EC68	17	40	52	0.009	1.3	16	40	58	0.010	1.5	-0.001
EC69	23	41	60	0.010	1.5	21	42	65	0.011	1.6	0.000
EC70	34	95	317	0.041	3.3	36	102	380	0.048	3.7	-0.007
EC71	54	131	337	0.047	2.6	60	141	418	0.056	3.0	-0.009
EC72	9	102	105	0.021	1.0	9	105	116	0.022	1.1	-0.001
EC73	50	218	127	0.035	0.6	58	219	162	0.038	0.7	-0.004
EC74	7	31	93	0.012	3.0	7	30	101	0.013	3.3	-0.001
EC75	7	15	55	0.007	3.7	7	13	59	0.007	4.4	0.000
EC76	2	4	14	0.001	3.8	2	4	15	0.002	4.0	-0.001
EC77	5	8	30	0.004	3.7	5	8	30	0.004	4.0	0.000
EC78	13	50	291	0.034	5.8	13	50	310	0.036	6.2	-0.002
EC79	4	19	35	0.005	1.9	4	16	34	0.005	2.1	0.000
EC80	14	35	30	0.007	0.8	14	32	30	0.006	0.9	0.000
EC81	28	62	49	0.011	0.8	28	59	49	0.011	0.8	0.000
EC82	13	57	341	0.040	6.0	13	51	336	0.039	6.6	0.001
EC83	5	21	46	0.007	2.2	5	20	48	0.007	2.4	0.000
EC84	7	70	437	0.051	6.2	7	69	462	0.053	6.7	-0.002
EC85	1	8	12	0.002	1.6	1	8	14	0.002	1.8	0.000
EC86	125	350	1443	0.179	4.1	97	298	1186	0.148	4.0	0.031
EC87	159	418	1934	0.235	4.6	112	334	1419	0.175	4.2	0.060
EC88	162	424	1938	0.236	4.6	123	326	1391	0.172	4.3	0.064
EC89	144	404	1756	0.216	4.3	109	302	1228	0.153	4.1	0.063

Lithium metaborate/tetraborate fusion analysed by inductively coupled plasma mass spectrometry ("Fusion") (Genalysis Laboratory Services Pty Ltd) and four acid ICP-MS ("Acid Digest") (ALS Minerals).




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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: \$0.13

18 February 2011

Directors and management:

Jonathan Hamer, Chairman, Non-Executive Director

Geof Fethers, Managing Director, Co. Secretary

Hugh Rutter, Exploration Director