



## ASX Release

ASX Code: RLC

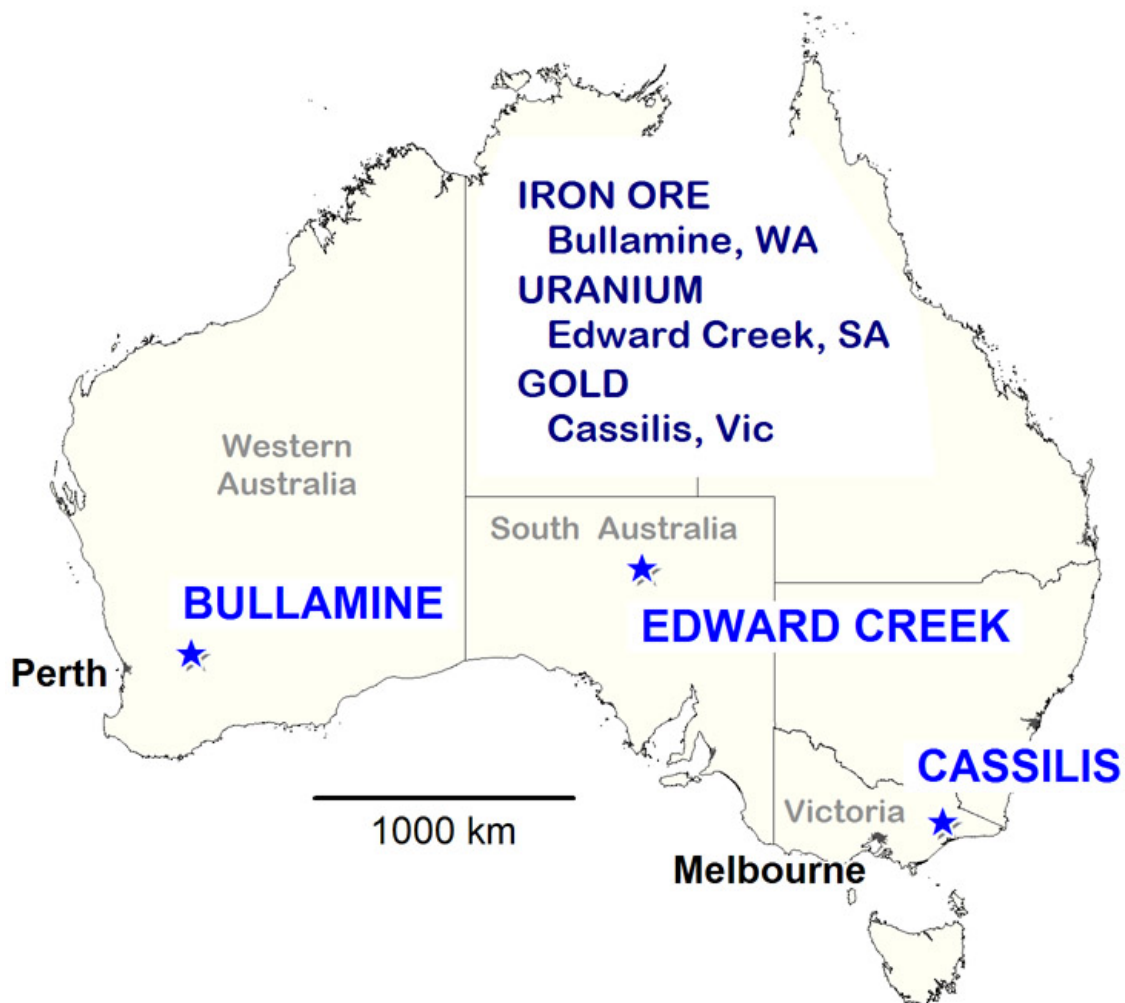
31 July 2015

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### Quarterly Report for the period ended 30 June 2015

#### HIGHLIGHTS

- Entered agreement giving RLC an option to acquire Cassilis Mining Pty Ltd.
- Pro-rata entitlement offer made to raise funding for Cassilis acquisition and working capital.



## CURRENT EXPLORATION ACTIVITIES

### **Bullamine Iron (Magnetite) (WA)**

**Iron (magnetite)**

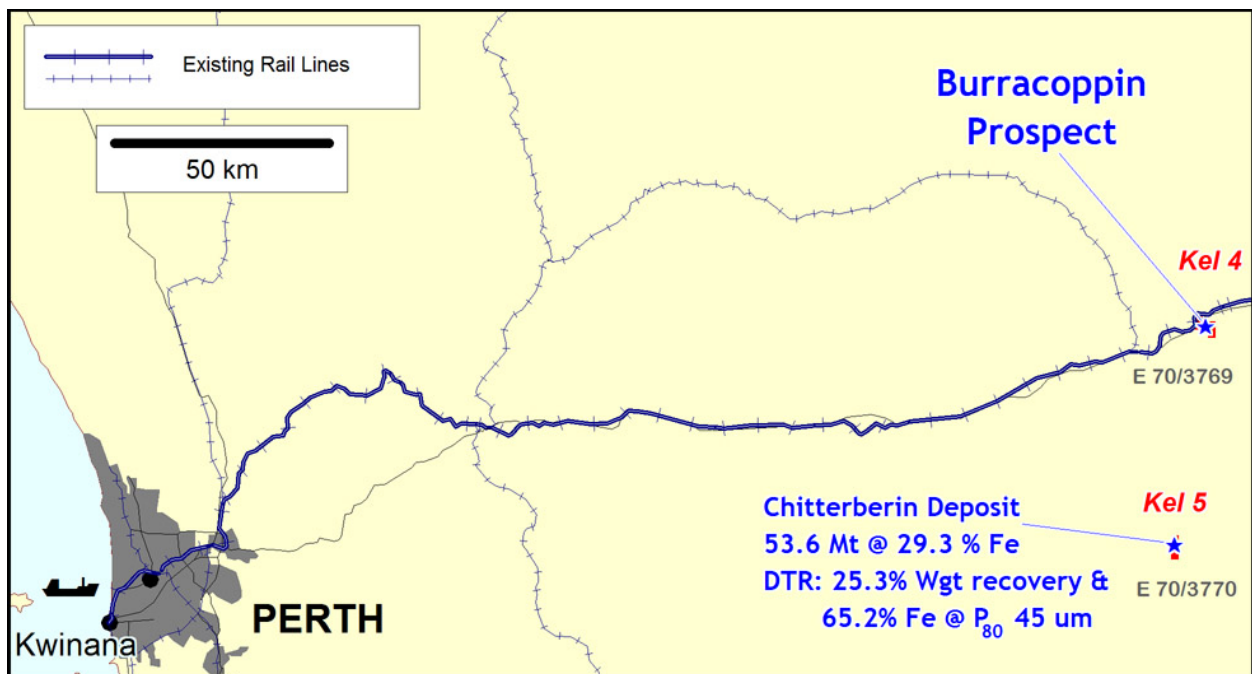
RLC 100% : E70/3769 & 3770

Total area 22.9 km<sup>2</sup>

No field activities were undertaken during the report period.

Past work has defined an Inferred Resource at Chitterberin (ASX release 22/10/2012) and established the presence of substantial magnetite mineralisation at the Burracoppin prospect where metallurgical studies have shown the mineralization is readily beneficiated into a high iron low impurity concentrate by conventional processing (ASX release 30/01/2015, Quarterly report for the period ended 31 December 2014).

A partner for the project is being sought.



*Location of Bullamine tenements and prospects. The Chitterberin Deposit comprises an Inferred Resource described in RLC's ASX Release 22 Oct 2012.*

### **KEL 1 (WA)**

**Copper / Gold**

RLC 100% E70/3766 surrendered 18/04/2015

The project tenement was surrendered at its expiry date on 18 April 2015 and no field activities were undertaken during the report period.

### **Edward Creek (SA)**

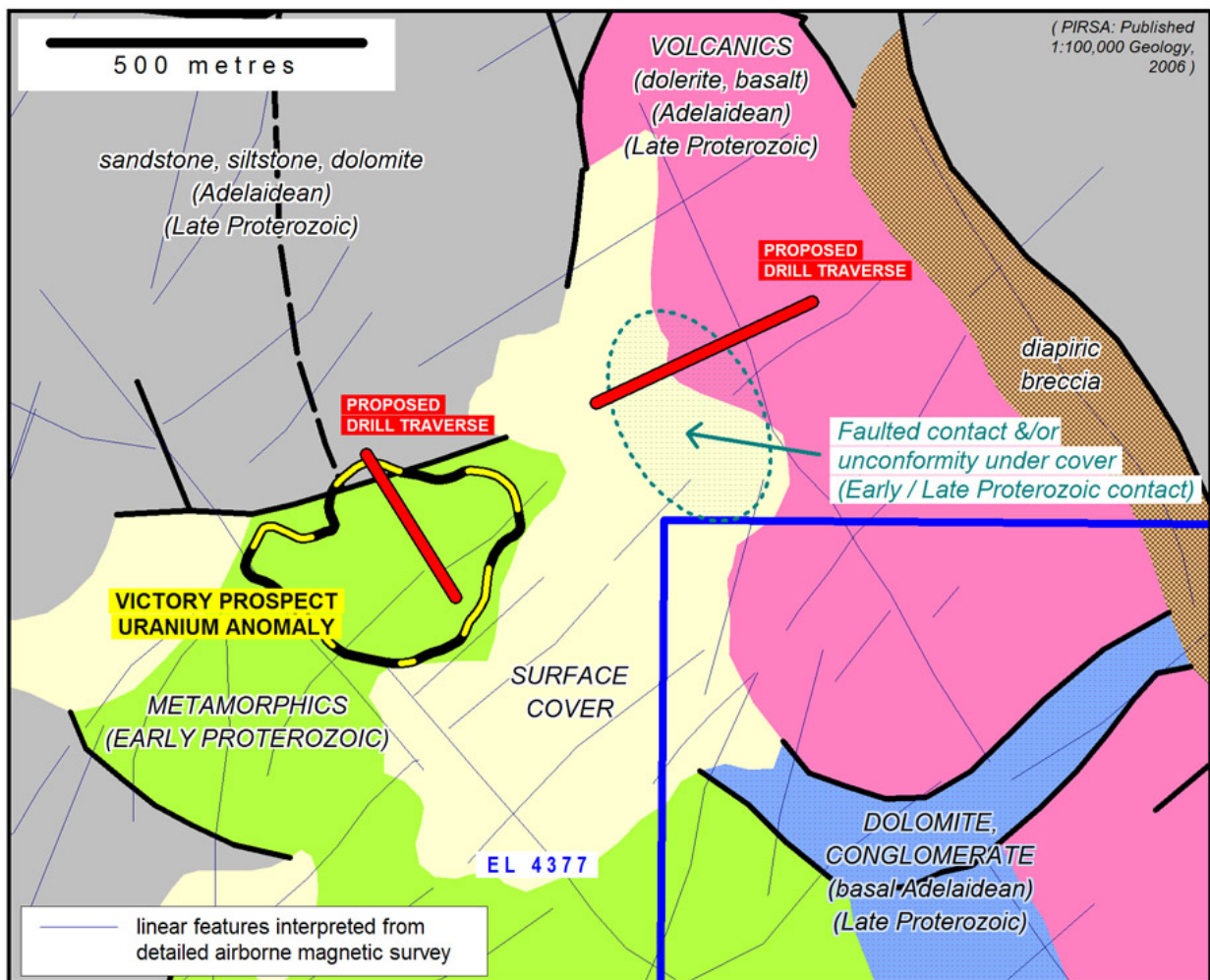
**Uranium**

RLC 100% (excluding diamonds) EL 5580 total area 343 km<sup>2</sup>

No field activities were undertaken during the period.

Exploration for uranium was postponed. The low uranium price and a joint venture partner maintaining minimum exploration expenditure on the tenement enable RLC to postpone its planned exploration for uranium without penalty. Any exploration success with uranium in the current period would likely generate very little interest amongst potential joint venture partners and investors.

Work planned on the Edward Creek project includes drilling at the Victory uranium prospect. The drilling, now postponed until market conditions improve, will investigate strong surface uranium anomalism associated with quartz veining and along strike where a concealed unconformity is interpreted. The targets occur where uranium anomalism was identified by sampling in 2010 in a window of exposed, weathered and veined rocks of Early Proterozoic age. Results previously reported (RLC's ASX Release 17 Nov 2010) include assays of surface rock chip and auger samples up to 412 ppm uranium, 0.30 % copper, 0.39 % TREE.



*Proposed drill traverses at the Victory uranium prospect, Edward Creek project, South Australia (work on hold until market conditions improve).*

## **Cassilis Gold (VIC)**

**Gold**

Option to acquire Cassilis Mining Pty Ltd

The Company entered an agreement to purchase 100% of Cassilis Mining Pty Ltd.

Cassilis Mining has an agreement to acquire mining licence (MIN 5335) and an application for the transfer of MIN 5335 to Cassilis Pty Ltd has been lodged with the Victorian department of Economic Development, Jobs, Transport and Resources.

MIN 5335 covers most of the Cassilis Gold Mine located near Omeo in Eastern Victoria and on that tenement Cassilis Mining has ore processing equipment including a tailings and two water storage dams, together with crushing and milling equipment capable of processing ore at a rate of about 7 tonnes per hour. Mining operations are currently being undertaken at MIN5335: rock has been recovered from one of the adits of the Cassilis mine and is stockpiled in preparation for processing through the plant. There are also various mullock dumps left from past mining activities on MIN 5335.

In addition, Cassilis Mining has applications for exploration licences covering part of the Cassilis goldfield.

Under the agreement :

- RLC has issued 1 million shares in RLC to the 2 shareholders of Cassilis Mining on signing
- RLC will investigate the assets of Cassilis Mining including conducting geochemical sampling to confirm reported gold grades and mullock tonnages held by Cassilis Mining (“Preliminary Works”)
- If RLC decides to proceed with the acquisition RLC will issue a further 3 million shares in RLC to the 2 shareholders in Cassilis Mining and Cassilis Mining will grant each of those shareholders a 1% gold royalty.

If sufficient resources can be identified in the mullock dumps, the purchase of Cassilis Mining Pty Ltd provides RLC with an opportunity to develop a profitable mining operation and a base from which to explore the Cassilis Goldfield for additional resources.

## COMMENT

Net cash outflow for the June 2015 quarter was \$32,370 (including \$16,840 of exploration related expenditure). Directors fees and wages in connection with the June quarter totalling \$40,389 were not paid until after the period.

At 30 June 2015 RLC had \$6,852 in bank accounts and deposits.

72,374,224 shares were offered on a pro rata non-renounceable basis at an issue price of \$0.008 to shareholders under an Entitlement Offer dated 9 June 2015. By the date of this report 34,839,772 shares had been issued raising \$278,718 new capital. The remaining 37.5 million shares (\$300k) are being offered to investors under the Shortfall Placement. Up to \$43,040 of the Shortfall Placement has been sought by SKED Pty Ltd conditional upon sufficient additional take up of the shortfall such that SKED Pty Ltd including its associated entities does not exceed its current 19.5% holding in RLC.

## FORTHCOMING ACTIVITIES

Project	Activity Planned	Timetable
Cassilis (option to acquire) <i>Gold</i>	Geochemical sampling	Sep Q
Bullamine <i>Iron - Magnetite</i>	Drilling at the Burracoppin prospect	TBD
Edward Creek <i>Uranium</i>	Drilling at Victory prospect	TBD

All exploration activities are subject to contractor availability and funding.

TBD = to be determined

For further information, please contact:  
 Geof Fethers, Managing Director.  
 Telephone: (03) 8420 6280  
 or visit our Website at [www.reedylagoon.com.au](http://www.reedylagoon.com.au)

*The information in this report that relates to Exploration Results is based on information compiled by Geof Fethers, who is a member of the Australian Institute of Mining and Metallurgy (AusIMM). Geof Fethers is a director of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Geof Fethers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Where Exploration Results have been reported in earlier RLC ASX Releases referenced in this report, those releases are available to view on the NEWS page of reedylagoon.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in those earlier releases and, in the case of the estimate of the Mineral Resource, all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

Mining tenements.

Tenements at end of quarter		
Project / Location	Tenement number	Company Interest (%)
BULLAMINE – KEL 4 (WA)	E70/3769	100
BULLAMINE – KEL 5 (WA)	E70/3770	100
EDWARD CREEK (SA)	EL 5580 (EL 4377)	100 (excl. diamond)

Joint ventures at end of quarter		
Agreement	Tenements	Company Interest (%)
Diamond Farm-out Agreement	EL 5580	100% all minerals excluding diamond

Mining tenements.

Tenements changed during the quarter:		
Project / Location	Tenement number	Change
KEL 1 (WA)	E70/3766	Surrendered

Joint ventures changed during period: Nil



1.13	Total operating and investing cash flows (carried forward)	(32)	(446)
1.13	Total operating and investing cash flows (brought forward)	(32)	(446)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.		361
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (share issue costs)	-	(8)
	GST adjustment on equity raising		
	<b>Net financing cash flows</b>	-	353
	<b>Net increase (decrease) in cash held</b>	(32)	(93)
1.20	Cash at beginning of quarter/year to date	39	100
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	7	7

**Payments to directors of the entity and associates of the directors  
Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2 (net of GST)	19
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25	Explanation necessary for an understanding of the transactions	
	Payment of salaries and director fees to directors (incl. Superannuation)	\$000's 19

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Shares issued as non cash consideration for entry into the Cassilis Agreement - 1,000,000 fully paid shares issued at 2 cents per share
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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None
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+ See chapter 19 for defined terms.

## Financing facilities available

Add notes as necessary **for** an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

NOTE: 34,839,772 shares were issued raising \$278,718 new capital after the report period.

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	80
4.2 Development	-
4.3 Production	-
4.4 Administration	90
<b>Total</b>	<b>170</b>

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7	28
5.2 Deposits at call	-	11
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.22)	<b>7</b>	<b>39</b>

## Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E70/3766 KEL1	surrendered	100%	-
6.2 Interests in mining tenements acquired or increased	none			

+ See chapter 19 for defined terms.



### Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 <b>+Ordinary securities</b>	73,379,294	73,379,294		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,000,000	1,000,000		Fully paid
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
	Total number	Number quoted	<i>Exercise price</i>	<i>Expiry date</i>
7.7 <b>Options</b> <i>(description and conversion factor)</i>	900,000 900,000 900,000	NONE NONE NONE	20 cents 20 cents 20 cents	31 December 2015 31 December 2016 31 December 2017
7.8 Issued during quarter	NONE	NONE		
7.9 Exercised during quarter	NONE			
7.10 Expired during quarter	NONE	NONE		
7.11 <b>Debentures</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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7.12	<b>Unsecured notes</b> ( <i>totals only</i> )		
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**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 31 July 2015  
(Director)

Print name: GEOF FETHERS

**Notes**

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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