

3 April 2017

Acquisition approved – Entitlement Offer opens tomorrow

Shareholders of Reedy Lagoon today voted to approve the acquisition of 3 lithium brine projects.

The 3 lithium brine projects are located in Nevada, USA near Silver Peak, the existing lithium producer in North America and within 300 kilometres of Tesla's Gigafactory.

There were no votes against the acquisition.

Reedy Lagoon will now proceed to develop the projects to the stage of drill targets. This is expected require expenditure of approximately \$970,000.

For this purpose RLC is seeking to raise funds through an entitlement offer (announced 20 March 2017).

The entitlement offer is a 4 for 9 non-renounceable offer to raise \$2.1 million at 3 cents per share (70,000,000 shares). The offer is to RLC shareholders on the register at 7 pm (AEDT) 24 March 2017.

The entitlement offer period opens tomorrow (4 April 2017).

The entitlement offer price is at a premium to the market price (last trade as at 12 noon on Monday 3 April 2017 was 2.5 cents) but is at a discount to RLC's high of 3.9 cents on 29 November 2016 and at a significant discount to the value implied by the valuation of the lithium projects provided in the Independent Expert's Report and the value suggested by Resource Capital Research in its report commissioned by RLC (available on the Company's website).

Managing director Mr Geof Fethers believes the market price currently does not reflect fair value for RLC shares.

"Unless all entitlements are taken by all shareholders a discounted entitlement offer price will deliver value to new investors who take up the shortfall to the disadvantage of shareholders. This capital raising is about funding the acquisition of the lithium projects through expenditure to develop those projects to a stage where further capital can be raised. The development of the 3 projects should provide potential for gain to shareholders who take up their entitlement, not the prospect of a discount".

Mr Fethers said "RLC core shareholders are extremely loyal. We hope that they will see the potential in these new projects and enable the Company to acquire and develop the projects by supporting the offer".

The directors have indicated that they will be participating in the offer for a total of at least \$200,000.

Shareholders should read the offer booklet including the risks section and the Independent Expert's Report (see ASX 28 February 2017) before accepting the offer.

For more information please contact Geof Fethers on 613 8420 6280

On behalf of the Board

Geof Fethers, Managing Director
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Attached: Result of general meeting – statistics as required by section 251AA(2) of the Corporations Act 2001

Reedy Lagoon Corporation Limited
Suite 2, 337a Lennox Street, Richmond VIC 3121

Issued shares: 158,276,946
Issued options: 2,700,000 unlisted
Share price (last traded): \$0.025
Directors and management:
Jonathan Hamer, Chairman, Non-Executive Director
Geoffrey Fethers, Managing Director, Co. Secretary
Adrian Griffin, Non-Executive Director



REEDY LAGOON CORPORATION LIMITED

**RESULT OF GENERAL MEETING
(ASX REPORT)**

EXTRAORDINARY GENERAL MEETING
Monday, 3 April, 2017

As required by section 251AA(2) of the Corporations Act 2001 (Commonwealth) the following statistics are provided in respect of each resolution on the agenda.

Resolution	Manner in which the securityholder directed the proxy vote (as at proxy close):				Manner in which votes were cast in person or by proxy on a poll (where applicable)		
	Votes <i>For</i>	Votes <i>Against</i>	Votes <i>Discretionary</i>	Votes <i>Abstain</i>	<i>For</i>	<i>Against</i>	<i>Abstain **</i>
1 <i>That for the purposes of ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to acquire all the shares in Nevada Lithium Pty Ltd on the terms and conditions set out in the Explanatory Statement and, in connection with that acquisition and on and subject to those terms and conditions, to approve the issue of \$2,000,000 worth of RLC Shares to the vendors, including the Related Party Vendor, and payment of the Initial Sum and Agreed Exploration Costs."</i>	62,293,295	0	4,407,705	0	Passed on a show of hands	Passed on a show of hands	Passed on a show of hands

** - Note that votes relating to a person who abstains on an item are not counted in determining whether or not the required majority of votes were cast for or against that item