



ASX Release

ASX Code: RLC

30 July 2018

Quarterly Report for the period ended 30 June 2018

HIGHLIGHTS

- ❑ Staked new claims to form the Clayton Valley project for lithium brine
- ❑ Drill-hole MBD-01 completed at Big Smoky South testing a lithium brine target
- ❑ Lithium clay minerals identified in core from the holes drilled at each of Columbus Salt Marsh and Big Smoky South projects
- ❑ 3D magnetotelluric (“3D-AMT”) surveys planned for Clayton Valley and Alkali Lake North
- ❑ Raised \$754,210 under an Entitlement Offer of options



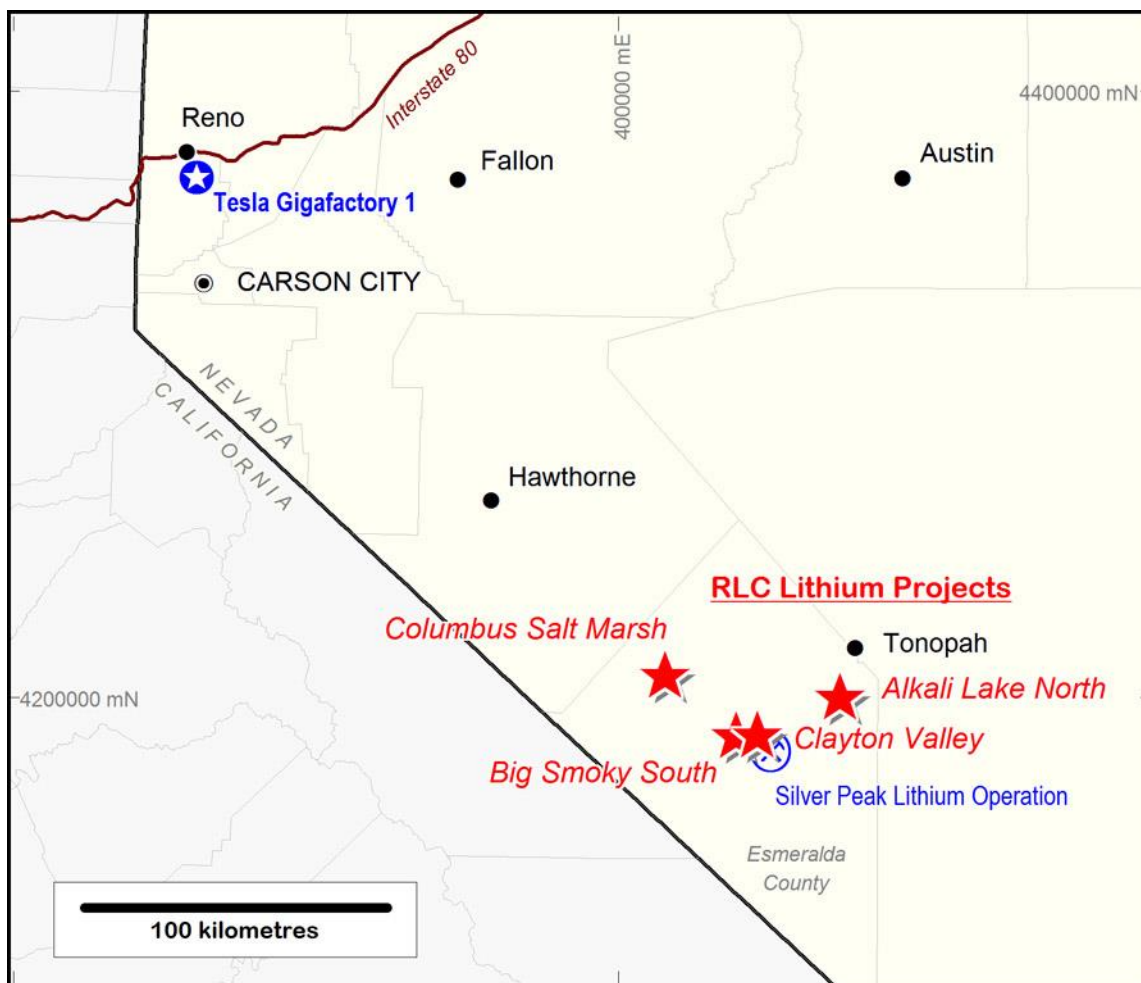
CURRENT EXPLORATION ACTIVITIES

Nevada Lithium Brine Projects (Nevada, USA)

Lithium

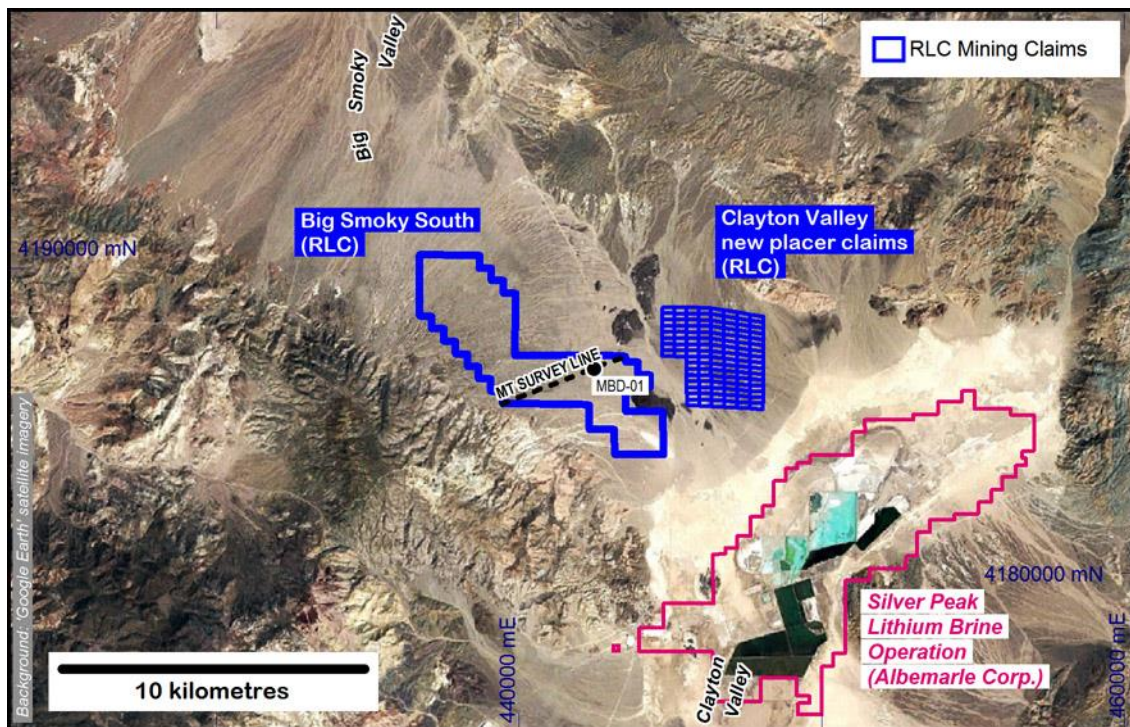
Alkali Lake North:	128 claims –	2,554 acres	(1,033 ha)
Big Smoky South:	245 claims –	4,677 acres	(1,893 ha)
Clayton Valley:	112 claims –	2,240 acres	(906 ha)
Columbus Salt Marsh:	167 claims –	3,291 acres	(1,332 ha)

The Nevada lithium brine projects comprise four projects: Columbus Salt Marsh, Big Smoky South, Clayton Valley and Alkali Lake North. The projects are located in 3 large and separate ground water catchment areas in Nevada, USA. The projects are all within 50 kilometres of the Silver Peak Lithium brine operation owned by Albemarle Corp. which is located 360 kilometres by road (US-95 route) from the Tesla Gigafactory (Lithium-ion batteries) in Reno.



CLAYTON VALLEY

The Company staked 112 additional placer claims over an area of 906 ha to form the Clayton Valley project in the northern part of Clayton Valley, Nevada, USA (refer ASX release 24 May 2018).



The Company entered into a contract for a 3- dimensional audio magnetotelluric (3D AMT) survey to identify conductivity anomalies indicative of brines (refer ASX release 27 June 2018).

COLUMBUS SALT MARSH

Drill hole CBD-01 was completed on reaching target depth at 1,000 metres.

Six significant zones of volcanic ash and tuff were identified in the core samples recovered in drill hole CBD-01. Aquifers within these zones were believed by the Company to be the most favourable zones within which to find dissolved lithium. Aquifers within these six zones were pump tested and brine samples were collected for assay. While the brines tested have high conductivity the maximum lithium concentration detected was 10 mg/L. This level is not considered by the Company to be high enough to indicate potential for economic recovery of lithium (refer ASX release 23 April 2018).

In addition to the six zones pump tested, all of which are at depths greater than 400 metres, a thick tuff unit between 146 metres and 167 metres was also considered significant. However, core recovery over the interval was poor and the ground was broken. These ground conditions made it inadvisable to take a water sample and conduct a pump test and for this reason no sample was taken from this aquifer.

Lithium clay minerals were detected by analysis of hyperspectral data from drill core scans of the core from CBD-01 (refer ASX release 27 June 2018). These data combined with the untested tuff unit between 146 metres and 167 metres justify further investigation of the shallower parts of CBD-01. At the end of the quarter selected sections of core were being prepared for assay to determine the amount of lithium present.

BIG SMOKY SOUTH

Drill hole MBD-01 was terminated at a depth of 401 metres after intersecting a thick sequence of lake sediments which the Company interpreted as being beneath the geological horizons that are prospective for lithium bearing brines.

Pump testing and sampling of four selected zones was attempted in MDB-01, including in a zone of volcanic ash layers intersected between 59 and 100 metres down hole depth from surface. However, fluid flow rates were too low to allow effective sampling.

Lithium clay minerals were detected by analysis of hyperspectral data from drill core scans of the core from MBD-01 (refer ASX release 27 June 2018). Selected sections of core will be assayed to determine the amount of lithium present.

ALKALI LAKE NORTH

The Company entered into a contract for a 3-dimensional audio magnetotelluric (3D AMT) survey to identify conductivity anomalies indicative of brines (refer ASX release 27 June 2018).

AUSTRALIAN PROJECTS

Burracoppin Iron-ore Project (WA)

Magnetite

RLC 100% Application for E70/4941 (area 5,854 Ha) lodged 9/01/2107

No field work was conducted during the report period.

Edward Creek (SA)

Uranium

RLC 100% (excluding diamonds) EL 5580 total area 343 km²

No field activities were undertaken during the period.

COMMENT

At 30 June 2018 RLC had \$1.2 million in bank accounts and deposits.

During the quarter shareholders subscribed \$754,210 (37,710,515 options) under an Entitlement Offer of options. The issue price of the options was 2 cents per option. The options expire on 6 April 2021 and each option gives the holder the right to subscribe for 1 new share in RLC by paying the 8 cent exercise price at any time before the expiry date.

FORTHCOMING ACTIVITIES

Project	Activity Planned	Timetable
Alkali Lake North <i>Lithium</i>	Conduct, process and interpret 3D AMT geophysical survey.	Sep Q
Clayton Valley <i>Lithium</i>	Conduct, process and interpret 3D AMT geophysical survey.	Sep Q
Columbus Salt Marsh <i>Lithium</i>	Assay samples of core recovered from CBD-01.	Sep Q
Big Smoky South <i>Lithium</i>	Assay samples of core recovered from MBD-01.	Sep Q
Burracoppin <i>Iron-ore (magnetite)</i>	Waiting grant of tenement.	On hold
Edward Creek <i>Uranium</i>	Drilling at Victory prospect on hold	On hold

For further information, please contact:

Geof Fethers, Managing Director.

Telephone: (03) 8420 6280

or visit our Website at www.reedylagoon.com.au

Competent Person's Statement:

The information in this report as it relates to exploration results and geology was compiled by Mr Geoff Balfe who is a Member of the Australasian Institute of Mining and Metallurgy and a Certified Professional. Mr Balfe is a consultant to Reedy Lagoon Corporation Limited. Mr Balfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Balfe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Company Statement:

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. 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.

Located in Australia

Tenements at end of quarter		
Project / Location	Tenement number	Company Interest (%)
EDWARD CREEK (SA)	EL 5580	100% (excl. diamond)
BURRACOPPIN (WA)	APPLICATION E70/4941	100%

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

Mining tenements continued

Located in USA

Tenements (all Placer Claims) at end of quarter

Claim Name	Claim Numbers	Corresponding BLM NMC Number	Total Claims	Total Area
Columbus Salt Marsh Project				
CB Claims	CB-1 to CB-12 CB-17 to CB-28 CB-33 to CB-44 CB-47 to CB-60 CB-63 to CB-76 CB-79 to CB-95 CB-101 to CB-186	NMC 1138099 to NMC 1138179 NMC 1146279 to NMC 1146364	167	1,332 ha
Big Smoky South Project				
MB Claims	MB-53 to MB-68 MB-77 to MB-82 MB-89 to MB-96 MB-101 to MB-228 MB-301 to MB-318 MB-320 MB-322 to MB-340 MB-342 MB-344 to MB-368 MB-370 to MB-382 MB-384 to MB-390 MB-392 to MB-398 MB-353A, MB-356A MB-376A MB-378A MB- 387A MB-389A	NMC 1138180 to NMC 1138327 NMC 1146188 to NMC 1146278 NMC 1161852 to NMC 1161857	245	1,893 ha
Alkali Lake North Project				
WH Claims	WH-1 to WH-128	NMC 1138328 to NMC 1138455	128	1,033 ha
Clayton Valley Project				
CV Claims	CV-1 to CV-112	PENDING	112	906 ha

Tenements changed during the quarter:

Clayton Valley project claims staked and at end of Quarter filing procedures with the Bureau of Land Management were in progress. BLM NMC numbers were not available at the date of this report.

Joint ventures changed during period:

Nil

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

REEDY LAGGON CORPORATION LIMITED

ABN

40 006 639 514

Quarter ended ("current quarter")

30 JUNE 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5	18
1.2 Payments for		
(a) exploration & evaluation	(841)	(1,868)
(b) development	-	-
(c) production	-	-
(d) staff costs	(65)	(466)
(e) administration and corporate costs	(70)	(252)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	(11)	(16)
1.9 Net cash from / (used in) operating activities	(980)	(2,580)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (<i>exploration bonds and deposits</i>)	(12)	(218)
2.6	Net cash from / (used in) investing activities	(12)	(218)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	776	4,355
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	3	(352)
3.5	Proceeds from borrowings	-	23
3.6	Repayment of borrowings	-	(23)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	779	4,001

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,601	183
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(980)	(2,580)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(218)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	779	4,001
4.5	Effect of movement in exchange rates on cash held	(140)	(138)
4.6	Cash and cash equivalents at end of period	1,248	1,248

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	81	383
5.2 Call deposits	1,167	1,218
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,248	1,601

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	45
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Current quarter director fees and salaries.	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	625
9.2	Development	-
9.3	Production	-
9.4	Staff costs	-
9.5	Administration and corporate costs	95
9.6	Other (provide details if material)	
9.7	Total estimated cash outflows	720

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	CV-1 to CV-112 Nevada, USA	Placer Claims	nil	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Date: 30 July 2018
(~~Director~~/Company secretary)

Print name: GEOFFREY 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed

by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.