

For immediate release
 22 April 2008

Gold target – Completion of drilling at Chiltern

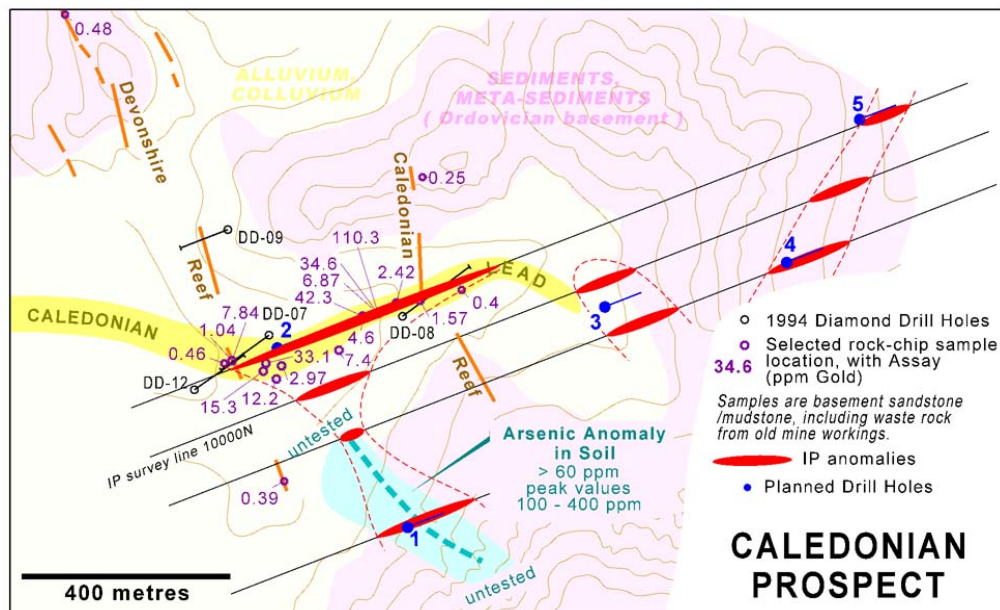
Drilling at Chiltern was completed on Wednesday 16 April. The programme comprised 5 RC holes each to nominal 150 metres down-hole depth for total 730.5 metres.

The drilling programme focused on a restricted area, the Caledonian prospect, where geophysical anomalies had been identified adjacent to sites from which rock-chip samples of float, ie transported rocks, with high gold content had been recovered.

Samples from the drilling have been submitted to an independent assay laboratory for analysis. Results are expected in 5 weeks time (late May).

Trace sulphide mineralization was noted in a few sections during sampling and logging though no gold was observed. No definitive interpretation of the results can be made until the assay results are received.

Applications for exploration licences covering 525 square kilometres in the area surrounding our existing tenements were lodged late last week and yesterday.



The Chiltern Project covers approximately 230 km² of the Chiltern goldfield. The area under application will increase the project area to 755 square kilometres. The goldfield produced 45 tonnes (1.4 m oz) of gold from alluvial deep lead systems (buried river beds). Notably little gold was produced from hard rock (quartz reef) deposits. The original source of the gold found in the deep leads has never been discovered although early workers identified sediment-hosted gold (in sandstone and siltstone pebbles and nodules) amongst the waste rock initially discarded during the alluvial mining. About one hundred tonnes of this "waste rock", in which very fine grained gold could be observed, was processed in the early 1900s at an average grade of over 20 g/t gold.

The exploration objective at Chiltern is to discover primary gold mineralisation – the source or sources to the gold previously mined from the deep leads.

The five holes drilled during the recent programme are located within a National Park. There can be no certainty that any mining activity would be allowed at the sites drilled. Our existing tenements were granted prior to the proclamation of the National Park and have ongoing rights which enable exploration and mining to take place. In total approximately 45 square kilometres of the project area are covered by National Park. In the event that a source for the alluvial gold is discovered then, in addition to continued assessment of the potential at the Caledonian prospect, exploration for additional occurrences of the mineralisation would target areas throughout the entire project area – the majority of which is outside the boundaries of the National Park.

The Chiltern project is located 25 kilometres west from the town of Albury-Wodonga in northeastern Victoria.

For further information, please contact:
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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.

Reedy Lagoon Corporation Limited is exploring for:
iron ore in WA
gold at projects in the Lachlan Fold belt (Victoria)
uranium at projects on the Gawler Craton (SA) and in the Tanami (NT & WA)
copper on the Gawler Craton (SA).

Issued shares: 47,600,000 (31,205,330 quoted)
Issued options: 14,702,520 unlisted
(exercisable @ \$0.20, \$0.30 & \$0.50)
Share price: \$0.087
21 April 2008

Directors and management:
Jonathan Hamer, Chairman, Non-Executive Director
Adrian Griffin, Non-Executive Director
Philip Lewis, Director
Geof Fethers, Managing Director
Hugh Rutter, Exploration Director
Dermot Coleman, Company Secretary.

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