

For immediate release
16 April 2009

Iron ore targets – Assay and processing results, Bullamine.

RLC 100% : E70/2846, ELA70/3462

RLC 100% Bulla JV (provides interest in iron only) (E70/2719 & E70/2720)

Laboratory results indicate a high quality iron concentrate (at 69% Fe) can be produced from the Bullamine project.

Davis tube recovery (“DTR”) tests on selected samples show iron concentrates with low impurities can be produced from the iron ore drill tested at the Cleansweep target (table 1).

The drilling, reported on 11 December 2008, comprised 13 RC holes (803 metres). All holes were drilled dipping 60 degrees towards 245 degrees azimuth (figure 1).

Table 1. Assay results for 2 concentrates (Davis Tube Recovery at +45 micron) from intervals of fresh Banded Iron Formation at the Cleansweep target, Bullamine project.

Borehole	Interval (downhole)	Total Fe recovered %	Fe in concentrate %	SiO2 %	Al2O3 %	TiO2 %	Mn %	CaO %	P %	MgO %	K2O %	LOI %
5	42 to 50 m	93.3	70.0	1.3	1.0	0.3	0.10	0.0	0.00	0.2	0.04	-3.7
6	85 to 90 m	90.5	69.4	1.9	1.5	0.2	0.16	0.1	0.00	0.3	0.01	-3.2

Assay by XRF (ALS Chemex).

Three additional samples of oxidised (weathered) material from shallower borehole depths (boreholes 6, 12 and 16) showed low magnetite contents. The low magnetite content indicates magnetic separation would be less efficient at recovering and concentrating iron from the weathered material sampled. Studies into iron liberation and concentration methods for processing this weathered material are underway.

The Company believes the above assay results are encouraging. The high iron content and low levels of impurities assayed in the concentrates indicate a premium product. Such a concentrate might find application for a smelter where lower quality feed could be improved by blending.

As noted in the Quarterly report for the period ended 31 December 2008, the drilling conducted to date at Cleansweep is preliminary and too wide spaced to provide information about the extent and continuity or otherwise of the iron mineralisation at Cleansweep. The Company proposes to undertake ground magnetic surveys to plan further drilling to determine whether sufficient mineralisation exists to comprise a mineable resource at the target.

The Bullamine project is located 70 kilometres northeast of Perth. Exploration is being conducted for near surface iron mineralisation to form the basis for a low cost shallow open cut mining operation for magnetite. The short distance, 90 kilometres, to bulk cargo facilities at Fremantle Ports’ Kwinana facility south of Perth and existing rail link are significant attributes of the project.

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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

uranium at projects on the Gawler Craton (SA) and in the Tanami (NT)

copper on the Gawler Craton (SA).

Issued shares: 48,600,000 (38,805,330 quoted)

Issued options: 15,676,260 unlisted
(exercisable @ \$0.20, \$0.30 & \$0.50)

Share price: \$0.023
15 April 2009

Directors and management:

Jonathan Hamer, Chairman, Non-Executive Director

Adrian Griffin, Non-Executive Director

Philip Lewis, Director

Geof Fethers, Managing Director, Co. Secretary.

Hugh Rutter, Exploration Director

Figure 1 follows

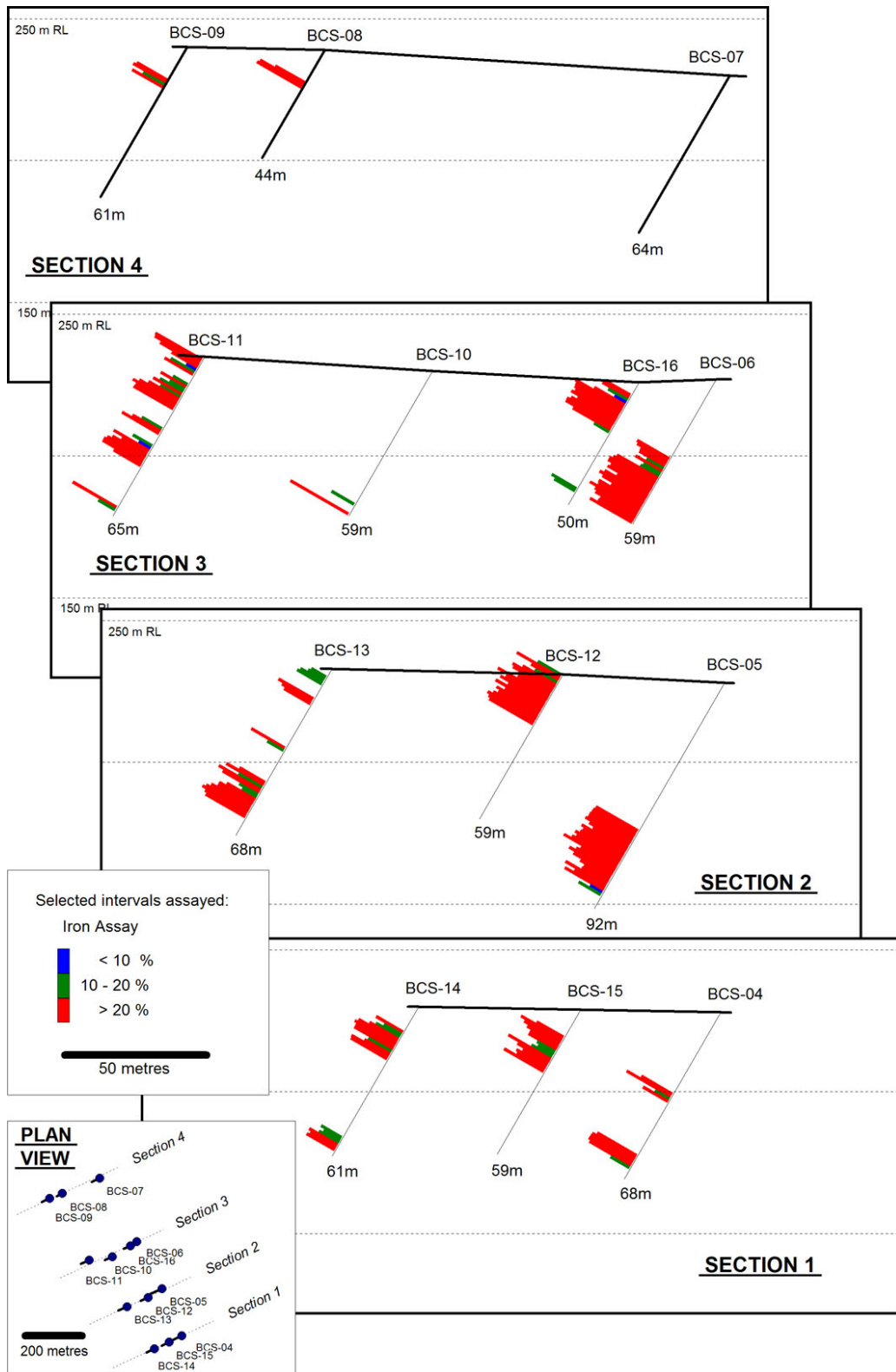


Figure 1. Bore hole traverse sections showing iron grades, Cleansweep target.