

For immediate release
 6 October 2009

Uranium targets – new tenement applications, Western Australia

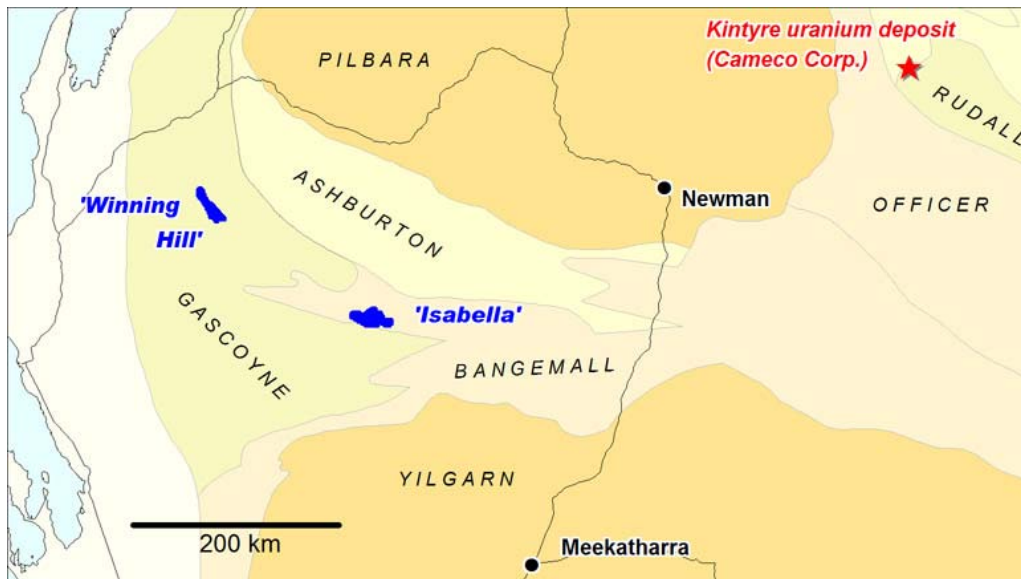
Reedy Lagoon Corporation has increased its portfolio of uranium targets following its application for two new Exploration Licences in central Western Australia, covering approximately 560 km².

The 'Isabella' project covers 350 km² and is the result of a review of base metal exploration conducted in the region by previous explorers principally in the late 1990s. Substantial geophysical data, including airborne magnetic, radiometric and EM surveys are available for the project area and will be used to assist in developing RLC's uranium targets.

RLC's exploration is targeting deformation structures, including folding, faulting and shearing, which may have provided conduits and/or trap sites for uranium mineralization precipitating from circulating mineralising fluids within or adjacent to carbonaceous sediments. The company believes the geology may be analogous to that of the Rum Jungle Mineral Field in the Northern Territory, where several uranium deposits occur at similar junctions of structures and carbonaceous stratigraphy.



The 'Winning Hill' project covers 211 km² and is the result of a review of uranium exploration conducted principally in the early 1980's. This earlier work included drill testing a target beneath surface uranium anomalism where a major oblique fault juxtaposes younger rocks with Gascoyne Complex basement. Uranium mineralisation was identified in a weathered zone but RLC believes the target was not adequately tested. Anomalous uranium mineralisation can be associated with carbonaceous or graphitic material where faulting cuts an unconformity between younger strata and older basement rocks. RLC's interpretation of the previous work suggests such targets may exist at Winning Hill and initial exploration will target sites of intersection between faulting and specific carbonaceous strata.





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, 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 mineralization and type of deposit under consideration and to the activity which he is undertaking to 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 consents 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) in the Tanami (NT) and the Gascoyne Province (WA)

copper on the Gawler Craton (SA).

Issued shares: 48,600,000

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

Share price: \$0.05

6 October 2009

Directors and management:

Jonathan Hamer, Chairman, Non-Executive Director

Adrian Griffin, Non-Executive Director

Geof Fethers, Managing Director, Co. Secretary

Hugh Rutter, Exploration Director