



22 November, 2023

## Managing director’s address to the 2023 AGM

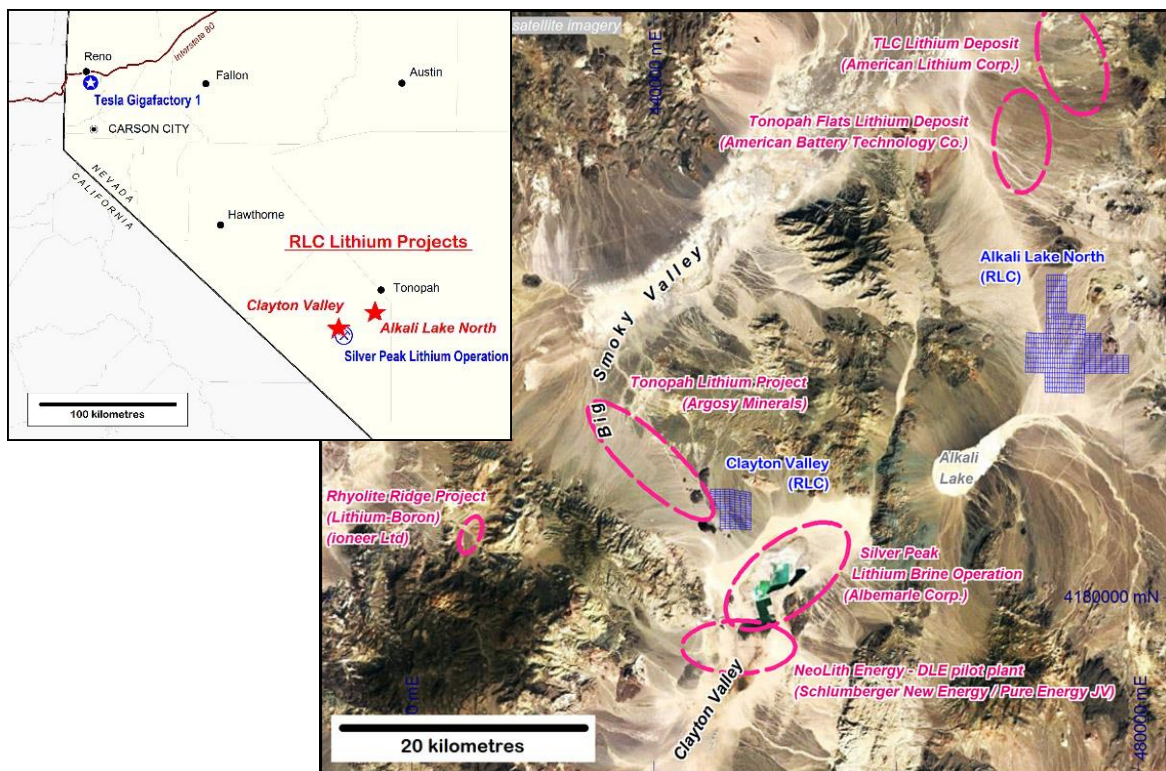
Good morning Reedy Lagoon shareholders.

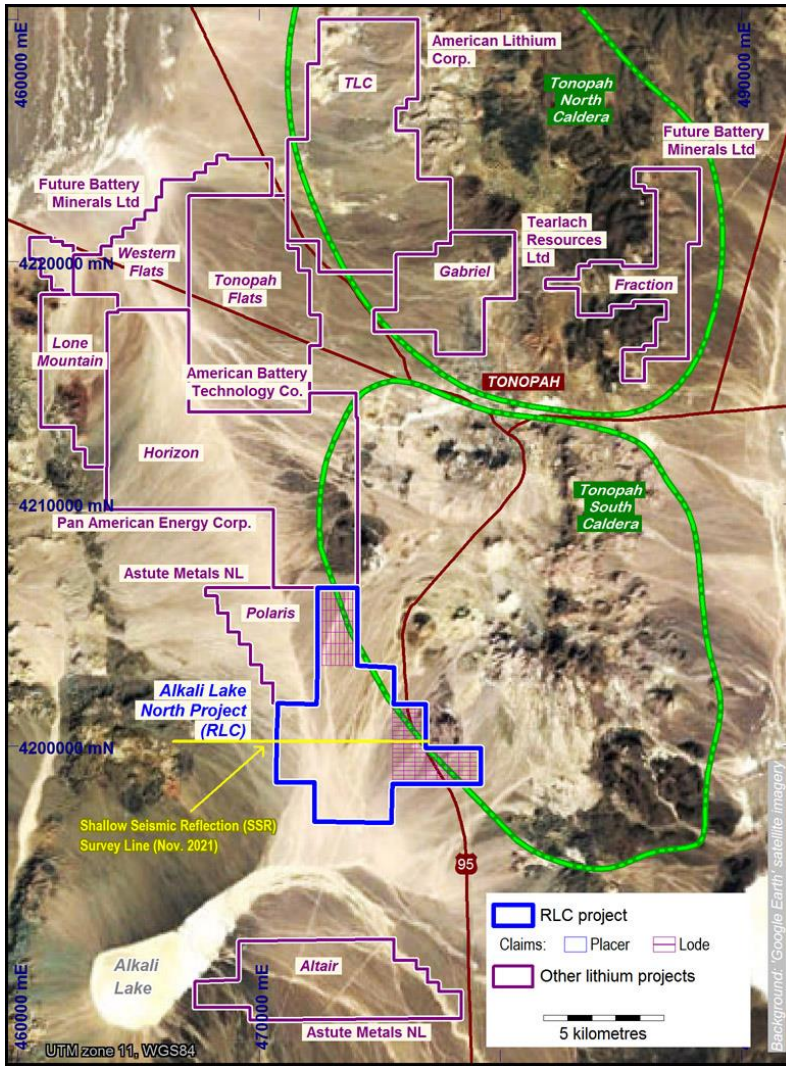
Reedy Lagoon has lithium, iron and gold projects.

Results from exploration have advanced each of the Company’s projects at the same time as global issues continue raising the importance of all three target commodities: lithium, iron and gold.

### Lithium

Battery-grade lithium chemicals remain in long term demand. Large parts of the world are moving to exclude the use of cars that burn fossil fuels. Lithium is a critical part of that transition. Lithium price declines and volatility over the 2023 financial year are reflected more in spot than contract prices and are likely to have been a result of variable EV sales and lithium buying activity. Underlying fundamentals remain strong. In late 2016 when Reedy Lagoon acquired its lithium projects in USA the prices for battery grade lithium carbonate were being reported between US\$10,000 to US\$12,000 per tonne. Spot China LCE prices were reported at US\$27,000/t in September this year.





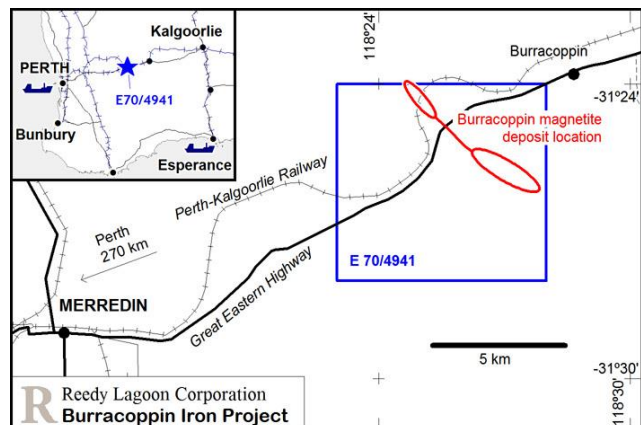
During the past year the Company expanded its search to include lithium-rich sediments. Explorers operating to the north of our Alkali Lake North (“ALN”) project have reported substantial deposits of claystone containing loosely bound lithium. This has opened a new frontier for large scale lithium deposits in Nevada.

Reedy Lagoon staked lode claims to extend the ALN project to cover areas approaching the eastern side of the valley where the depth of cover over the target lithium bearing sedimentary rocks is reduced.

Companies drilling on projects located to the north, west and south of our ALN project have reported intersections of the lithium bearing claystone. These are exciting times.

## Iron

The Burracoppin Iron project plans to mine iron from the Burracoppin magnetite deposit by mining and processing the ore into an iron concentrate for smelting into pig iron using carbon from biomass. The plan incorporates Hismelt technology which is well suited to processing the coarse grained high-purity iron concentrate that the Burracoppin magnetite mineralisation can produce. The planned smelt reactor produces High Purity Pig Iron (“HPPI”) at a rate of 1 million tonnes per annum (“mtpa”) upgradable to 2 mtpa. A pig iron production rate of 1 mtpa would require about 1.6 mtpa iron concentrate (3.2 mtpa for the higher rate). The requirement for 1.6 mtpa iron concentrate is well

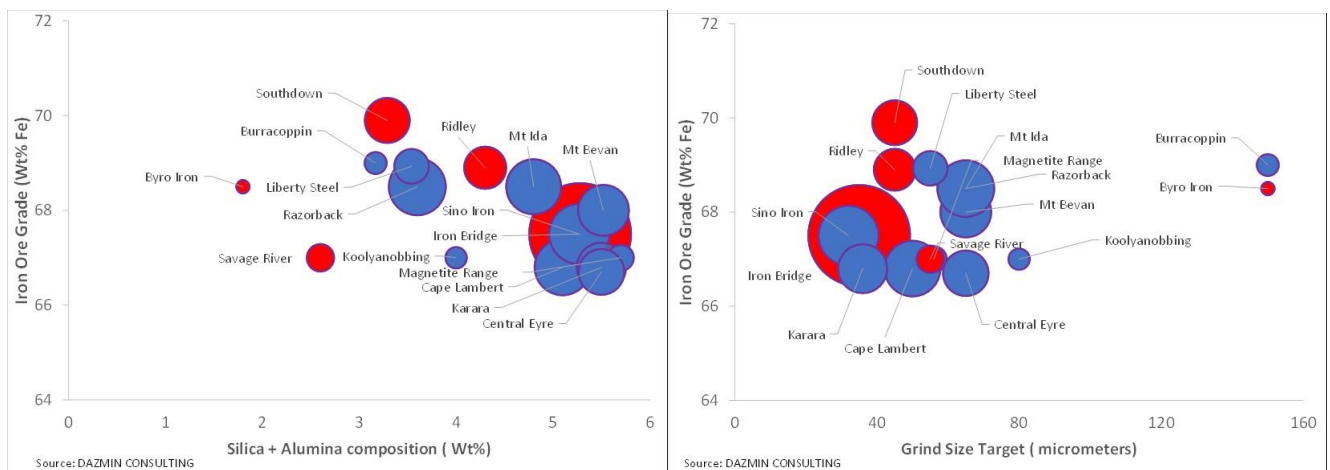


matched to the likely scale of mining operations that may prove possible at Burracoppin and the available public access infrastructure.

The project plans to be a low cost producer of green high purity pig iron.

Metallurgical testwork conducted on core samples from 3 holes drilled into the Burracoppin magnetite deposit has identified mineralisation well suited to HiSmelt. The testwork to date indicates the Burracoppin mineralisation can produce an iron concentrate of at least 67% Fe and low impurities at a grind size of 80% passing 150 micron.

Further drilling and metallurgical testwork is planned to establish Indicated Resources which, if achieved, will enable financials for the mining and production of iron concentrate for the planned smelter to be estimated.

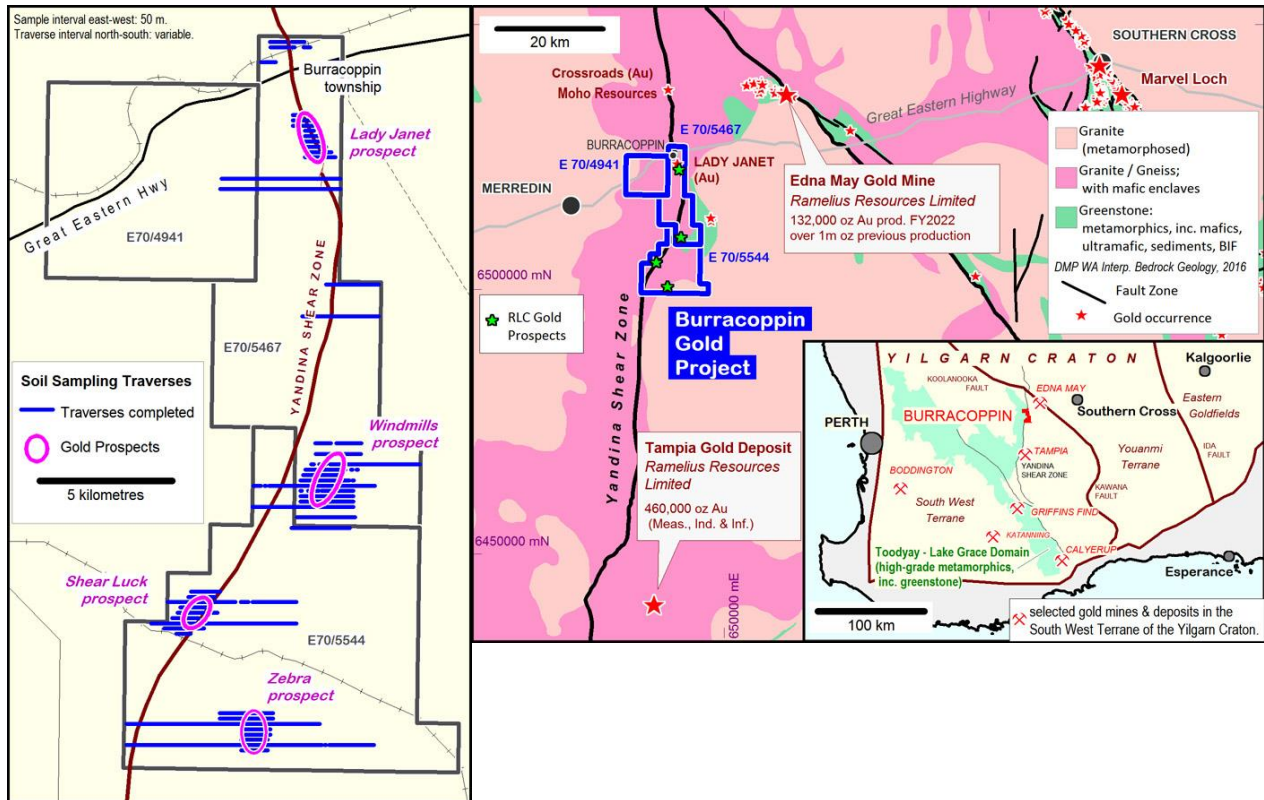


Reviews of potential development options have included the option of progressing the project by initial production for sale of Direct Reduction Magnetite Concentrate (“DR Magnetite Concentrate”). DR Magnetite Concentrate typically requires less than 2% total silica and alumina and greater than 70% Fe. The metallurgical work to date indicates the Burracoppin mineralisation may produce such a concentrate at the 45 micron grind size usually required for pelletising. DR Magnetite Concentrate would be marketed primarily to be processed into pellets to make direct reduced iron for Electric Arc Furnaces.

Development of the project to produce green high purity pig iron using HiSmelt and +67% Fe concentrate (at +100 micron) with no pelletising stage remains the preferred option (including because of its potentially lower net Green House Gas emissions), but the production and marketing of DR Magnetite Concentrate as an intermediary stage in the project’s development could expand RLC’s market options while allowing progression in the future to the production of green pig iron.

## Gold

Reedy Lagoon is targeting gold mineralisation at Burracoppin in the vicinity of its magnetite deposit (part of the iron project). The project is located 260 kilometres east of Perth, 60 kilometres north of the Tampia gold mine and 30 kilometres southwest from the Edna May gold mine (both owned by Ramelius Resources Limited).



Four gold prospects: Lady Janet, Windmills, Shear Luck and Zebra have been identified in results from low detection gold assays of surface soil sampling. Results from surface soil sampling have identified correlation between anomalous gold levels in the soil samples with geological faulting interpreted in the available magnetic data.

Magnetic surveys flown by drone commenced at the prospects 2 weeks ago and the survey data was provided to our geophysicist earlier this week.

## Corporate Activities

In December 2022, Reedy Lagoon issued 9,292,689 shares to directors at an issue price of \$0.0119 per share under the Scheme approved by shareholders at the annual general meeting held on 25 November 2022 relating to the payment of directors' remuneration in respect of a prior period.

Subsequent to the end of the 2023 financial year the Company issued 49,963,988 RLC shares under an Entitlement Offer to shareholders at an issue price of \$0.007 per share raising \$349,748 on 29 August 2023.

The Board thanks all shareholders who supported these capital raisings.

### **What we are doing now**

Additional funds are required to advance our projects. Raising funds on-market is currently difficult except at a significant discount.

We are therefore seeking joint ventures with corporations that are focussed on and have expertise in the mineralised systems we are investigating. Joint ventures and other types of engagement are also being canvassed with parties that are interested in acquiring the potential product of our projects.

Securing one or more joint venture partners should enable RLC to obtain additional funding on-market at an issue price which is less dilutive for existing shareholders.

Thank you for your support.

Geof Fethers