



17 November 2017

Dear Shareholder,

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Melbourne, Victoria, Australia
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Richmond VIC 3121Email: info@reedylagoon.com.au
reedylagoon.com.au**RLC rights issue at 2.5 cents to raise \$3.5 million.**

RLC has announced a 4 for 5 non-renounceable pro rata entitlement offer of RLC ordinary shares at 2.5 cents per new share to raise \$3.5 million to fund drilling of lithium brine targets in Nevada, USA.

The Offer is fully underwritten by Patersons Securities Limited.

At the EGM held on 16 November 2017, shareholders approved the issue of \$2 million worth of RLC shares to the vendors of Nevada Lithium Pty Ltd (a company whose wholly-owned subsidiary holds the 3 lithium brine projects), which approval enables RLC to complete its acquisition of Nevada Lithium. The shares to be issued to the vendors will be issued at 2.5 cents (the same price as the offer price under the Offer).

The Record Date for Entitlements is 7:00 PM (AEDT) on Tuesday 21 November 2017.

Eligible RLC shareholders will be able to apply for additional New Shares which may be issued if not all Entitlements are taken up. The issue to an eligible RLC shareholder of any additional New Shares is subject to any allocation policy and scale-back that RLC may apply in the absolute discretion of RLC and the Underwriter.

Existing RLC shares will trade ex-entitlement from Monday 20 November 2017.

The indicative timetable for the Offer is:

Announcement of Offer	Thursday 9 November 2017
Ex Date for Entitlements	Monday 20 November 2017
Record Date for determining Entitlements	7.00pm AEDT Tuesday 21 November 2017
Offer opens	Friday 24 November 2017
Offer closes	Friday 8 December 2017
Issue of New Shares under the Offer	Friday 15 December 2017
Despatch of allotment confirmations in respect of New Shares	Monday 18 December 2017
New Shares commence normal trading on ASX	Monday 18 December 2017

The Offer will open on Friday 24 November 2017.

The underwriting of the Offer means that RLC should raise the full \$3.5 million sought under the Offer enabling it to complete its acquisition of the 3 lithium brine projects and quickly move to drill the first of its strong lithium brine targets.

An Entitlement and Acceptance Form together with a Booklet explaining the Offer and how to accept will be mailed to eligible RLC shareholders on Friday 24 November 2017.

Important Details about the Entitlement Offer

Only shareholders with a registered address in Australia or New Zealand are eligible. Option holders must exercise their options before the Record Date in order to have an entitlement in respect of the shares issued upon exercise.

Entitlements will be rounded up to the next whole number of new shares.

A maximum of 140,150,134 new shares (44.4% of post issue share capital) will be issued as fully paid under the Offer. Following the issue of this number of shares RLC will have 316,215,302 ordinary shares on issue. Upon completion of the Offer RLC will also issue 80,000,000 shares to the vendors of Nevada Lithium Pty Ltd (the company which owns the 3 lithium brine projects) to complete RLC's acquisition of that company. Following the issue of these shares to the vendors, RLC will have a maximum of 396,215,302 ordinary shares on issue.

No shareholder approval is required for the issue of new shares under the Offer. RLC has applied for quotation of the new shares on ASX. The new shares will rank equally in all respects to existing ordinary shares in RLC.

No prospectus will be used for the Offer. Instead the Offer will be made pursuant to provisions of the Corporations Act 2001 (Cth) that allow entitlement offers to be offered by providing certain updates and information to the market.

The Offer is non-renounceable and RLC shareholders who do not take up their Entitlements will not receive any payment or value for their Entitlements. Entitlements will not be able to be traded on the ASX or privately transferred.

To be eligible to acquire New Shares under an Entitlement and apply for additional New Shares at the offer price of 2.5 cents, you must be registered as a shareholder of RLC with an address in Australia or New Zealand by 7.00pm AEDT on Tuesday 21 November 2017.

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