



ASX Release

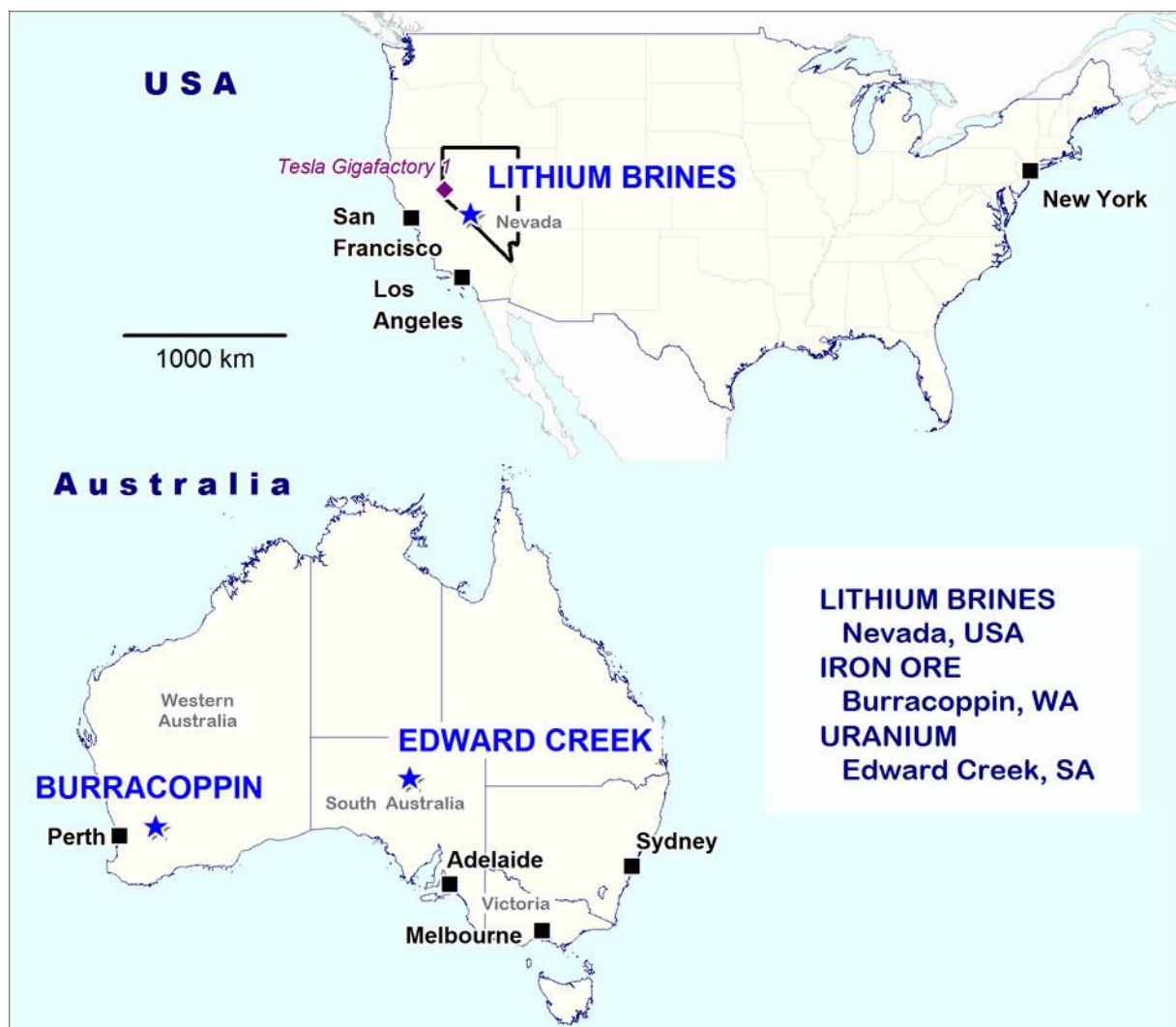
ASX Code: RLC

20 April 2018

Quarterly Report for the period ended 31 March 2018

HIGHLIGHTS

- ❑ CBD-01 completed at Columbus Salt Marsh testing a lithium brine target
- ❑ Presence of brine confirmed
- ❑ Substantial thicknesses of volcanic ash and tuff deposits identified in drill core
- ❑ Permitting and access tracks completed for drilling at Big Smoky South
- ❑ Opened Entitlement Offer of options (\$754,210 raised following end of period)



CURRENT EXPLORATION ACTIVITIES

Nevada Lithium Brine Projects (Nevada, USA)

Lithium

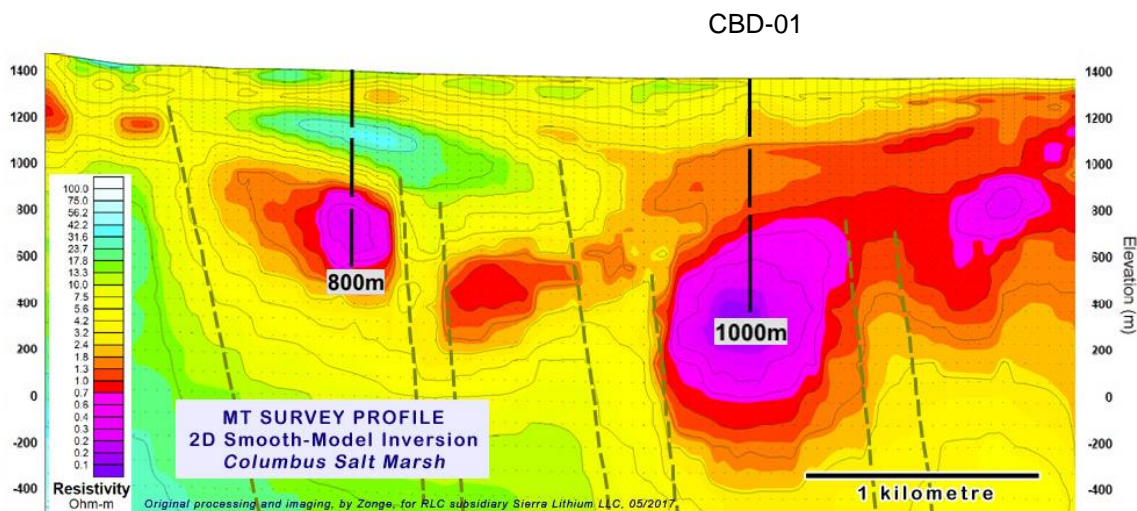
Alkali Lake North:	128 claims – 2,554 acres (1,033 ha)
Big Smoky South:	245 claims – 4,677 acres (1,893 ha)
Columbus Salt Marsh:	167 claims – 3,291 acres (1,332 ha)

The Nevada lithium brine projects comprise three projects: Columbus Salt Marsh, Big Smoky South, and Alkali Lake North. Each project is located in a large and separate ground water catchment area in Nevada, USA. Geophysical surveys have identified strong brine targets at each of the projects (see ASX release 17 July 2017).

COLUMBUS SALT MARSH

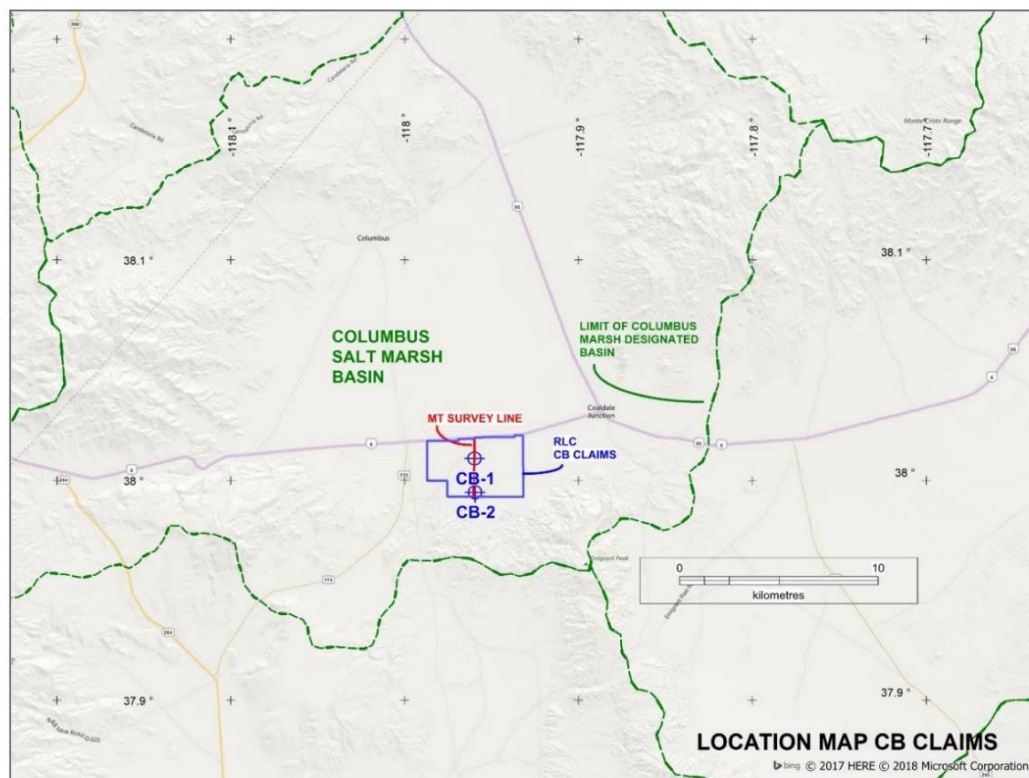
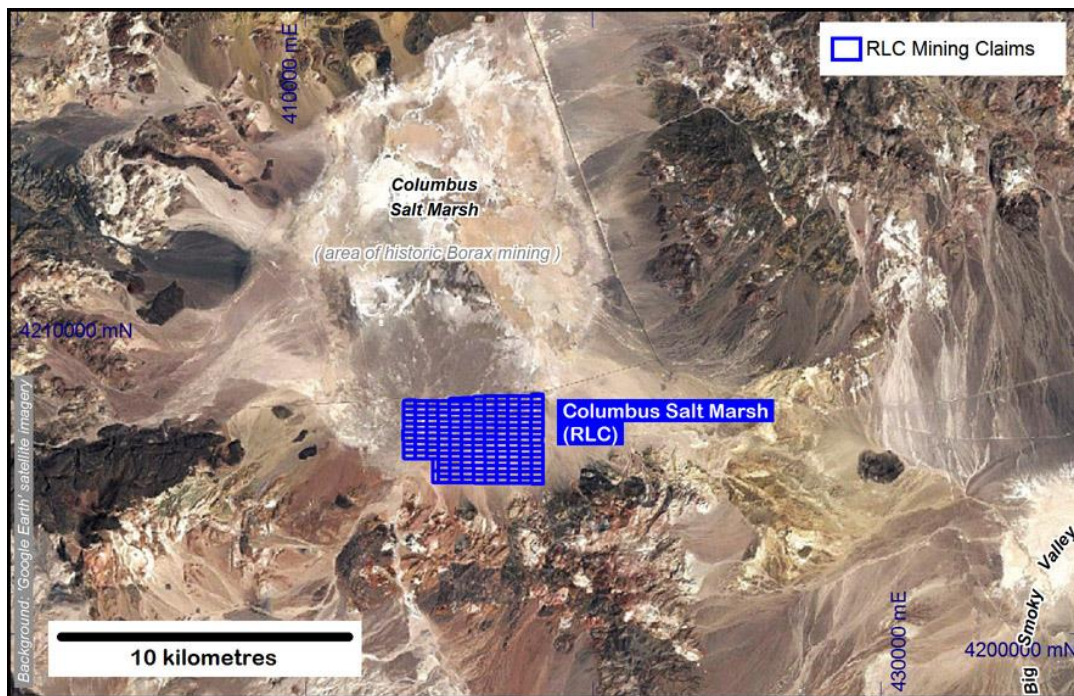
Drilling commenced at the Columbus Salt Marsh lithium brine project on 4 February (drill hole CBD-01).

Substantial thicknesses of volcanic ash and tuff deposits were identified in drill core (ASX release 26 March 2018). These volcanic ash and tuff deposits are interpreted to be derived from the eruption of Mt Bishop and the Long Valley Caldera 110 kilometres to the west. The Mt Bishop Tuff is believed to be the source of much of the lithium in Clayton Valley and the presence of extensive deposits of these tuff and ash beds in the current drill hole is considered significant.



The presence of brine was successfully confirmed by a pump test conducted approximately 200ft (61m) above the Target Zone in CBD-01. An aquifer within a zone of tuff and volcanic ash deposits from 1642ft (500m) to 1742ft (531m) was pump tested and sampled. Assays detected no lithium in the brine sampled at this level (ASX release 26 March 2018).

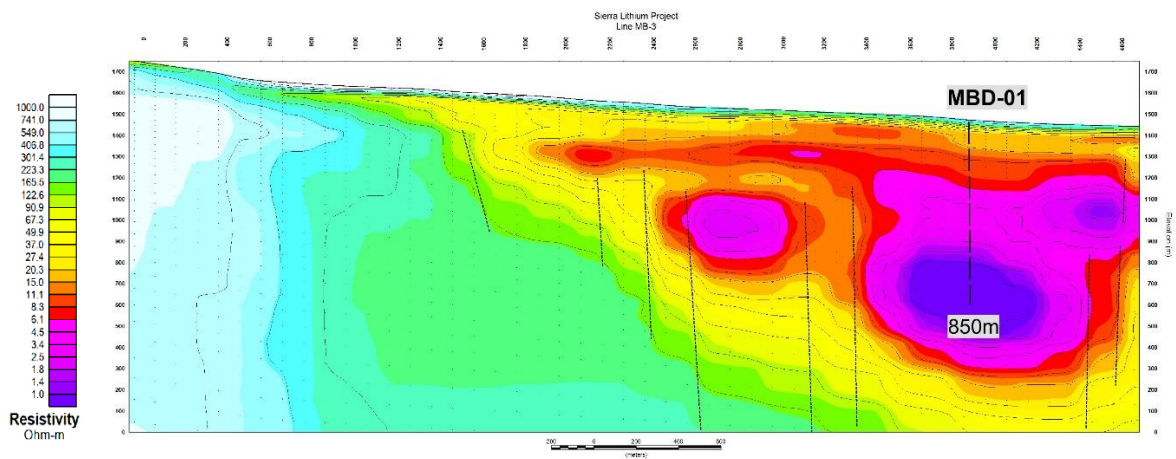
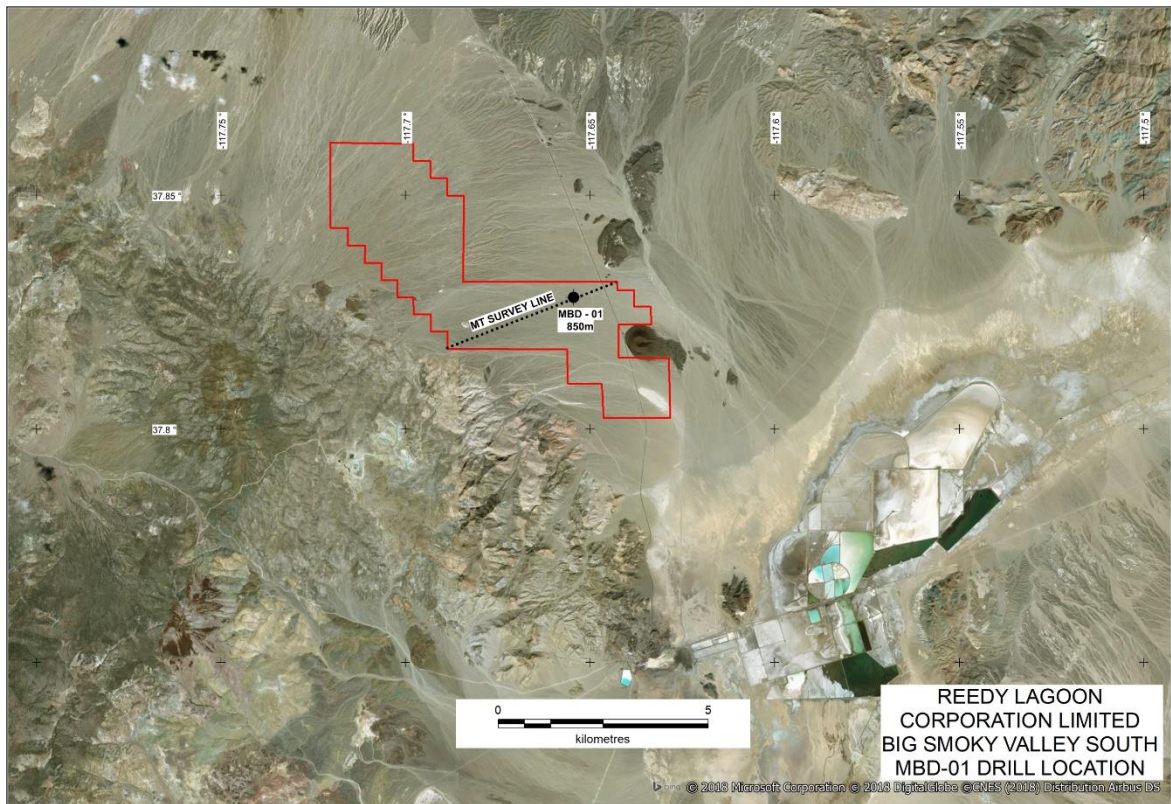
Further pump tests were being conducted and brine samples taken after the Quarter following successful completion of the drill hole at the 1,000 metre target depth on 4 April.



BIG SMOKY SOUTH

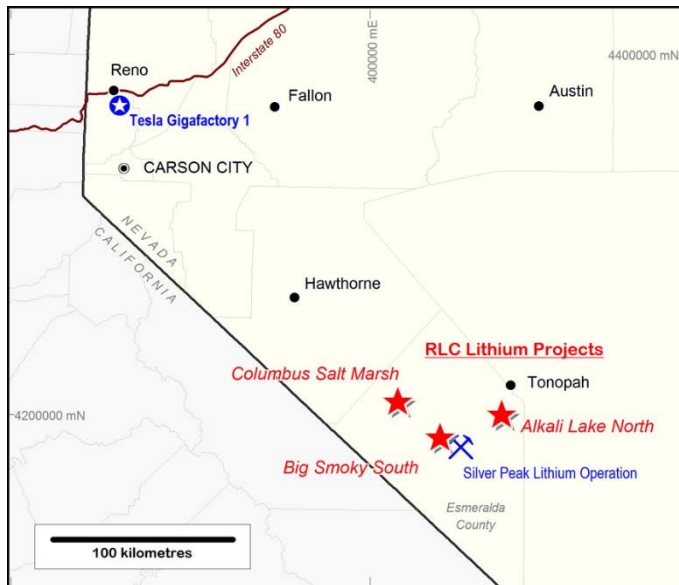
The Big Smoky South project is located in Clayton Valley. Dissolved Mineral Resource Exploration Permits W0004 & W0005 were granted for 2 planned drill holes on the Big Smoky South project enabling the drilling, pump testing and collection of water samples under the new regulations in Nevada. Thus the Company holds Dissolved Mineral Resource Exploration Well Permits numbered W0001, W0002 in Columbus Salt Marsh and W0004, W0005 in Clayton Valley.

An access route was established for the drilling planned at the Big Smoky South project and a flora survey was completed for that route. Subsequently an access road was constructed and all site and access preparations were completed during the Quarter for drilling at Big Smoky South (drill hole MBD-01).



ALKALI LAKE NORTH

During the Quarter, an access road was permitted with the Bureau of Land Management (BLM) and an environmental Performance Bond was lodged with the State of Nevada.



Burracoppin Iron-ore Project (WA)

Magnetite

RLC 100% Application for E70/4941 (area 5,854 Ha) lodged 9/01/2107

No field work was conducted during the report period.

Edward Creek (SA)

Uranium

RLC 100% (excluding diamonds) EL 5580 total area 343 km²

No field activities were undertaken during the period.

COMMENT

At 31 March 2018 RLC had \$1.6 million in bank accounts and deposits.

During the quarter an Entitlement Offer of options was made to shareholders. The issue price of the options was 2 cents per option. The options expire on 6 April 2021 and each option gives the holder the right to subscribe for 1 new share in RLC by paying the 8 cent exercise price at any time before the expiry date.

The offer of options closed on 6 April following the end of the quarter with shareholders subscribing \$754,210 (37,710,515 options).

FORTHCOMING ACTIVITIES

Project	Activity Planned	Timetable
Columbus Salt Marsh <i>Lithium</i>	Complete drilling of brine target, pump test, sample and assay brine from 5 selected aquifers and process and scan core recovered from CBD-01.	Jun Q
Big Smoky South <i>Lithium</i>	Drilling of brine targets (ground water aquifers)	Jun Q
Alkali Lake North <i>Lithium</i>	Drilling of brine targets (ground water aquifers)	TBD
Burracoppin <i>Iron-ore (magnetite)</i>	Waiting grant of tenement.	On hold
Edward Creek <i>Uranium</i>	Drilling at Victory prospect on hold	On hold

TBD = to be determined

For further information, please contact:
 Geof Fethers, Managing Director.
 Telephone: (03) 8420 6280
 or visit our Website at www.reedylagoon.com.au

Competent Person's Statement:

The information in the section headed "Nevada Lithium Brine Projects" of this report as it relates to exploration results and geology was compiled by Mr Geoff Balfe who is a Member of the Australasian Institute of Mining and Metallurgy and a Certified Professional. Mr Balfe is a consultant to Reedy Lagoon Corporation Limited. Mr Balfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Balfe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Where Exploration Results have been reported in earlier RLC ASX Releases referenced in this report, those releases are available to view on the NEWS page of reedylagoon.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in those earlier releases. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Mining tenements.

Located in Australia

Tenements at end of quarter		
Project / Location	Tenement number	Company Interest (%)
EDWARD CREEK (SA)	EL 5580	100% (excl. diamond)
BURRACOPPIN (WA)	APPLICATION E70/4941	100%

Joint ventures at end of quarter		
Agreement	Tenements	Company Interest (%)
Diamond Farm-Out Agreement	EL 5580	100% all minerals excluding diamond

Located in USA

Tenements (all Placer Claims) at end of quarter

Claim Name	Claim Numbers	Corresponding BLM NMC Number	Total Claims	Total Area
Columbus Salt Marsh Project				
CB Claims	CB-1 to CB-12 CB-17 to CB-28 CB-33 to CB-44 CB-47 to CB-60 CB-63 to CB-76 CB-79 to CB-95 CB-101 to CB-186	NMC 1138099 to NMC 1138179 NMC 1146279 to NMC 1146364	167	1,332 ha
Big Smoky South Project				
MB Claims	MB-53 to MB-68 MB-77 to MB-82 MB-89 to MB-96 MB-101 to MB-228 MB-301 to MB-318 MB-320 MB-322 to MB-340 MB-342 MB-344 to MB-368 MB-370 to MB-382 MB-384 to MB-390 MB-392 to MB-398 MB-353A, MB-356A MB-376A MB-378A MB- 387A MB-389A	NMC 1138180 to NMC 1138327 NMC 1146188 to NMC 1146278 NMC 1161852 to NMC 1161857	245	1,893 ha
Alkali Lake North Project				
WH Claims	WH-1 to WH-128	NMC 1138328 to NMC 1138455	128	1,033 ha

Tenements changed during the quarter:

Nil

Joint ventures changed during period:

Nil

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

REEDY LAGGON CORPORATION LIMITED

ABN

40 006 639 514

Quarter ended ("current quarter")

31 MARCH 2018

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	14
1.2	Payments for		
	(a) exploration & evaluation	(853)	(1,027)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(128)	(402)
	(e) administration and corporate costs	(115)	(183)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	10	(5)
1.9	Net cash from / (used in) operating activities	(1,085)	(1,601)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (<i>exploration bonds and deposits</i>)	(90)	(207)
2.6	Net cash from / (used in) investing activities	(90)	(207)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	24	3,580
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(19)	(354)
3.5	Proceeds from borrowings	3	23
3.6	Repayment of borrowings	-	(23)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	8	3,226

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,768	183
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,085)	(1,601)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(90)	(207)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8	3,226
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,601	1,601

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	383	716
5.2 Call deposits	1,218	2,057
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,601	2,773

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	56
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Current quarter director fees and salaries.	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,400
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	150
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	1,550

Note: Estimated cash out flows will be funded by cash at 31 March 2018 (\$1.6m) plus new capital raised since the end of the quarter (\$0.7m).

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Date: 20 April 2018
(Director/Company secretary)

Print name: GEOFFREY FETHERS

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed

by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.