



# ASX Release

**ASX Code: RLC**

29 July 2022

## Quarterly Report for the period ended 30 June 2022

### Highlights

- ❑ Gold targets identified in soil samples at Burracoppin Gold.
- ❑ CSIRO delivered its report on the MagResource method applied to the Burracoppin magnetite deposit – pioneering a potential new resource determination tool.
- ❑ Resource drilling planned at Burracoppin Magnetite modified and permitted.
- ❑ \$362,787 in capital raised from shareholders.



## CURRENT EXPLORATION ACTIVITIES

### AUSTRALIAN PROJECTS

#### **Burracoppin Gold Project (WA)**

**Gold**

RLC 100%

E70/4941, E70/5467, E70/5544 (241 km<sup>2</sup>)

The Burracoppin Gold project is located in the central Wheatbelt of Western Australia roughly midway between Perth and Kalgoorlie on the Great Eastern Highway, Route 94. The Edna May Gold Mine is located 20 kilometres to the northeast of the project and the newly opened Tampia Gold Mine is about 60 kilometres to the south.

Initial focus of exploration includes a structural feature, the Yandina Shear Zone.

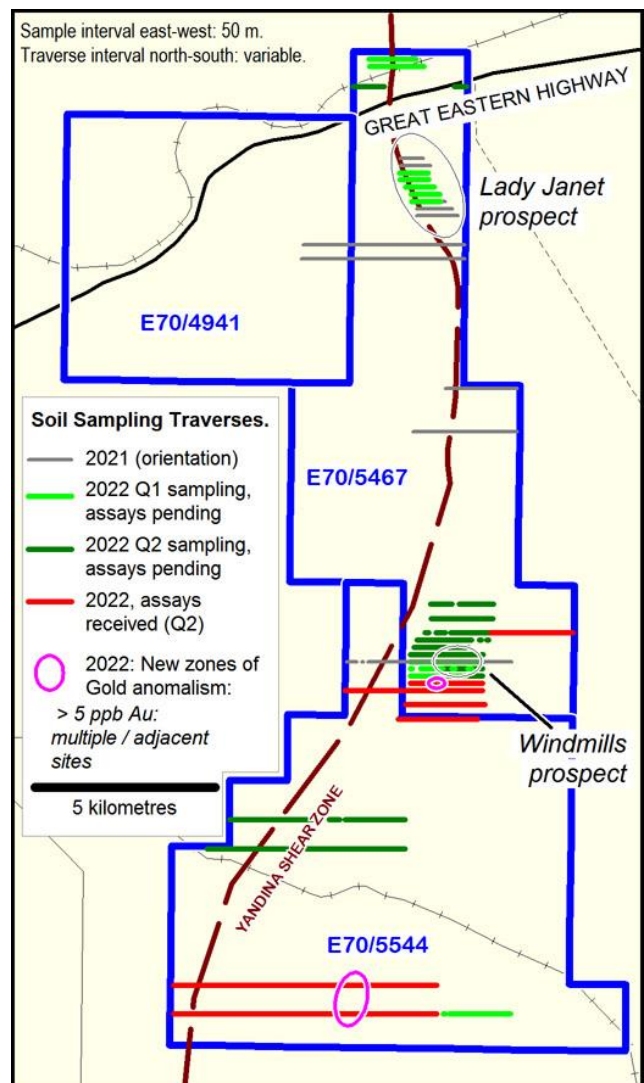
The Burracoppin Gold project comprises the Windmills prospect and gold targets at the Lady Janet site together with substantial areas that are yet to be investigated.

During the June quarter wide spaced orientation and follow-up soil sampling, including at the Windmills prospect, was conducted. Rainfall, however continued to disrupt and restrict activities.

506 soil samples were collected during the period for analysis of gold and pathfinder elements. Assays were received for 550 samples during the period with assays for 733 samples outstanding.

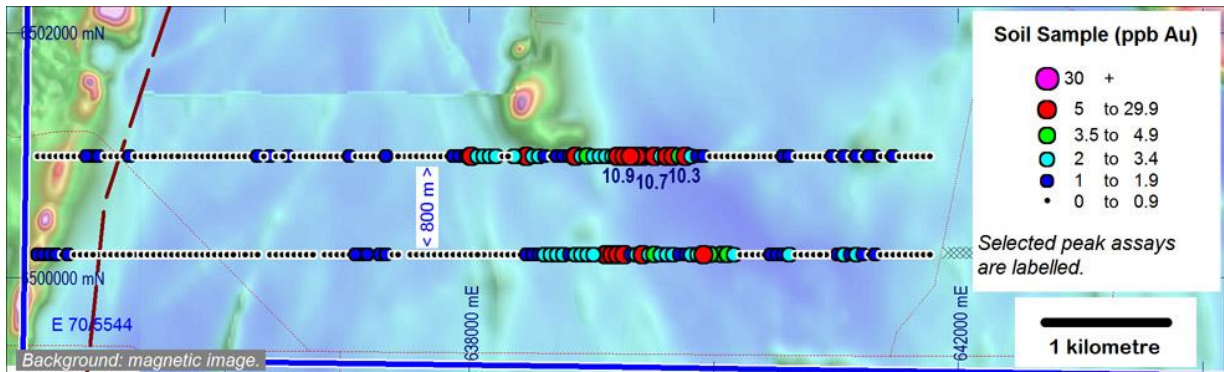
#### **Windmills prospect**

During the quarter results from samples investigating the Windmills prospect were received from samples along traverse lines located to the south and reaching 600 metres of the discovery traverse. The closest traverse for which results have been received has 5 samples with greater than 5 ppb gold (highest 26.7 ppb) within an envelope of 9 samples all greater than 2 ppb gold (refer to ASX release [27/06/2022](#)). These results are of similar tenor to those recovered from the discovery traverse. Results for samples collected closer to and over the discovery traverse have not yet been received.

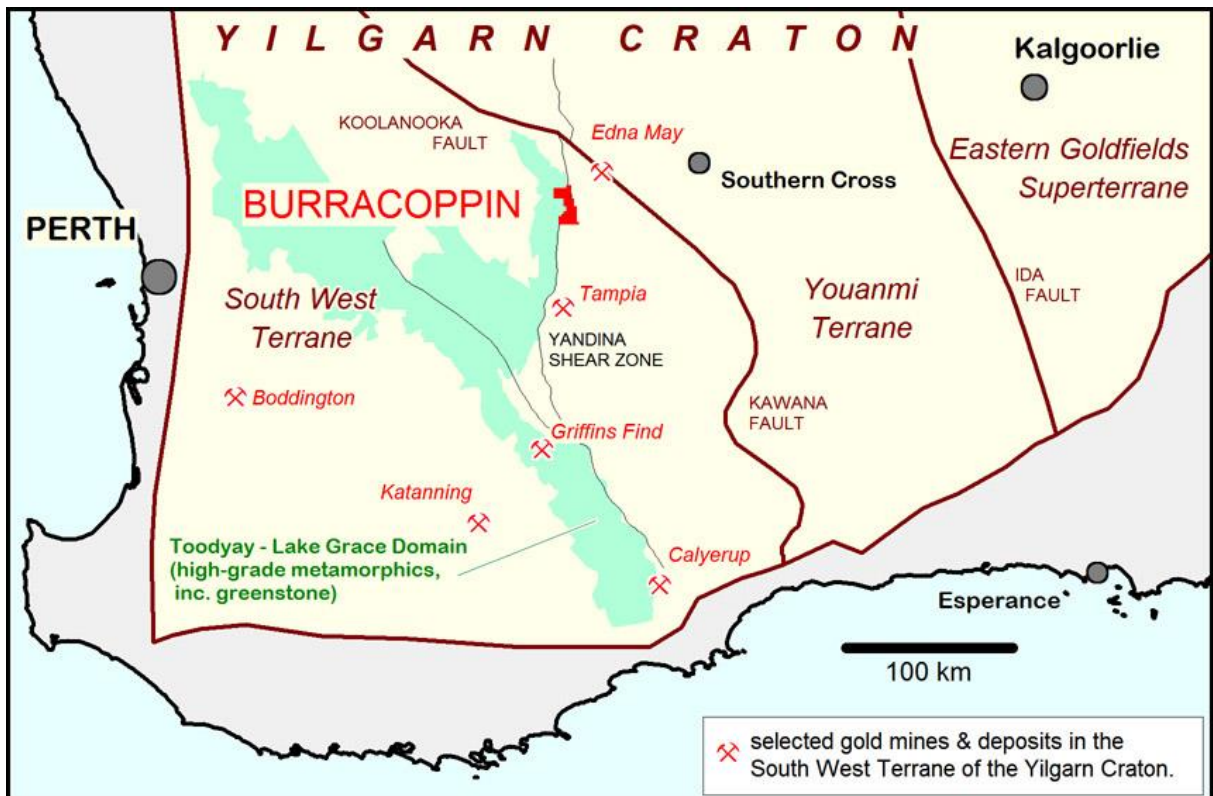


### Two “scout” traverses

Two “scout” traverses in the south of the project area, 800 metres apart, recovered anomalous gold from adjacent positions on the traverses (refer to the images above and below).



Results from this first pass sampling are encouraging. Infill sample-lines are needed to investigate if the results are linked and sample traverses to the north and south are warranted to investigate for extensions. Infill sampling is planned.



**Burracoppin Iron Project (WA)**

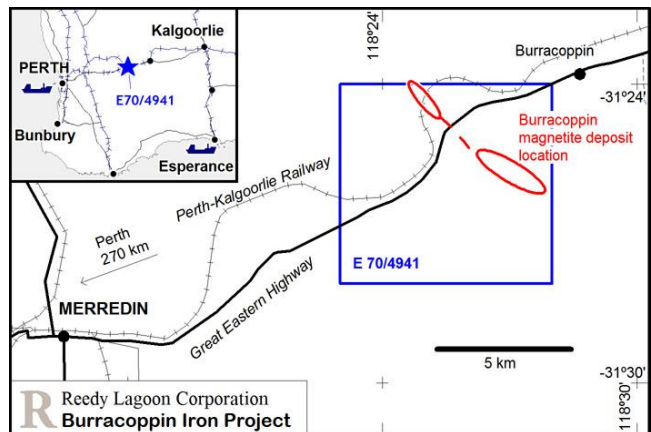
**Iron**

RLC 100%

E70/4941 (area 5,854 ha)

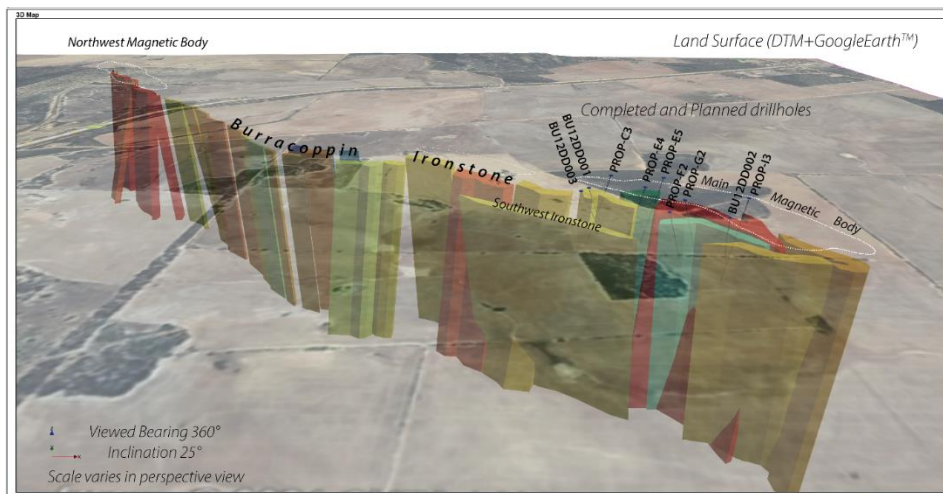
The Burracoppin Iron project is currently focussed on establishing an Indicated Mineral Resource within the Burracoppin magnetite deposit (refer [ASX release 12/02/2021](#)).

The magnetite mineralisation is identified and partially delineated within detailed airborne magnetic data, 3 core drill holes and potentially in the CSIRO MagResource Model for Burracoppin (for details of the CSIRO collaboration refer to [ASX release 26/5/2021](#)).



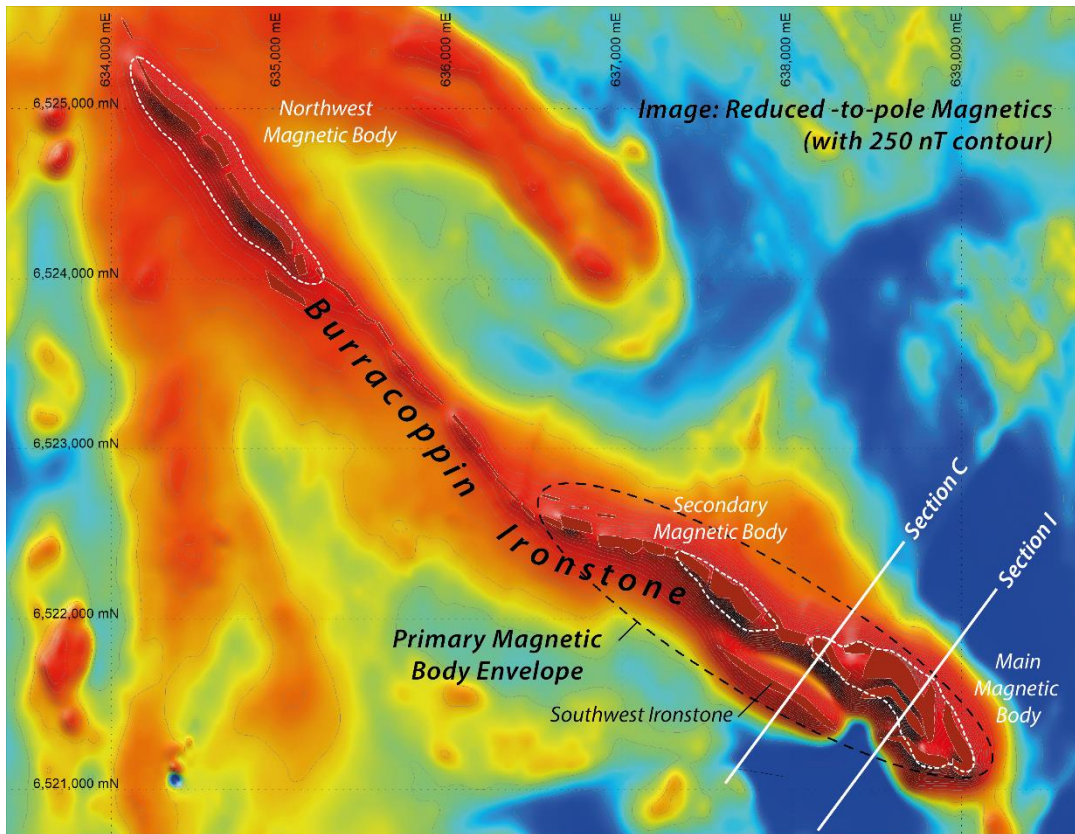
During the quarter the final report of the study by CSIRO on the Burracoppin deposit was received by the Company (refer ASX [release 29/04/2022](#)). The study aims to develop a method of determining magnetite resources using petrophysically constrained magnetic modelling and has involved analysing sub-samples collected from our core from earlier drilling and analysing them to recover magnetic, density, geochemical, mineralogical and structural data. These data were used to constrain the modelling of the airborne magnetic data acquired in 2011 and reprocessed by CSIRO during the current study. The modelling of the airborne magnetic data has resulted in the generation of 3D shapes that represent potential magnetite mineralisation both in space and in content of magnetite. The CSIRO model has potential to significantly assist the Company's planned drilling and in understanding the geology of the deposit (refer ASX release [29/04/2022](#)).

Planned resource definition drilling was modified during the quarter to include initial holes directed to investigate the CSIRO model so that if the model is proven, subsequent holes may be guided by that model.

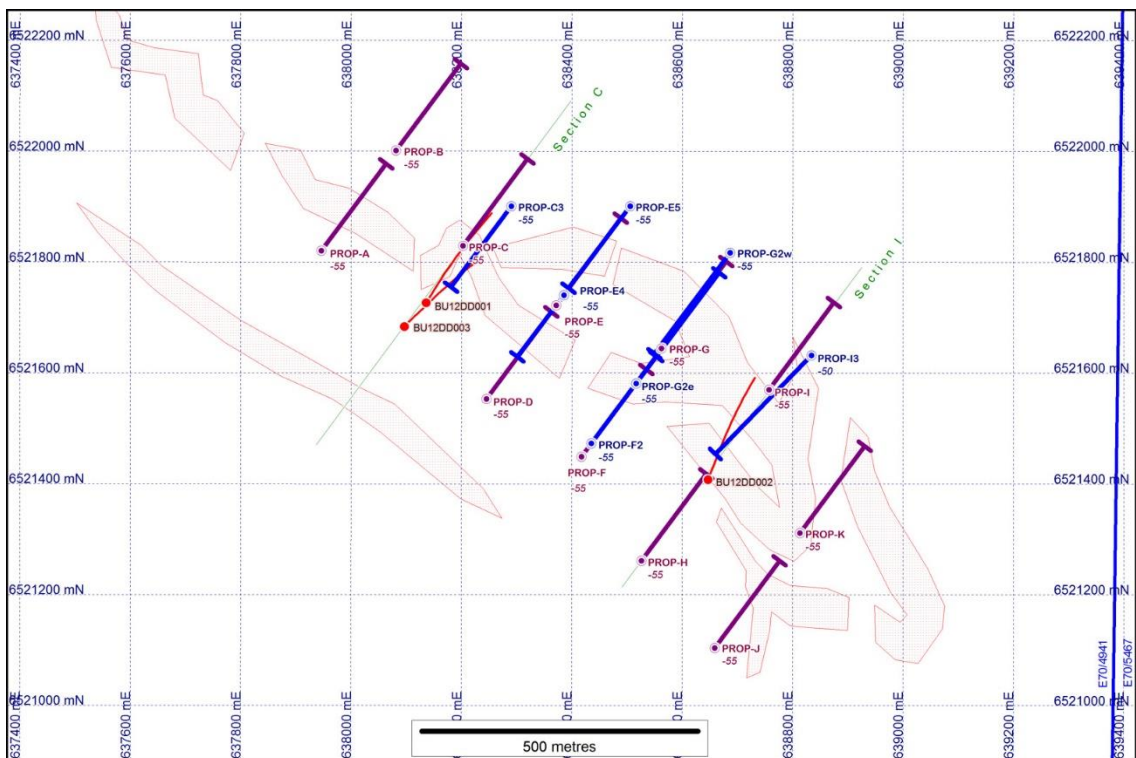


MagResource model of the Burracoppin magnetite deposit shown beneath land surface imaged from GoogleEarth. Existing and selected planned drill holes are shown. Refer also to plan view below.

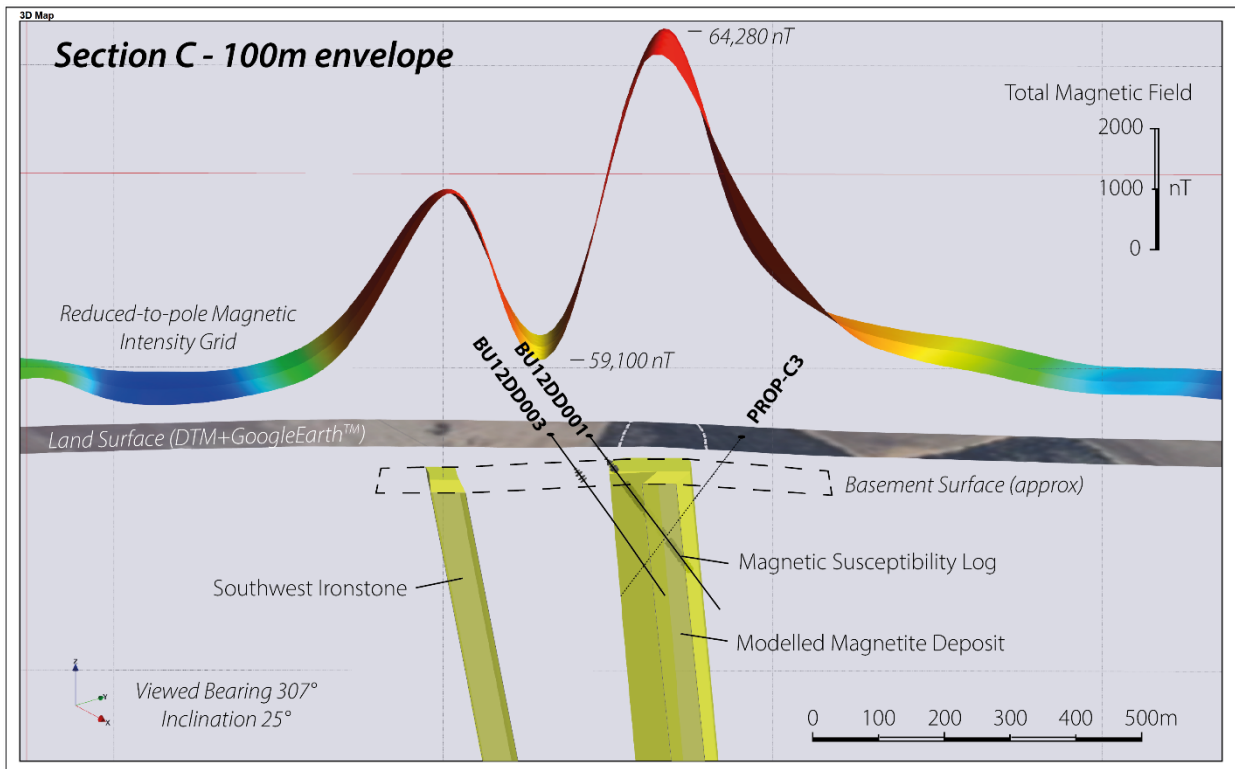




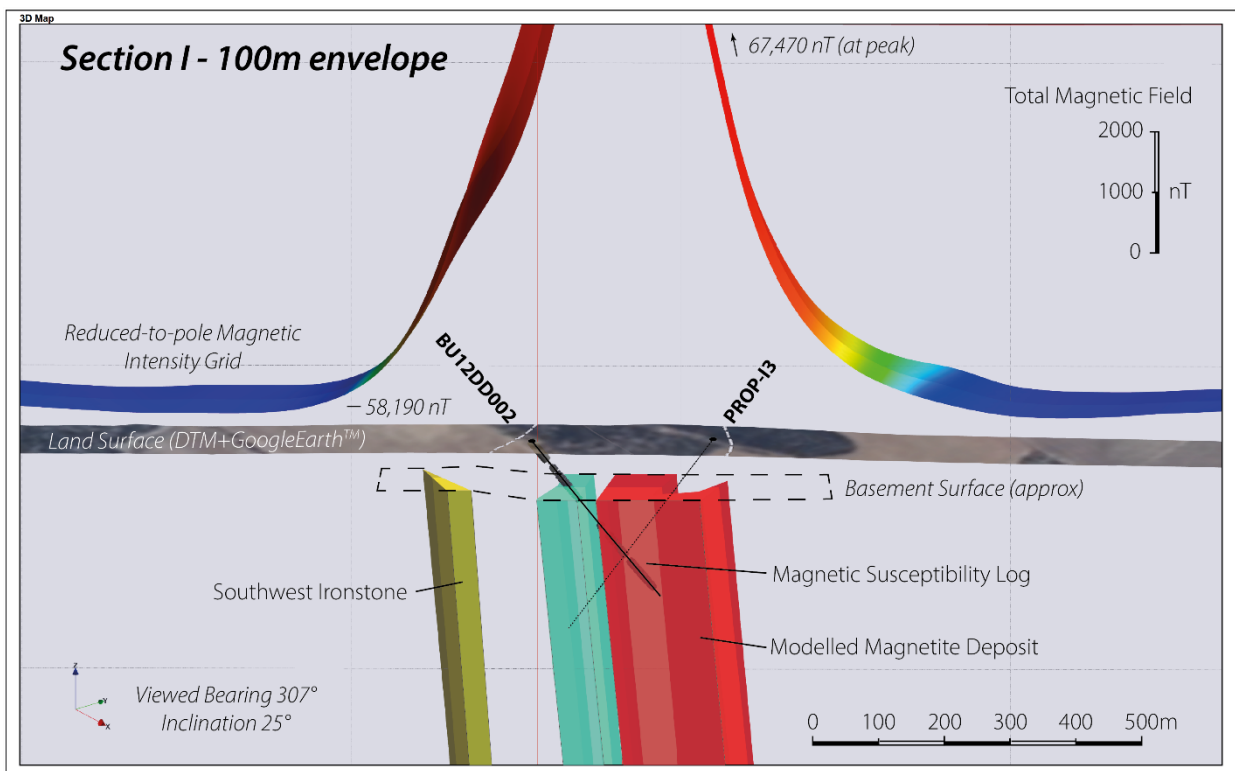
CSIRO's MagResource model of the Burracoppin magnetite deposit in plan view. Section C (BU12DD001 & 3) and Section I (BU12DD002) are shown in the following images.



Map of CSIRO's MagResource modelled deposit outline at 80 metres below surface with collar positions of existing drill holes: BU12DD001, 2 and 3; and planned drill holes. Refer also to Cross sections C & I below.



Section C. Existing drill holes are shown with BU12DD001 piercing CSIRO's MagResource modelled deposit while BU12DD003 mostly fails to intersect. Planned drill hole PROP-C3 is shown.



Section I. Existing drill hole BU12DD002 is shown piercing CSIRO's MagResource modelled deposit. Planned drill hole PROP-I3 is shown.

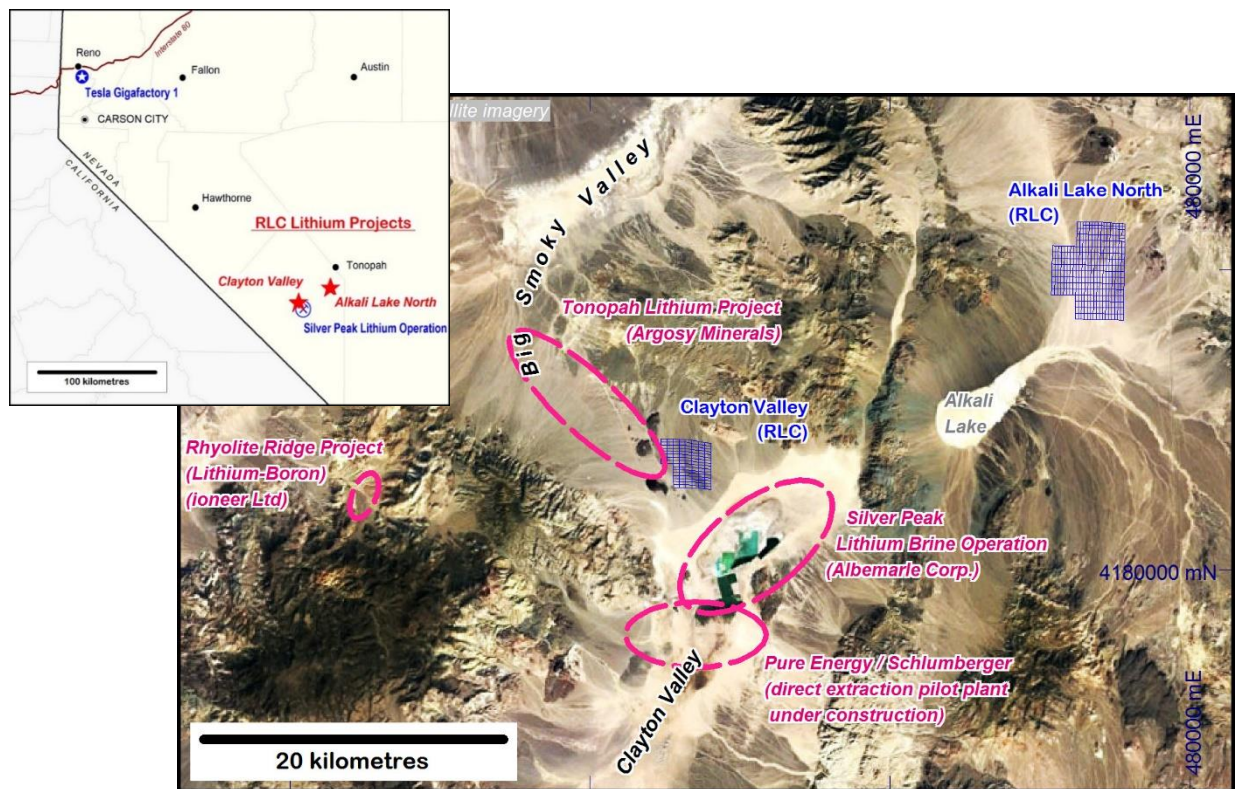
## NORTH AMERICAN PROJECTS

### Nevada Lithium Brine Projects

### Nevada, USA

Reedy Lagoon holds two lithium brine projects located Nevada: Alkali Lake North and Clayton Valley. The projects are located in large and separate ground water catchment areas in Nevada, USA.

The projects are located within 30 kilometres of the Silver Peak Lithium brine operation owned by Albemarle Corp. which is located 360 kilometres by road (US-95 route) from the Tesla Gigafactory (Lithium-ion batteries) in Reno.



#### Alkali Lake North Project (Nevada)

#### Lithium

RLC 100% 334 claims 6,415 acres (2,596 ha)

No field work was conducted on the Alkali Lake North project during the quarter.

#### Clayton Valley Project (Nevada)

#### Lithium

RLC 100% 112 claims 2,240 acres (906 ha)

No field work was conducted on the Clayton Valley project during the quarter.



**REHABILITATION WORK - COLUMBUS SALT MARSH AREA**

**(Nevada)**

The Columbus Salt Marsh project was divested at the end of August 2019 and areas disturbed by the Company's prior drilling activities were contoured and seeded later that year. The rehabilitation work was inspected by the Bureau of Land Management ("BLM") in May 2020 and the reclamation obligation was reduced from US\$21,599 to US\$5,429. An inspection by the BLM during the June 2021 quarter found regrowth had been set-back by drought conditions and as a consequence an inspection following in the latter half of 2022 has been scheduled. The balance of the bond (US\$5,429) will remain held by the BLM until the desired regrowth has been established.

**Alvord Lithium Brine Project**

**Oregon, USA**

During the report period the Company staked Placer Claims in the Northern McDermitt Caldera located in Oregon, USA (refer ASX releases: [23/05/2022](#) and [16/06/2022](#)).

After the end of the report period, on the 28 July, following research commissioned by the Company, the Company became aware that none of the claims staked by the Company at the Alvord project are able to be filed by the Bureau of Land Management ("BLM"), meaning they cannot be validated. While the Company was aware that mining claims are excluded from within the Steens Mountain Wilderness Study Area ("Steens WSA"), the Company was not aware of additional lands excluded by the Steens Cooperative Management and Protection Act of 2000 ("SCMPA"). SCMPA extends the exclusion on mining claims to areas additional to those areas affected by the Steens WSA including the areas staked by the Company.

The Alvord project was discontinued from 28 July 2022 (refer ASX release [28/07/2022](#)).

**CORPORATE**

**Share issues**

The Company issued 9,069,682 fully paid ordinary shares at 4 cents per share raising \$362,787 under a non-renounceable pro rata rights offer to eligible holders of RLC shares on a 1 for 7 basis during the quarter.

**Cash**

At 30 June 2022 Reedy Lagoon had \$551,482 in bank accounts and deposits. The Company also had the amount of US\$5,429 (A\$7,756) in a security bond held by the Bureau of Land Management (USA) for the Company's relinquished Columbus Salt Marsh project in North America. This remaining bond amount is expected to be refunded in 2022 following satisfactory assessment of the Company's rehabilitation of areas disturbed by the Company's drilling.



## Quarterly activities report for the period ended 30 June 2022

### Exploration Expenditure

During the quarter, the total cash outflow for exploration activities was \$230,416.

During the quarter there were no mining production and development activities.

### Related Parties

Payments to related parties during the quarter totalled \$33,150 plus \$500 G.S.T. (refer 6.1 in the accompanying Appendix 5B for the period). The payments are for remuneration comprising wages, fees and superannuation paid to directors.

5,000,000 fully paid ordinary shares were issued to related parties upon subscriptions totalling \$200,000 to the non-renounceable pro rata rights offer during the quarter.

## FORTHCOMING ACTIVITIES

Project	Activity Planned	Timetable
Alkali Lake North <i>Lithium</i>	Geophysical survey (3D AMT) planned to enable drill targeting over central portion of project area not covered by existing survey. <sup>1</sup> Drill to test conductivity target located in eastern side of basin <sup>1</sup>	TBD  TBD
Clayton Valley <i>Lithium</i>	Drill to test conductivity targets. <sup>1</sup>	TBD
New Project Development <i>Lithium</i>	Office studies to assess and build new projects.	On going
Burracoppin Iron <i>Magnetite</i> <i>Biomass/Biochar</i> <i>Pig iron</i>	Drill to establish resources. <sup>1</sup> Continued investigations into biomass / biochar production.	TBD On going
Burracoppin Gold <i>Gold</i>	Soil sample collection and assay	Sep/Dec Q
Relinquished project ( <i>Columbus Salt Marsh</i> )	Rehabilitation of drill site and access track completed subject to review.	NA

Note 1: Subject to funding or farm-out.

TBD : to be determined.

Authorised for release on behalf of the Company.

For further information, please contact:

Geof Fethers, Managing Director.

Telephone: (03) 8420 6280

or visit our Website at [www.reedylagoon.com.au](http://www.reedylagoon.com.au)

### Competent Persons' Statement:

The information in the section headed "Australian Projects" 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 mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 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 his information in the form and context in which it appears.

The information in the section headed "North American 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

## Quarterly activities report for the period ended 30 June 2022

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.

### Company Statement:

Where Exploration Results have been reported in earlier RLC ASX Releases referenced in this report, those releases are available to view on the [INVESTORS 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 (%)
BURRACOPPIN IRON & BURRACOPPIN GOLD (WA)	E70/4941	100%
BURRACOPPIN GOLD (WA)	E70/5467	100%
BURRACOPPIN GOLD (WA)	E70/5544	100%

### Located in USA

#### Tenements (all Placer Claims held 100%) at end of quarter

Claim Name	Claim Numbers	Corresponding BLM NMC Number	Total Claims	Total Area
<b>Alkali Lake North Project</b>				
<b>WH Claims</b>	WH-1 to WH-128	NMC 1138328 to NMC 1138455	128	1,042 ha
	WH-129 to WH-334	NV* 105269236 to NV* 105269441	206	1,554 ha
<b>Clayton Valley Project</b>				
<b>CV Claims</b>	CV-1 to CV-112	NMC 1176204 to NMC 1176315	112	906 ha
<b>Alvord Project</b>				
<b>Staked - unfiled</b>	unfiled	unfiled	nil	
All Alvord Project staked claims were found to be invalid on 28 July 2022 (refer ASX release <a href="#">28/07/2022</a> )				

\*NV = County Serial Number (BLM serial number pending)

#### Tenements / claims changed during the quarter:

	Tenement number (claim)	Nature of change
Nil		

Joint ventures changed during period: Nil

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

REEDY LAGOON CORPORATION LIMITED

ABN

40 006 639 514

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(230)	(738)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(23)	(146)
	(e) administration and corporate costs	(42)	(243)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (payments to directors in respect of previously forgone emoluments relating to prior periods, net pay and PAYG withholding)	-	(367)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(295)</b>	<b>(1,494)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	363	1,698
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	53
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(69)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>363</b>	<b>1,682</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	478	360
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(295)	(1,494)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	363	1,682

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	6	4
4.6	<b>Cash and cash equivalents at end of period</b>	<b>552</b>	<b>552</b>

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	92	101
5.2	Call deposits	460	377
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>552</b>	<b>478</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>c</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(295)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(295)
8.4	Cash and cash equivalents at quarter end (item 4.6)	552
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	552
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.9
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<p>Answer:</p> <p>Net operating cash flows are expected to reduce to less than \$250k per quarter (down from \$295k for the June quarter). The reduction is primarily a result of less expenditure on exploration planned than was the case for the June quarter.</p>	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<p>Answer:</p> <p>The entity continually creates ways to raise cash and to fund its operations including by farm out arrangements with joint venture partners, capital raisings and other arrangements. Steps taken primarily include exploration on its projects to increase their appeal to potential joint venture partners and shareholders. The entity believes it will be successful in accessing funding when required.</p>	



8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

The entity expects to continue its operations and to meet its business objectives. Forthcoming Activities are described on page 13 in its June Quarter Activities Report. The entity has no debt, cash on deposit totalling more than \$500k, low overheads and several high interest and high calibre projects.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## 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.

Date: 29 July 2022

Authorised by the board.

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.