

23 August 2018

Brine targets indicated in 3D AMT Survey for Clayton Valley Lithium Brine Project

Geophysical Survey Results Received

Reedy Lagoon Corporation Limited (ASX:RLC) has received results for its 3D Audio Magneto Telluric (AMT) survey carried out on the recently staked Clayton Valley property in Nevada, USA.

The results indicate a substantial tabular conductive body the top of which is at a depth of 250 metres and having a vertical thickness of approximately 200 metres. The Company interprets the conductive body to potentially comprise a 200 metre thick interval of sediments containing multiple brine filled aquifers. The geophysicist has estimated the volume of this conductive body to be one cubic kilometre.

Survey Results

Figures 1 and 2 below show the location of RLC's claims in the Clayton valley area:



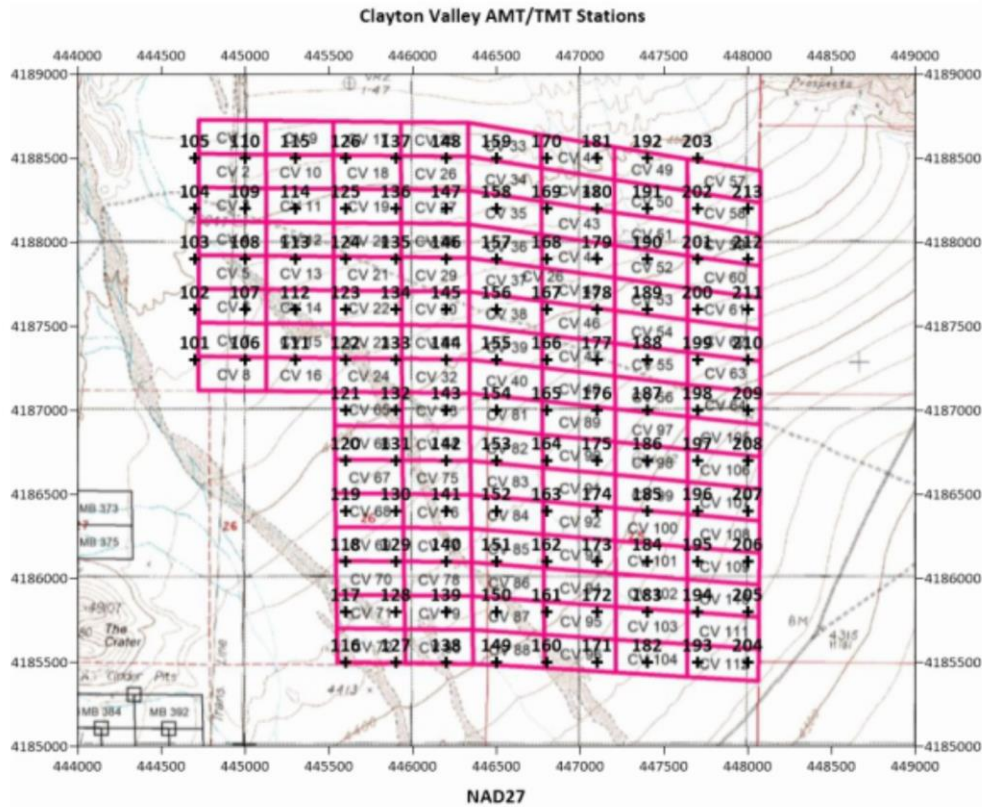


Figure 2, RLC Clayton Valley Claims and 3D AMT Survey Stations

The AMT results provide the Company with strong evidence for brines at its Clayton Valley project. These brine targets at Clayton Valley project are located adjacent to the Company’s Big Smoky South project where recent drilling did not identify substantial brines, but lithium clay minerals were detected by analysis of hyperspectral data from drill core scans (refer ASX release 27/06/2018).

The next phase of work at the Company’s Nevada lithium projects will be determined after receiving the Alkali Lake North 3D AMT survey results and assay results from core samples of the sediments drilled earlier this year at Columbus Salt Marsh and Big Smoky South.

There have been encouraging developments at nearby projects including advances in developing processing capability to extract lithium from brine without using solar evaporation ponds by Pure Energy Minerals at its Clayton Valley project and the identification of process pathways to leach lithium and boron from sediments by Global Geoscience Limited at its Rhyolite Ridge project located about 40 kilometres south east from the Columbus Salt Marsh project.

On behalf of the Board

Geof Fethers,
 Managing Director
 Telephone: (03) 8420 6280
 reedylagoon.com.au

Reedy Lagoon Corporation Limited

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P O Box 2236, Richmond VIC 3121

Issued shares: 401,408,878
Issued options: 37,710,515 listed (\$0.08; 6/04/2021)
900,000 unlisted (\$0.0375; 31/12/2020)
Share price (last traded): \$0.012

Competent Persons Statement

The information in 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.

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