

# **Open File Envelope**

## **No. 11,767**

**EL 3886**

**WEEDINA**

### **ANNUAL AND FINAL REPORTS TO LICENCE EXPIRY/SURRENDER FOR THE PERIOD 13/8/2007 TO 12/8/2010**

Submitted by  
Reedy Lagoon Corp. Ltd  
2011

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Telephone: (08) 8463 3000  
Facsimile: (08) 8204 1880



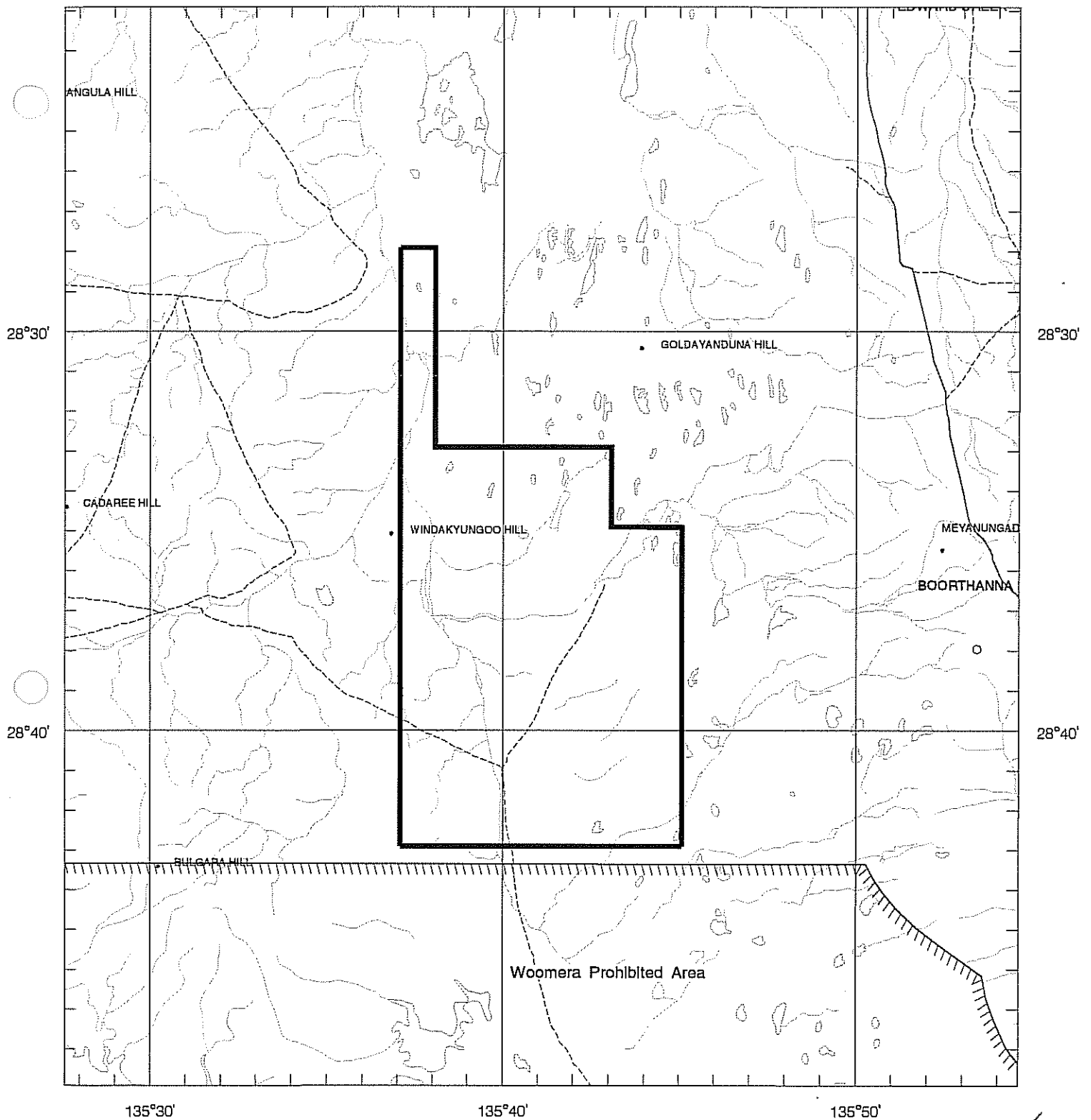
**Government of South Australia**  
Primary Industries and Resources SA

# SCHEDULE A

135°30'

135°40'

135°50'



135°30'

135°40'

135°50'

SCALE 1:250 000  
KILOMETRES 5 0 5 10 15 20 25 KILOMETRES

LICENCE GRANTED IN : DATUM AGD66



APPLICANT : REEDY LAGOON CORPORATION LTD

FILE REF : 9/07

TYPE : MINERAL ONLY

AREA : 244 km<sup>2</sup> (approx.)

1:250000 MAPSHEETS : WARRINA

LOCALITY : WEEDINA AREA - Approximately 100 km northeast of Coober Pedy

DATE GRANTED : 13-Aug-2007

DATE EXPIRED : 12-Aug-2008

EL NO : 3886



REEDY LAGOON CORPORATION LIMITED  
ANNUAL TECHNICAL REPORT FOR  
THE EDWARD CREEK PROJECT  
EXPLORATION LICENCE 3886  
FOR THE PERIOD ENDING 12 AUGUST 2008

Authors: G H Fethers  
Date: February 2009

Tenement Holder & Operator: Reedy Lagoon Corporation Limited  
1:250,000 sheet name: WARRINA SH 53-3  
Keywords: Diamonds; EM survey, Uranium

Text pages No.: 2  
Figures: 1  
Appendices: 2

3886-SA-AREP\_20080812

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2. Regional and local geology
3. Joint Ventures
4. Exploration during the twelve month period
  - i) Airborne survey
  - ii) Diamond
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5. Expenditure
6. Future Work Programme

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- 1 Project location

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- 1 Details of expenditure for period 01/08/07 - 31/07/08
- 2 Details of Edward Creek project planned programme and expenditure for 2009

## DIGITAL DATA

### Digital Data 'Verification File' listing:

| Verification Listing VL1              |                                      |        |
|---------------------------------------|--------------------------------------|--------|
| Exploration Work Type                 | File Name                            | Format |
| Office Studies                        |                                      |        |
| Reprocessing of data                  | EL3886_2008_A_1_Report.pdf           | pdf    |
| Report preparation                    | EL3886_2008_A_1_Report.pdf           | pdf    |
| Airborne Exploration Surveys          |                                      |        |
| Aeromagnetics                         | EL3886_2008_A_1_Report.pdf           | pdf    |
| Electromagnetics                      | EL3886_2008_A_1_Report.pdf           | pdf    |
| File Verification Listing (this file) | EL3886_2008_A_2_VerificationList.txt | txt    |

## 1. INTRODUCTION.

Exploration Licence 3886 is located on the Warrina 1:250,000 map sheet about 100 km northeast of Coober Pedy. The Licence was granted to Reedy Lagoon Corporation Limited ("**RLC**") for a 1 year period commencing on 13 August 2007 covering an area of approximately 244 km<sup>2</sup>. Its current expiry date is 12 August 2010.

A joint venture agreement – the Edward Creek Base Metals Joint Venture Agreement ("**ECBMJVA**"), is registered against EL 3886. Exploration for uranium is being conducted on EL 3886 and EL 3250 by the Edward Creek Base Metal Joint Venture ("**ECBMJV**") as part of the Edward Creek Project. RLC is the manager.

Under the terms of a pre-existing farm-out agreement, dated 26/03/007, RLC farmed out all interest in diamonds within EL 3886 to DiamondCo Limited ("**DiamondCo**") and DiamondCo is managing and sole funding all exploration for diamonds. DiamondCo's activities and expenditures are reported to PIRSA by RLC.

This report includes all work completed by RLC, ECBMJV and DiamondCo on EL 3886 during the period.

## 2. REGIONAL AND LOCAL GEOLOGY.

The region lies within the Gawler Craton and to the south west of the Peake and Denison inliers.

Surface geology within the licence area is dominated by Quaternary sand dunes, gravel and scree overlying Early Cretaceous Bulldog Shale and or Cadna-Owie Sandstone. Jurassic aged Algebuckina Sandstone overlying Permian sediments (of typically greater than 100 metres thickness) has been intersected in bore holes in the surrounding area (1:250,000 geological map series).

Limited drill hole information indicates a variable thickness (40 m – 100 m) of Cainozoic and Mesozoic sediments overlying Early Permian Mount Toondina Formation.

## 3. JOINT VENTURES.

The tenement area is subject to an agreement between RLC, Eromanga Hydrocarbons NL ("**Eromanga**") and Wallaby Resources Pty Ltd ("**Wallaby**") ("**JV Partners**") whereby the JV Partners hold an option to farm in and thereby earn an 80% interest in base metals at the ECBMJV. The remaining 20% interest in the tenement is held by RLC. Under the terms of the ECBMJV agreement the JV Partners are sole funding exploration for base metals (including uranium) managed by RLC.

Under the terms of an agreement dated 26 March 2007 RLC farmed out its interest in diamonds in EL 3886 to DiamondCo Limited ("**DiamondCo**").

4. EXPLORATION DURING THE TWELVE MONTH PERIOD.

**i. Airborne Survey.**

EM and magnetic data was acquired at 500 metre line spacing over the tenement area. A total of 587 line km was flown.

All EM and magnetic data, together with the acquisition and processing report provided by the contractor, Fugro Airborne Surveys Pty Ltd, collected by the 2007 survey were provided to PIRSA with covering letter dated 12 May 2008.

**ii. Diamond.**

One anomaly with potential to be caused by intrusive rocks or the weathered upper sections of such rocks, was interpreted from the airborne data collected. The anomaly is located at GDA 94 MGA Z53 561640 mE 6839800 mN.

**iii. Uranium Exploration**

Interpretation of the EM survey data has identified a conductor boundary which is considered to be a potential REDOX boundary prospective for uranium mineralization.

5. EXPENDITURE

Expenditure on exploration within EL 3886 for the period ending 31/07/08 is \$ 86,094.93 (appendix 1). The expenditure on the licence since its commencement on 13/08/07 totals \$ 86,094.93.

6. FUTURE WORK PROGRAMME.

Work planned on EL 3886 includes:

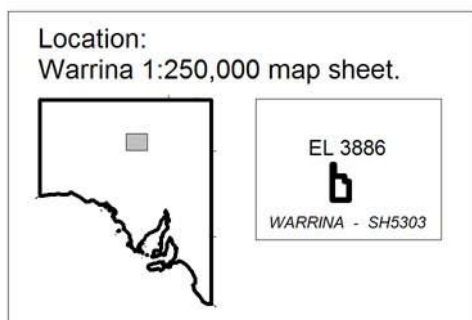
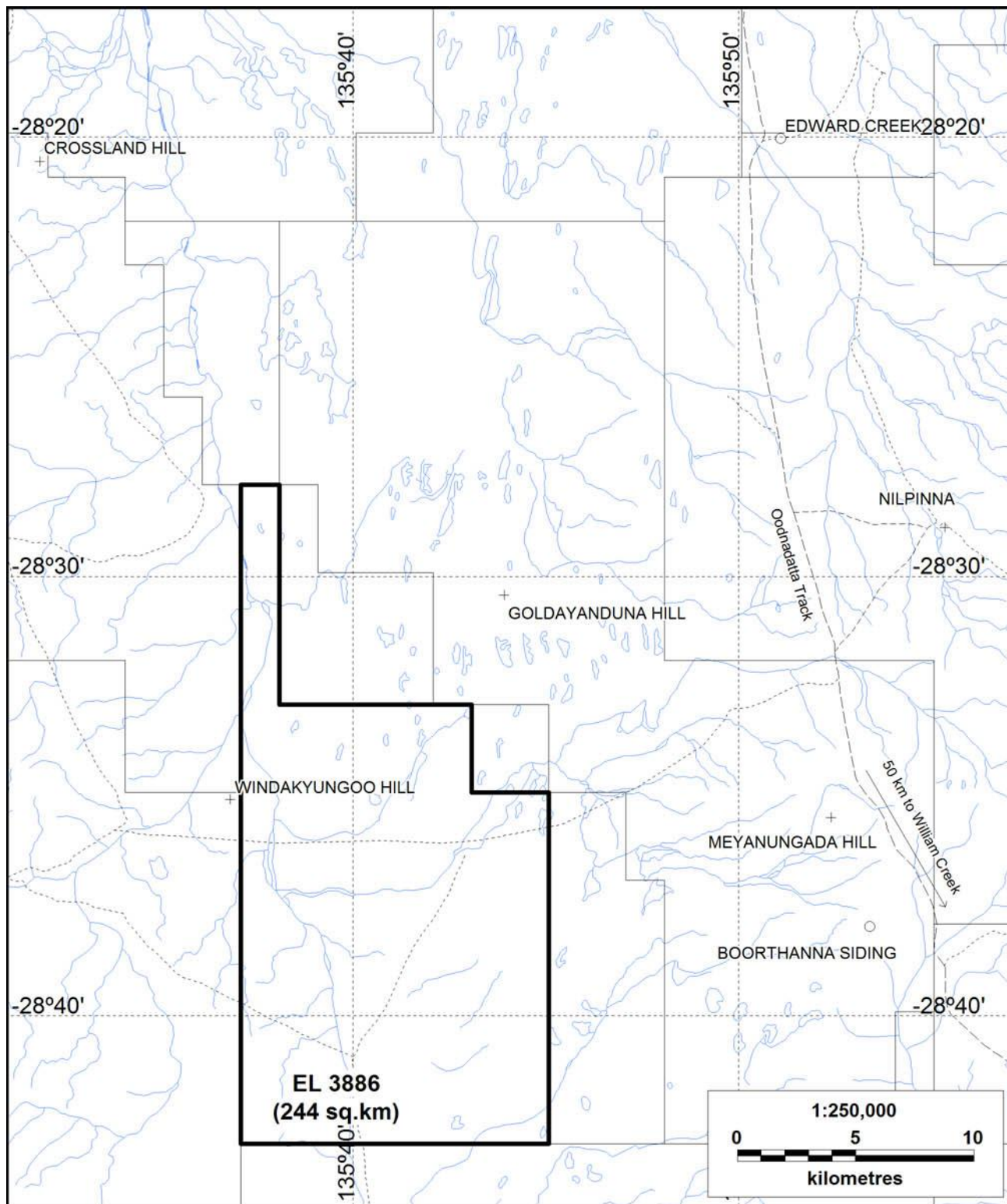
a) Uranium exploration:

A program including drilling to investigate the interpreted REDOX boundary and to investigate its potential to be a site of accumulation of uranium mineralisation has been presented to the ECBMJV parties.

b) No exploration for diamonds is scheduled during the 2009 year.

Expenditure contemplated to complete the work described above for the Edward Creek project area has been budgeted at \$175,000 (appendix 2).

G Fethers  
February 2009.



| REEDY LAGOON CORPORATION LTD  |                                |                                      |
|---|--------------------------------|--------------------------------------|
| EDWARD CREEK PROJECT, SOUTH AUSTRALIA   |                                |                                      |
| EL 3886   |                                |                                      |
| Exploration Licence Location  |                                |                                      |
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|   | Plot file: EL3886-loc-0806.pdf | Scale: 1:250,000                     |
|   | Author:                        | Projection: Long / Lat (NAD83)       |
|   | Drawn: ARC                     | Printer: Adobe Acrobat Distiller 8.0 |
| Flagstaff GeoConsultants  |                                | Figure 1                             |

Figure 1

Reedy Lagoon Corporation Limited  
Exploration Licence No. 3886  
Period 13/08/07 to 12/08/08.

# APPENDIX 1

## Details of expenditure for period 01/08/07 - 31/07/08

| Exploration expenditure:                                   |  | RLC    | DiamondCo | ECBMJV    |
|--|--|--------|-----------|-----------|
|  |  | \$     | \$        | \$        |
| Access   | Heritage surveys incl time spent arranging |        |           |           |
| Administration JV (exploration)                            | determining JV programs and budgets        |        |           |           |
| Administration - Tenement                                  |  |        |           |           |
| Assay & Petrology  |  |        |           |           |
| Consumables  | (field supplies & food)                    |        |           |           |
| Data   | geological                                 |        |           |           |
| Drilling (contractors)                                     |  |        |           |           |
| Drilling - geological supervision, logging and sampling    |  |        |           |           |
| Drilling   | water - access fees for private water      |        |           |           |
| Drafting (including database compilation & GIS formatting) |  |        |           |           |
| Equipment hire   | (for field work) - scintilometer           |        |           |           |
| Field accommodation and meals                              |  |        |           |           |
| Field mapping, site investigation                          | field mapping and scintilometer survey     |        |           |           |
| Field sampling   |  |        |           |           |
| Field telecommunications                                   |  |        |           |           |
| Freight  |  |        |           |           |
| Geological consulting/contract                             | preparation for fieldwork                  | 65.63  |           | 245.25    |
| Geophysical consulting/contract                            |  |        |           | 5,000.00  |
| Geophysical data   | airborne EM survey                         |        |           | 78,432.55 |
| Office   | (postage, stationery, phone etc)           |        |           |           |
| Maps & plan printing                                       |  |        |           |           |
| Motor vehicle  | (incl hire, fuel, oils)                    |        |           |           |
| Programming & budget                                       |  | 164.00 |           |           |
| Rehabilitation and earthworks                              | (incl track work and sump construction)    |        |           |           |
| Report writing   |  |        |           | 2,187.50  |
| Sample storage   |  |        |           |           |
| Survey   | airborne EM survey                         |        |           |           |
| Travel   | aifares                                    |        |           |           |
| SUBTOTALS  |  | 229.63 | 0.00      | 85,865.30 |

Total exploration expenditure during report period (12 months to 31/07/08) 86,094.93

Accumulated reported expenditure to end of prior report year 0.00

Total exploration expenditure from grant to end of current period: 86,094.93



Reedy Lagoon Corporation Limited  
Exploration Licence No. 3886  
Period 13/08/07 to 12/08/08.

## APPENDIX 2

Details of Edward Creek project planned programme and expenditure for EL 3886:

[illegible]



REEDY LAGOON CORPORATION LIMITED  
ANNUAL TECHNICAL REPORT FOR  
THE EDWARD CREEK PROJECT  
EXPLORATION LICENCE 3886  
FOR THE PERIOD ENDING 12 AUGUST 2009

Authors: G H Fethers  
Date: October 2009

Tenement Holder & Operator: Reedy Lagoon Corporation Limited  
1:250,000 sheet name: WARRINA SH 53-3  
Keywords: Diamonds; EM survey, Uranium

Text pages No.: 2  
Figures: 1  
Appendices: 2

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3. Joint Ventures
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  - ii) Uranium exploration
5. Expenditure
6. Future Work Programme

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- 1 Details of expenditure for period 01/08/08 - 31/07/09
- 2 Details of Edward Creek project planned programme and expenditure for 2009/10

## DIGITAL DATA

### Digital Data 'Verification File' listing:

|                                       |                                      |        |
|---------------------------------------|--------------------------------------|--------|
| Verification Listing                  | VL1                                  |        |
| Exploration Work Type                 | File Name                            | Format |
| Office Studies                        |                                      |        |
| Report preparation                    | EL3886_2009_A_1_Report.pdf           | pdf    |
| File Verification Listing (this file) | EL3886_2009_A_2_VerificationList.txt | txt    |

## 1. INTRODUCTION.

Exploration Licence 3886 is located on the Warrina 1:250,000 map sheet about 100 km northeast of Coober Pedy. The Licence was granted to Reedy Lagoon Corporation Limited ("**RLC**") for a 1 year period commencing on 13 August 2007 covering an area of approximately 244 km<sup>2</sup>. Its current expiry date is 12 August 2010.

A joint venture agreement – the Edward Creek Base Metals Joint Venture Agreement ("**ECBMJVA**"), managed by RLC, was registered against EL 3886 until its termination on 9 June 2009. The termination of the joint venture was being disputed by the other joint venture partners at the date of this report. Exploration for uranium is being conducted on EL 3886 and EL 3250 as part of the Edward Creek Project.

Under the terms of a pre-existing farm-out agreement, dated 26/03/007, RLC farmed out all interest in diamonds within EL 3886 to DiamondCo Limited ("**DiamondCo**") and DiamondCo is managing and sole funding all exploration for diamonds. DiamondCo's activities and expenditures are reported to PIRSA by RLC.

This report includes all work completed by RLC, ECBMJV and DiamondCo on EL 3886 during the period.

## 2. REGIONAL AND LOCAL GEOLOGY.

The region lies within the Gawler Craton and to the south west of the Peake and Denison inliers.

Surface geology within the licence area is dominated by Quaternary sand dunes, gravel and scree overlying Early Cretaceous Bulldog Shale and or Cadna-Owie Sandstone. Jurassic aged Algebuckina Sandstone overlying Permian sediments (of typically greater than 100 metres thickness) has been intersected in bore holes in the surrounding area (1:250,000 geological map series).

Limited drill hole information indicates a variable thickness (40 m – 100 m) of Cainozoic and Mesozoic sediments overlying Early Permian Mount Toondina Formation.

## 3. JOINT VENTURES.

Under the terms of an agreement dated 26 March 2007 RLC farmed out its interest in diamonds in the area now covered by EL 3886 to DiamondCo Limited ("DiamondCo").

The tenement area was subject to an agreement between RLC, Eromanga Hydrocarbons NL ("**Eromanga**") and Wallaby Resources Pty Ltd ("**Wallaby**") ("**JV Partners**") whereby the JV Partners held an option to farm in and thereby maintain an 80% interest in base metals in the ECBMJV. The remaining 20% interest in the tenement was held by RLC. On 9 June 2009 the ECBMJV was terminated and all interests in the ECBMJV were forfeited to RLC. The termination of the joint venture is being disputed by Wallaby and Eromanga.

4. EXPLORATION DURING THE TWELVE MONTH PERIOD.

**i. Diamond.**

A drill target (potential kimberlite WK76) was generated from the EM and magnetic data collected during the previous period was identified. An anthropologist together with representatives of the Arabunna People's Native Title Claimant Group conducted a heritage survey over WK76 on 19 September 2008. The survey cleared WK76 for drilling. Hydrological assessment of the area identified a risk of surface water flow from potential underlying Great Artesian Basin waters. The planned mud drilling was not equipped for drilling artesian aquifers and WK76 was as a consequence excluded from a drill program which proceeded on ELs 3250 and 3505.

**ii. Uranium Exploration**

A drill target (2A) generated from the EM and magnetic data collected during the previous period was identified. An anthropologist together with representatives of the Arabunna People's Native Title Claimant Group conducted a heritage survey over the 2A target area on 19 September 2008. The survey cleared target Area 2A for drilling. Hydrological assessment of the area identified a risk of surface water flow from potential underlying Great Artesian Basin waters. The planned mud drilling was not equipped for drilling artesian aquifers and target 2A was as a consequence excluded from a drill program which proceeded on ELs 3250 and 3505.

5. EXPENDITURE

Expenditure on exploration within EL 3886 for the 12 months ending 31/07/09 is \$ 12,322.10 (appendix 1). The expenditure on the licence since its commencement on 13/08/07 totals \$ 98,417.03.

6. FUTURE WORK PROGRAMME.

Work planned on EL 3886 includes:

- a) Uranium exploration:  
Results from drilling conducted on adjacent EL 3505 may assist in determining the potential for sites of accumulation of uranium mineralisation associated with EM anomalies interpreted to date.
- b) Diamond Exploration:  
The existence of artesian water underlying the tenement area and its affect on drilling costs is No exploration for diamonds is scheduled during the 2009 year.

Expenditure contemplated to complete the work described above for the Edward Creek project area cannot be determined until results from recent drilling are received. Estimates of components of potential exploration are provided in appendix 2.

G Fethers  
October 2009.

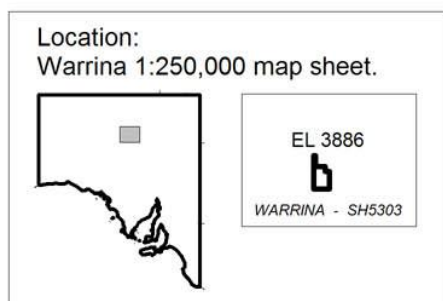
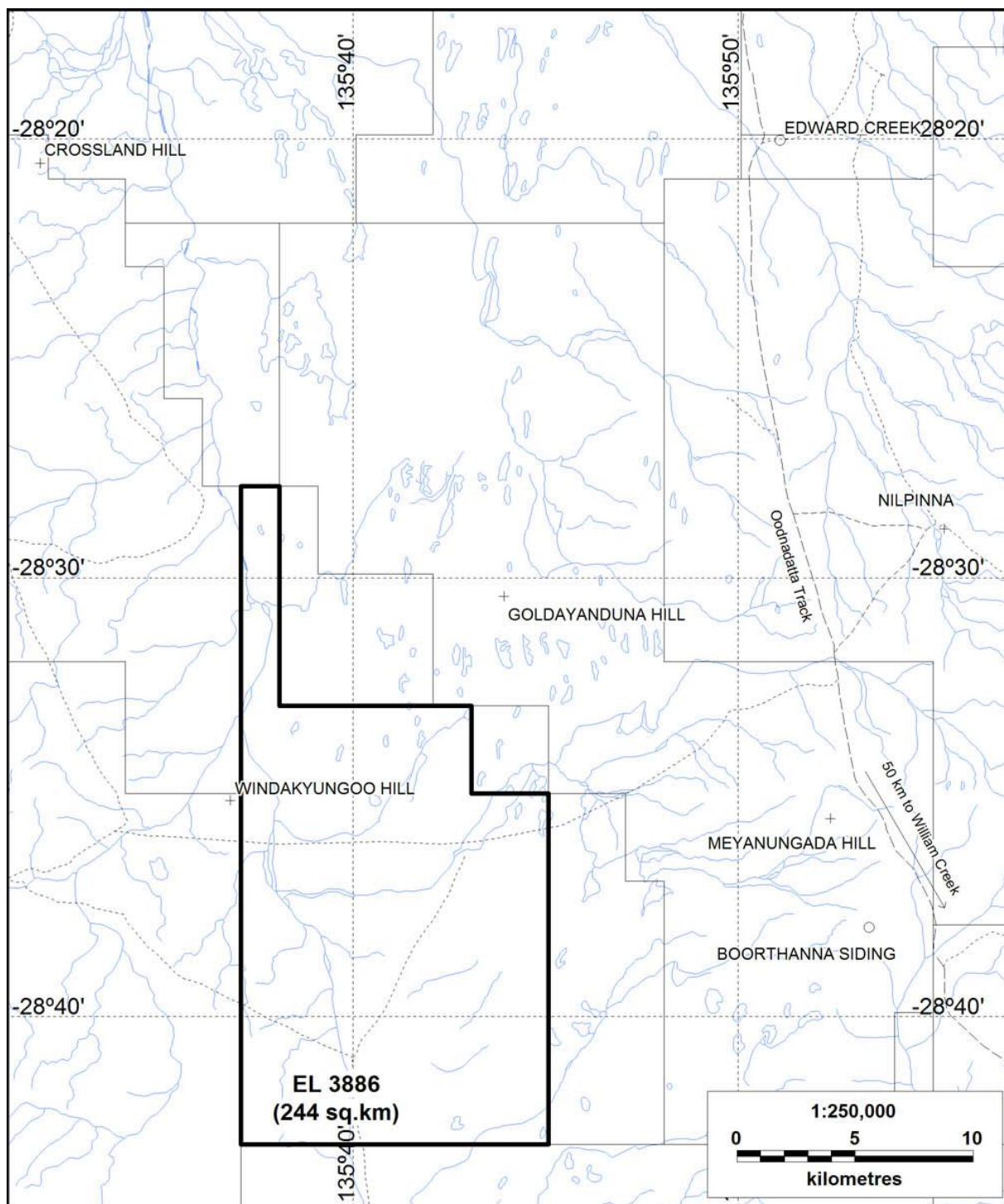


Figure 1

Reedy Lagoon Corporation Limited  
Exploration Licence No. 3886  
Period 13/08/08 to 12/08/09.

## APPENDIX 1

### Details of expenditure for period 01/08/08 - 31/07/09

| Exploration expenditure:                                   |  | RLC<br>\$ | DiamondCo<br>\$ | ECBMJV<br>\$ |
|--|--|-----------|-----------------|--------------|
| Access   | Heritage surveys incl time spent arranging |           |                 | 4,298.93     |
| Administration JV (exploration)                            | determining JV programs and budgets        |           |                 | 670.36       |
| Administration - Tenement                                  |  |           |                 |              |
| Assay & Petrology  |  |           | 2,284.99        |              |
| Consumables  | (field supplies & food)                    |           |                 |              |
| Data   | geological                                 |           |                 |              |
| Drilling (contractors)                                     |  |           |                 |              |
| Drilling - geological supervision, logging and sampling    |  |           |                 |              |
| Drilling   | water - access fees for private water      |           |                 |              |
| Drafting (including database compilation & GIS formatting) |  | 449.16    | 157.50          | 1,131.66     |
| Equipment hire   | (for field work) - scintilometer           |           |                 |              |
| Field accommodation and meals                              |  |           |                 |              |
| Field mapping, site investigation                          | field mapping and scintilometer survey     |           |                 |              |
| Field sampling   |  |           | 720.00          |              |
| Field telecommunications                                   |  |           |                 |              |
| Freight  |  |           |                 |              |
| Geological consulting/contract                             | preparation for fieldwork                  |           |                 | 327.00       |
| Geophysical consulting/contract                            |  |           |                 |              |
| Geophysical data   | airborne EM survey                         |           |                 |              |
| Office   | (postage, stationery, phone etc)           |           |                 |              |
| Maps & plan printing                                       |  |           |                 |              |
| Motor vehicle  | (incl hire, fuel, oils)                    |           |                 |              |
| Programming & budget                                       |  |           |                 | 654.00       |
| Rehabilitation and earthworks                              | (incl track work and sump construction)    |           |                 |              |
| Report writing   |  | 70.00     |                 | 1,558.50     |
| Sample storage   |  |           |                 |              |
| Survey   | airborne EM survey                         |           |                 |              |
| Travel   | aifares                                    |           |                 |              |
| SUBTOTALS  |  | 519.16    | 3,162.49        | 8,640.45     |

Note: ECBMJV expenditure includes \$1,565 invoiced by RLC to the ECBMJV for the March 2009 quarter. At the date of this report no payments had been made by the ECBMJV in connection with this invoice

Total exploration expenditure during report period (12 months to 31/07/08) 12,322.10

Accumulated reported expenditure to end of prior report year 86,094.93

Total exploration expenditure from grant to end of current period: 98,417.03

Reedy Lagoon Corporation Limited  
Exploration Licence No. 3886  
Period 13/08/08 to 12/08/09.

## APPENDIX 2

Details of Edward Creek project planned programme and expenditure for EL 3886:

|               |  |                                |  |  |               |
|---------------|--|--------------------------------|--|--|---------------|
|               |  |                                |  |  |               |
|               |  |                                |  |  | EL 3886       |
| RLC - Uranium |  |                                |  |  |               |
|               | Environmental monitoring & remedial  |                                |  |  | 1,000         |
|               | Native Title clearance surveys   |                                |  |  | 0             |
|               | Data processing (incl drafting)  |                                |  |  | 5,000         |
|               | Drilling - mud or RC   | Conductor boundary (5 x 150 m) |  |  | ?             |
|               | Geological and geophysical planning and supervision                                |                                |  |  | 5,000         |
|               | Management   |                                |  |  | 5,000         |
|               | <b>sub total for RLC</b>   |                                |  |  | <b>16,000</b> |
| DiamondCo     |  |                                |  |  |               |
|               | Exploration will be determined after results from drilling on EL 3505 are received |                                |  |  |               |
|               |  |                                |  |  |               |
|               |  |                                |  |  |               |
|               | <b>TOTAL PLANNED TENEMENT EXPENDITURE</b>  |                                |  |  | <b>16,000</b> |
|               |  |                                |  |  |               |
|               |  |                                |  |  |               |
|               |  |                                |  |  |               |
|               |  |                                |  |  |               |
|               |  |                                |  |  |               |



Reedy Lagoon Corporation Limited  
Exploration Licence No. 3886  
Period 13/08/09 to 12/08/10.

REEDY LAGOON CORPORATION LIMITED  
FINAL ANNUAL TECHNICAL & RELINQUISHMENT REPORT FOR  
THE EDWARD CREEK PROJECT  
EXPLORATION LICENCE 3886  
FOR THE PERIOD ENDING 12 AUGUST 2010

Authors: G H Fethers  
Date: February 2011

Tenement Holder & Operator: Reedy Lagoon Corporation Limited  
1:250,000 sheet name: WARRINA SH 53-3  
Keywords: Diamonds; EM survey, Uranium

Text pages No.: 2  
Figures: 1  
Appendices: 1

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2. Regional and local geology
3. Joint Ventures
4. Exploration during the twelve month period
5. Summary of exploration since grant
6. Expenditure

### List of figures:

- 1 Project location

### List of appendices:

- 1 Details of expenditure for the period

## DIGITAL DATA

### Digital Data 'Verification File' listing:

Verification Listing VL1

| Exploration Work Type                 | File Name                            | Format |
|---------------------------------------|--------------------------------------|--------|
| Office Studies                        |                                      |        |
| Report preparation                    | EL3886_2010_A_1_Report.pdf           | pdf    |
| File Verification Listing (this file) | EL3886_2010_A_2_VerificationList.txt | txt    |

## 1. INTRODUCTION.

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A joint venture agreement – the Edward Creek Base Metals Joint Venture Agreement ("**ECBMJVA**"), managed by RLC, was registered against EL 3886 until its termination on 9 June 2009. The termination of the joint venture was being disputed by the other joint venture partners at the date of this report. Exploration for uranium and diamonds was conducted on EL 3886 and EL 3250 as part of the Edward Creek Project.

Under the terms of a pre-existing farm-out agreement, dated 26/03/007, RLC farmed out all interest in diamonds within EL 3886 to DiamondCo Limited ("**DiamondCo**") and DiamondCo is managing and sole funding all exploration for diamonds. DiamondCo's activities and expenditures are reported to PIRSA by RLC.

This report includes all work completed by RLC, ECBMJV and DiamondCo on EL 3886 during the period.

## 2. REGIONAL AND LOCAL GEOLOGY.

The region lies within the Gawler Craton and to the south west of the Peake and Denison inliers.

Surface geology within the licence area is dominated by Quaternary sand dunes, gravel and scree overlying Early Cretaceous Bulldog Shale and or Cadna-Owie Sandstone. Jurassic aged Algebuckina Sandstone overlying Permian sediments (of typically greater than 100 metres thickness) has been intersected in bore holes in the surrounding area (1:250,000 geological map series).

Limited drill hole information indicates a variable thickness (40 m – 100 m) of Cainozoic and Mesozoic sediments overlying Early Permian Mount Toondina Formation.

## 3. JOINT VENTURES.

Under the terms of an agreement dated 26 March 2007 RLC farmed out its interest in diamonds in the area now covered by EL 3886 to DiamondCo Limited ("**DiamondCo**").

The tenement area was subject to an agreement between RLC, Eromanga Hydrocarbons NL ("**Eromanga**") and Wallaby Resources Pty Ltd ("**Wallaby**") ("**JV Partners**") whereby the JV Partners held an option to farm in and thereby maintain an 80% interest in base metals in the ECBMJV. The remaining 20% interest in the tenement was held by RLC. On 9 June 2009 the ECBMJV was terminated and all interests in the ECBMJV were forfeited to RLC. The termination of the joint venture is being disputed by Wallaby and Eromanga.

4. EXPLORATION DURING THE TWELVE MONTH PERIOD.

A review of available geophysical data found no evidence to indicate any potential for the project area to contain an iron-oxide copper-gold deposit.

5. SUMMARY OF EXPLORATION SINCE GRANT

Exploration for uranium and diamonds was conducted on the tenement area mostly in conjunction with similar programmes on EL 4377 (3250) and EL 3505.

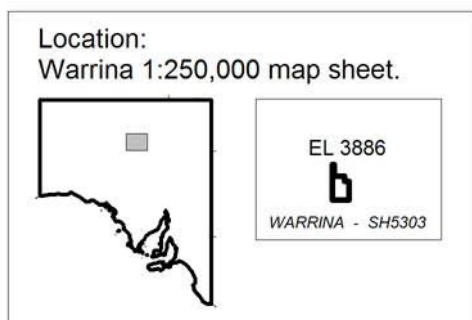
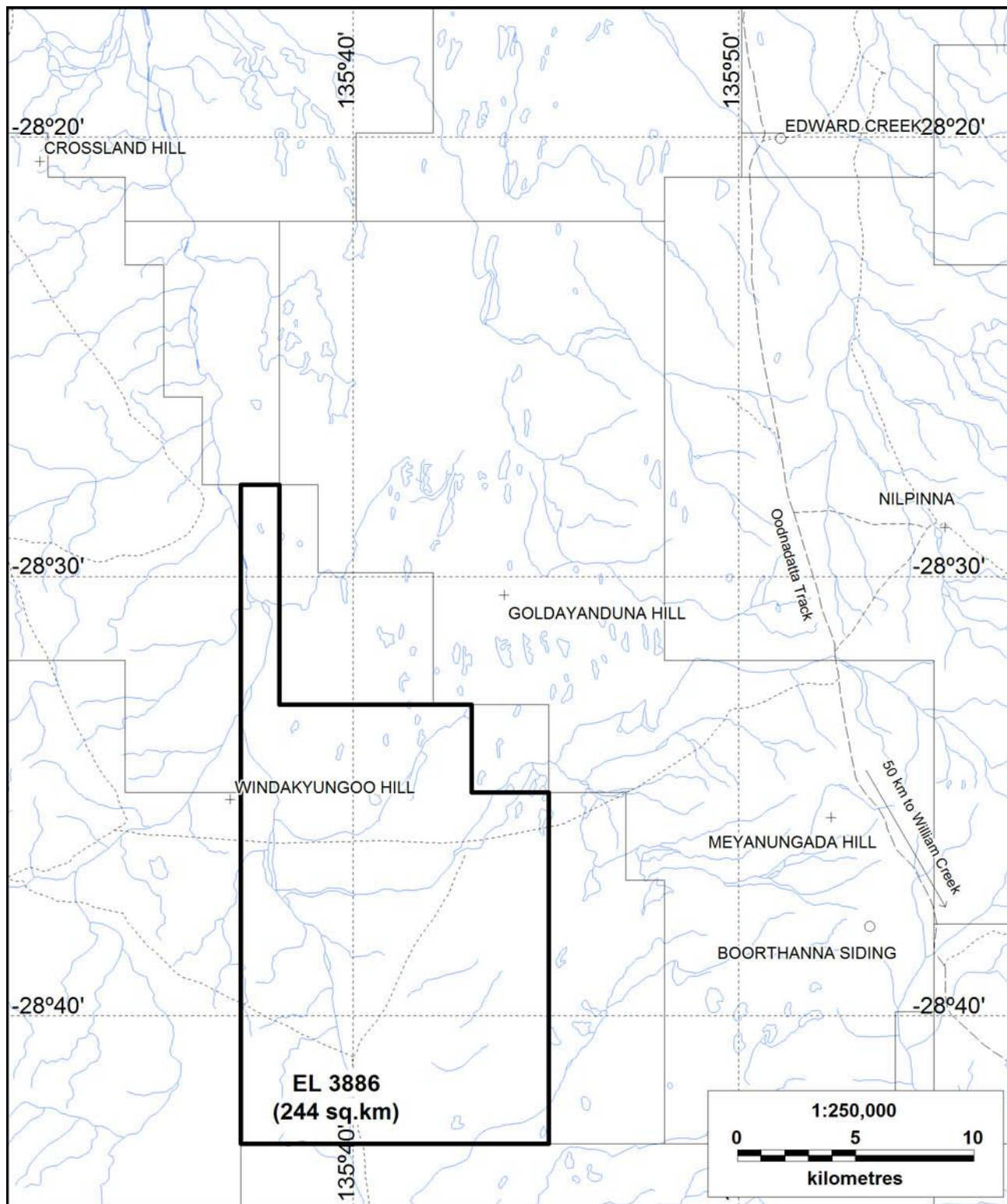
Airborne EM and magnetic data was acquired in 2007 at 500 metre line spacing over the tenement area. A total of 587 line km was flown. Interpretation of these data identified one potential kimberlite target and a possible REDOX boundary thought to hold potential to be a depositional site for uranium mineralisation.

Heritage surveys were conducted at proposed drill sites but the proposed drilling (mud) was cancelled when hydrological assessment identified a risk of surface water flow from potential underlying Great Artesian Basin waters.

6. EXPENDITURE

Expenditure on exploration within EL 3886 for the 12 months ending 31/07/10 is \$ 2,937 (appendix 1). The expenditure on the licence since its commencement on 13/08/07 totals \$101,354.

G Fethers  
February 2011



| REEDY LAGOON CORPORATION LTD  |                                |                                      |
|---|--------------------------------|--------------------------------------|
| EDWARD CREEK PROJECT, SOUTH AUSTRALIA   |                                |                                      |
| EL 3886   |                                |                                      |
| Exploration Licence Location  |                                |                                      |
|  | Workspace: EL3886-loc-0806.wor | Date: June 2008                      |
|   | Plot file: EL3886-loc-0806.pdf | Scale: 1:250,000                     |
|   | Author:                        | Projection: Long / Lat (NAD83)       |
|   | Drawn: ARC                     | Printer: Adobe Acrobat Distiller 8.0 |
| Flagstaff GeoConsultants  |                                | Figure 1                             |

Figure 1

## APPENDIX 1

Details of expenditure for period 01/08/09 - 31/07/10

|  |  |          |           |
|--|--|----------|-----------|
| Exploration expenditure:                                   |  | RLC      | DiamondCo |
|  |  | \$       | \$        |
| Access   |  |          |           |
| Administration JV (exploration)                            |  |          |           |
| Administration - Tenement                                  |  |          |           |
| Airfares   |  |          |           |
| Assay & Petrology  |  |          |           |
| Consumables  |  |          |           |
| Data   |  |          |           |
| Drilling (contractors)                                     |  |          |           |
| Drilling - geological supervision, logging and sampling    |  |          |           |
| Drilling   |  |          |           |
| Drafting (including database compilation & GIS formatting) |  |          |           |
| Equipment hire   |  |          |           |
| Field accommodation and meals                              |  |          |           |
| Field mapping, site investigation                          |  |          |           |
| Field sampling   |  |          |           |
| Field telecommunications                                   |  |          |           |
| Freight  |  |          |           |
| Geological consulting/contract                             |  | 2,040.00 | 760.00    |
| Geophysical data   |  |          |           |
| Office   |  |          |           |
| Maps & plan printing                                       |  |          |           |
| Motor vehicle  |  |          |           |
| Programming & budget                                       |  |          |           |
| Rehabilitation and earthw orks                             |  |          |           |
| Report w riting  |  | 103.00   |           |
| Salaries & w ages  |  | 34.00    |           |
| Sample storage   |  |          |           |
| Survey   |  |          |           |
| Travel   |  |          |           |
| SUBTOTALS  |  | 2,177.00 | 760.00    |
| TOTAL EXPLORATION EXPENDITURE FOR PERIOD:                  |  |          | 2,937.00  |
|  |  |          |           |
|  |  |          |           |