

21 September 2021

RLC progresses lithium brine projects in Nevada

Reedy Lagoon Corporation Limited has commenced geophysical survey work at its Alkali Lake North lithium-brine project in Nevada, USA.

The survey will add to data obtained from the Audio Frequency Magnetotelluric (AMT) survey conducted in 2018 (refer [ASX release 28/08/2018](#)) and will extend the Company's 3D AMT cover over the additional claims which were staked earlier this month (refer [ASX release 7/09/2021](#)).

The Company had put its exploration for lithium brines in Nevada on hold pending the development of lithium-brine processing methods which would enable commercial extraction of lithium from brine without reliance on the use of evaporation ponds. The use of evaporation ponds involves long periods of pumping over the ponds to condition the brines and concentrates the lithium through evaporation (which involves loss of the water in the brines, a limited resource in Nevada).

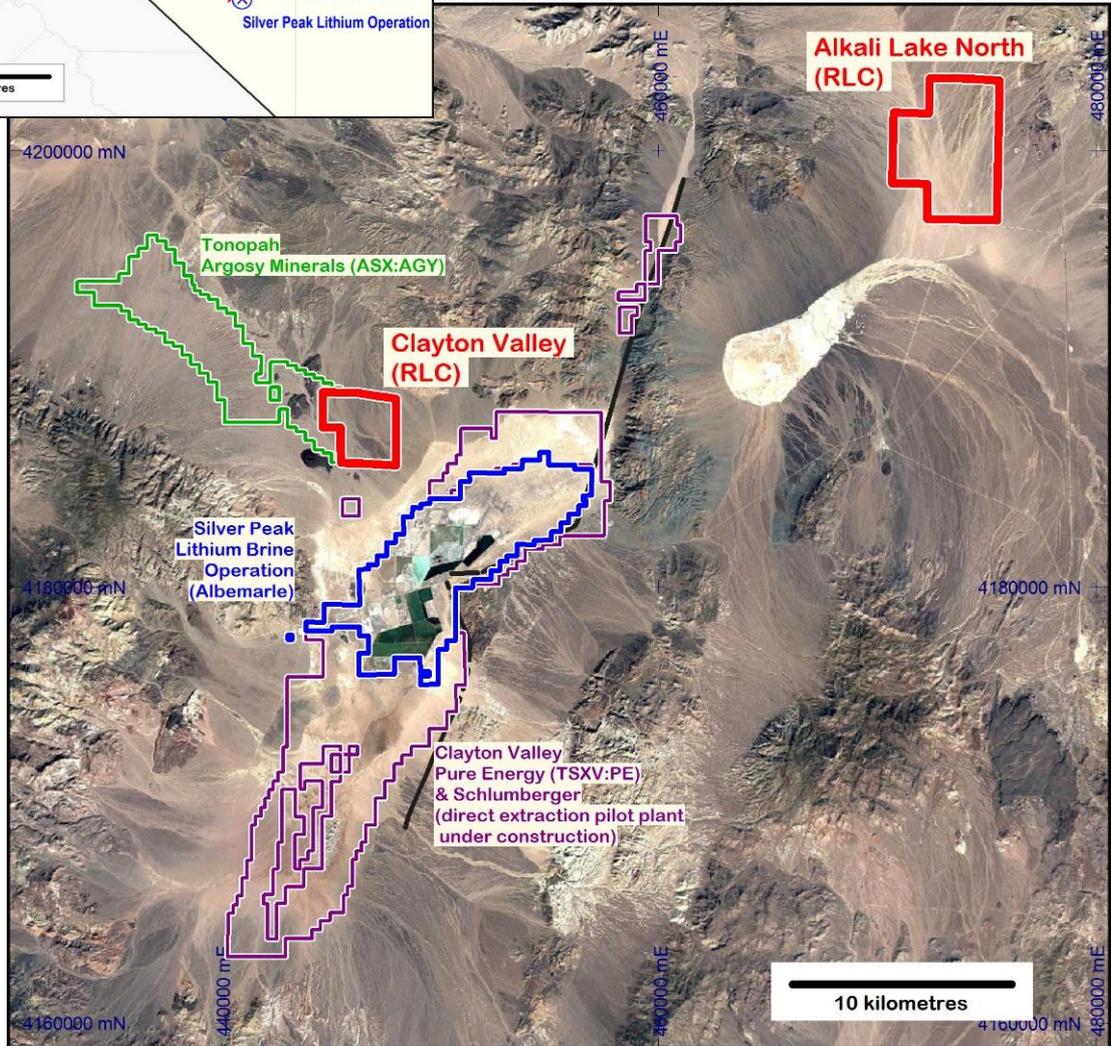
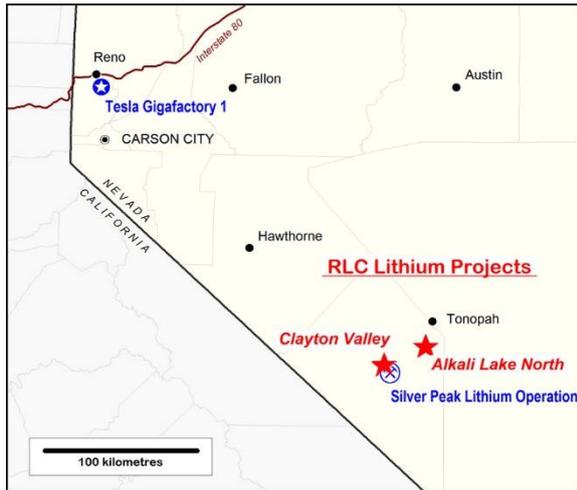
RLC believes that the most efficient method of producing lithium chemicals for use in batteries is to pump lithium-bearing ground water through a process plant which extracts the lithium while enabling the bulk of the water to be returned into the ground (direct extraction).

Critical factors to achieve direct extraction of lithium on a commercial scale include the brine composition as well as lithium grade. The composition of the brine will determine what process can be used to extract the lithium and whether it can be achieved economically. RLC is searching for lithium-brines in Nevada because it believes that the brines in Nevada have compositions that are more amenable to direct extraction than those found elsewhere in the world, particularly the brines in South America.

On 11 June 2021 Pure Energy Minerals Ltd. (TSX Venture:PE; OTCQB:PEMIF) announced that plans were underway to construct a pilot plant for direct extraction at its Clayton Valley lithium project in Nevada and announced that Schlumberger, its strategic investor in that Project, had entered a collaboration agreement with Panasonic Energy of North America in connection with developing a direct lithium extraction and production process (refer [Pure Energy announcement 11/06/2021](#)).

RLC considers these announcements to be strong indications that the lithium-bearing brines in Nevada might soon support the first commercial extraction of lithium from brine without the use of evaporation ponds. These factors reinforce RLC's early assessment that the composition of the brines in Nevada is amenable to processing by direct extraction techniques.

RLC is planning follow-up geophysical surveys, including shallow seismic reflection, to better define the lithium-brine targets at both its Alkali Lake North project and its Clayton Valley project.



Authorised for release on behalf of the Company.

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