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BARRAMBIE VANADIUM PROJECT
FINAL DRILL RESULTS

The Board of Reed Resources Ltd (ASX:RDR) ("Reed") is pleased to announce the results from the final 50 reverse circulation percussion (RC) drill holes from the Company's drilling programme being undertaken as part of the feasibility study on the Barrambie Vanadium Project.

The latest assay results, predominantly from the Bight and Straight segments, confirm the exceptional tenor and continuity of the massive and disseminated vanadiferous ilmenomagnetite-ilmenite mineralisation in an area that has never been drill tested targeting vanadium.

The average of **all** 2,230 assays compiled for the drill holes reported here is 0.45 % V_2O_5 and 10.4 % TiO_2, which includes assays of waste material. Using a cut-off of 0.6% V_2O_5, 572 assays average 0.86 % V_2O_5 and 18.5 % TiO_2, with 162 assays over 1.00 % V_2O_5 and a maximum of 1.70 % V_2O_5.

Significant high-grade intercepts (0.6 % V_2O_5 cut-off) with a down-hole length in excess of 10 metres are listed below:

HOLE ID	Collar mN	Collar mN	Depth (m) From	To	Length (m)	V_2O_5 %	TiO_2 %	Fe %
BRC088	11400	5775	6	18	12	1.02	13.9	38.0
BRC089	11400	5800	16	28	12	0.80	28.3	37.0
			42	53	11	0.97	18.5	41.2
BRC090	11400	5715	55	71	16	0.67	30.5	26.5
BRC094	11760	5715	1	16	15	0.85	23.7	34.4
BRC095	11760	5740	39	67	28	0.81	31.7	32.5
BRC124	13400	5975	0	14	14	0.72	30.4	35.9
BRC126	13400	5925	64	74	10	0.95	14.8	44.6
BRC128	14200	5900	4	16	12	1.16	13.0	29.5
BRC133	14200	6025	12	25	13	0.72	26.7	39.8
BRC139	15000	5825	64	74	10	0.66	24.3	41.2
BRC151	16650	5475	57	71	14	0.94	16.6	46.1
BRC158	17400	5375	9	22	13	0.82	30.4	28.4
			37	47	10	1.01	20.1	33.4
BRC159	17400	5400	29	63	34	0.70	26.0	37.6

Collar coordinates are for a local grid (Figure 1). Depths and intercept lengths are down-hole distances. Refer to Appendix A for full details.

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DRILLING PROGRAM

The aim of the RC drilling is to confirm continuity of the vanadium-enriched mineralisation throughout the entire 11 km strike length of granted Mining Lease (M57/173) (Figure 1). The drilling is designed to test the mineralisation to a vertical depth of about 50 metres below surface, which is the planned depth for an initial open pit mining operation.

Vanadiferous ilmenomagnetite-ilmenite occurs in massive bands and as disseminated mineralisation. There is one thick massive band on the eastern edge of the deposit (Eastern Band) and, to the west, a series of narrower massive bands with intervening disseminated mineralisation is referred to as the Central Bands (Figure 2).

Drilling results reported here are for 50 drill holes (BRC085-095, BRC103, BRC122-159) predominantly within the **Bight** and **Straight** segments of the Barrambie deposit between drill lines 12400N and 17400N (Figure 1). Six holes were drilled on each line with drill collars spaced 25 metres apart along each line testing 150m across strike.

Results for previous RC drill holes were announced to the market on 2 March and 4 April 2007.

DRILLING AND ASSAY RESULTS

The RC drilling program has confirmed massive mineralisation in bands ranging from about 1 metre to in excess of 28 metres true thickness with disseminated mineralisation in the intervening material between massive bands.

The results presented in **Appendix A** are for those assay samples which have a grade of better than 0.60 % V_2O_5 continuous throughout each drilled intercept. These high-grade sections are considered to be representative of the massive bands.

The thick intersections in some holes at the eastern end of drill lines (e.g., BRC090, BRC133) may be attributed to the titanium-rich (25-35 % TiO_2) Eastern Band.

The Central Bands are comprised of a series of 2-12 metre thick (true thickness) bands of high-grade vanadium mineralisation (>1 % V_2O_5) with lower titanium grades (10-15 % TiO_2) that are interspersed among low-grade disseminated mineralisation. Some of the disseminated mineralisation may also include thin (less than 1 metre thick) bands of massive mineralisation much of which has grades of 0.4 to 0.6 % V_2O_5.

All of the mineralisation is in strongly oxidised material which would be amenable to low cost open pit mining and beneficiation. Most of the magnetite has been oxidised to hematite.

Several of the high-grade intercepts with the Central Bands have average grades in excess of 1.00 % V_2O_5 over down-hole lengths of 3 to 8 metres (listed below), which is equivalent to horizontal widths in excess of about 2 metres.

HOLE ID	Collar mN	Collar mN	Depth (m) From	To	Length (m)	V_2O_5 %	TiO_2 %	Fe %
BRC085	11400	5700	33	39	6	1.01	11.4	35.2
			41	45	4	1.13	12.4	48.0
BRC087	11400	5750	25	29	4	1.29	14.0	40.5
			54	60	6	1.06	16.1	38.8
BRC088	11400	5775	6	18	12	1.02	13.9	38.0
BRC103	12200	5620	18	24	6	1.19	13.6	42.0
BRC126	13400	5925	37	41	4	1.05	18.2	38.2
BRC127	13400	5900	63	67	4	1.01	14.3	46.3
BRC128	14200	5900	4	16	12	1.16	13.0	29.5
BRC129	14200	5925	45	49	4	1.30	14.1	39.7
BRC130	14200	5950	48	52	4	1.02	12.3	43.5
BRC154	17400	5275	40	45	5	1.26	14.9	42.7
			64	68	4	1.29	15.3	47.6
BRC157	17400	5350	23	27	4	1.12	18.5	33.5
			36	41	5	1.11	17.6	32.0
BRC158	17400	5375	37	47	10	1.01	20.1	33.4

Collar coordinates are for a local grid (Figure 1). Depths and intercept lengths are down-hole distances. Refer to Appendix A for full details.

SAMPLING AND ANALYSIS

Samples were collected from an RC cyclone at 1m intervals and split using a 3-way splitter to provide a 3-4 kg of sample, which was collected in calico bags for transport to the analytical laboratory.

Samples of disseminated mineralisation between the massive bands were collected, initially, as a composite sample over 3m intervals. Where composite grades are sufficiently high, these intervals are being re-sampled and re-analysed at 1m intervals.

For QA/QC purposes, a duplicate sample was collected after every 20 samples and submitted blind to the analytical laboratory. In addition, a sample of Certified Reference Material (CRM) was included at random among each batch of samples and submitted blind to the laboratory.

All samples have been analysed by SGS Australia at their Welshpool laboratory, WA. Samples were sorted, dried, split and pulverised then prepared as fused discs for analysis by X-Ray fluorescence spectrometry (method XRF780) for V, Ti, Fe, Si, Al, Mg, Ca, Mn, P, K and Na, and LOI by gravimetric method.

As an added control on analytical quality, pulverised CRMs and Reed standards have been included with each analytical batch. This is in addition to routine laboratory repeat, duplicate and certified standards.

Additional information regarding sampling and analysis is included in footnotes to Appendix A.

FORWARD WORK

Drill results are currently being compiled and validated for inclusion in a comprehensive data base from which a geological model of the Barrambie deposit will be constructed in preparation for resource modelling by Snowden.

A second phase of infill RC drilling is scheduled to commence 7 May 2007, for completion by early June.

A Mineral Resource estimate is expected to be available early in the September Quarter.

Chris Reed
EXECUTIVE DIRECTOR

Geological aspects of this report have been compiled by Dr Bryan Smith (MAusIMM), of Bryan Smith Geosciences Pty Ltd, consultants to Reed Resources Ltd. Dr Smith has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being reported on to qualify as a Competent Person as defined in the Code for Reporting of Mineral Resources and Ore Reserves. Dr Smith consents to the inclusion in the report of the matters in the form and context in which it appears.

Although Reed Resources remain optimistic about the potential of the Barrambie tenements, any reference to the terms "ore, "high-grade" and "low-grade" in this report is conceptual in nature. Use of the term "grade(s)" is not intended to represent the grade of a resource.

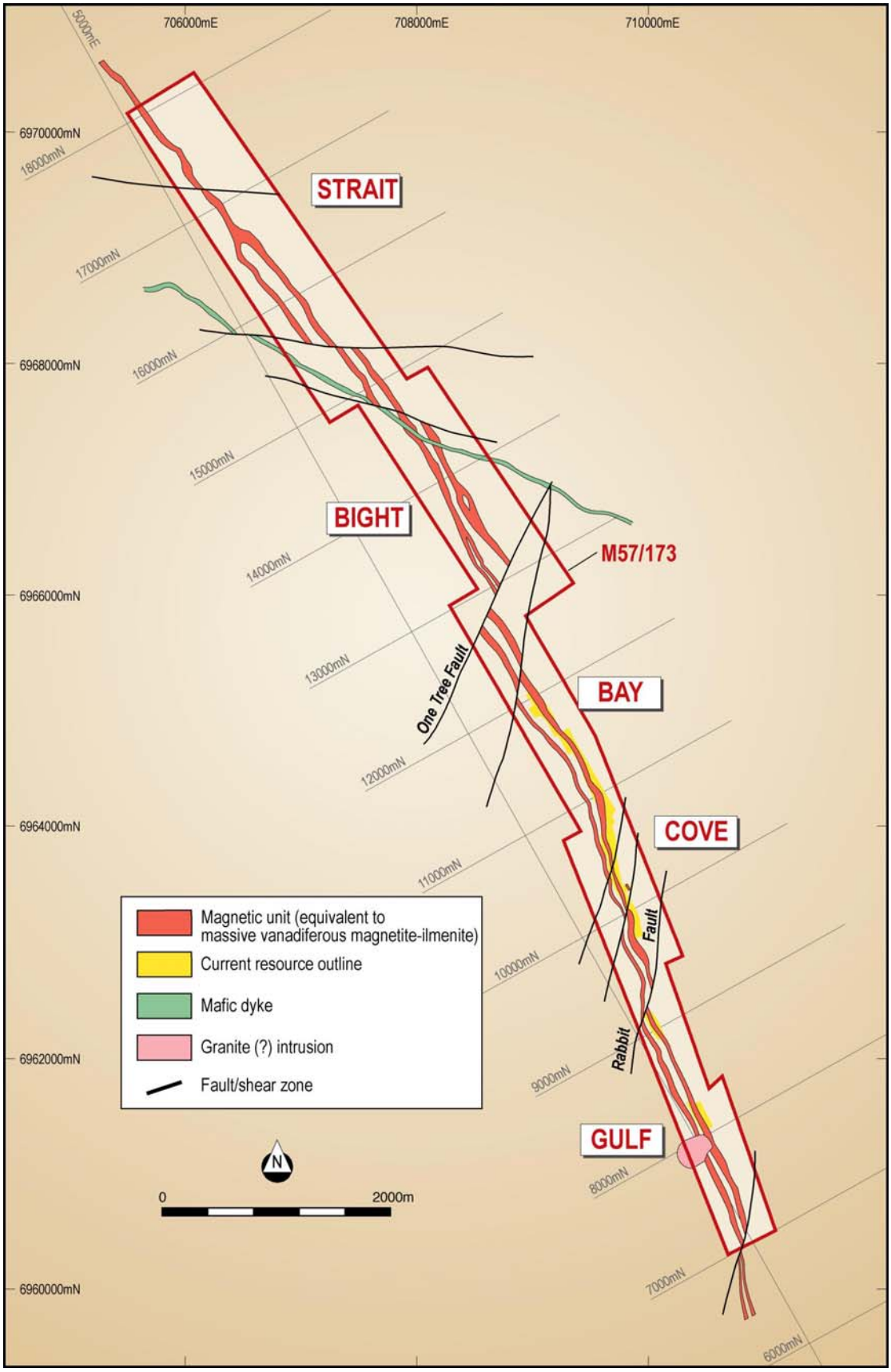

Figure 1 Position of the local grid and subdivision of the Barrambie deposit into five segments. Distribution of vanadiferous magnetite-ilmenite mineralisation is based on interpretation of aeromagnetic survey data.

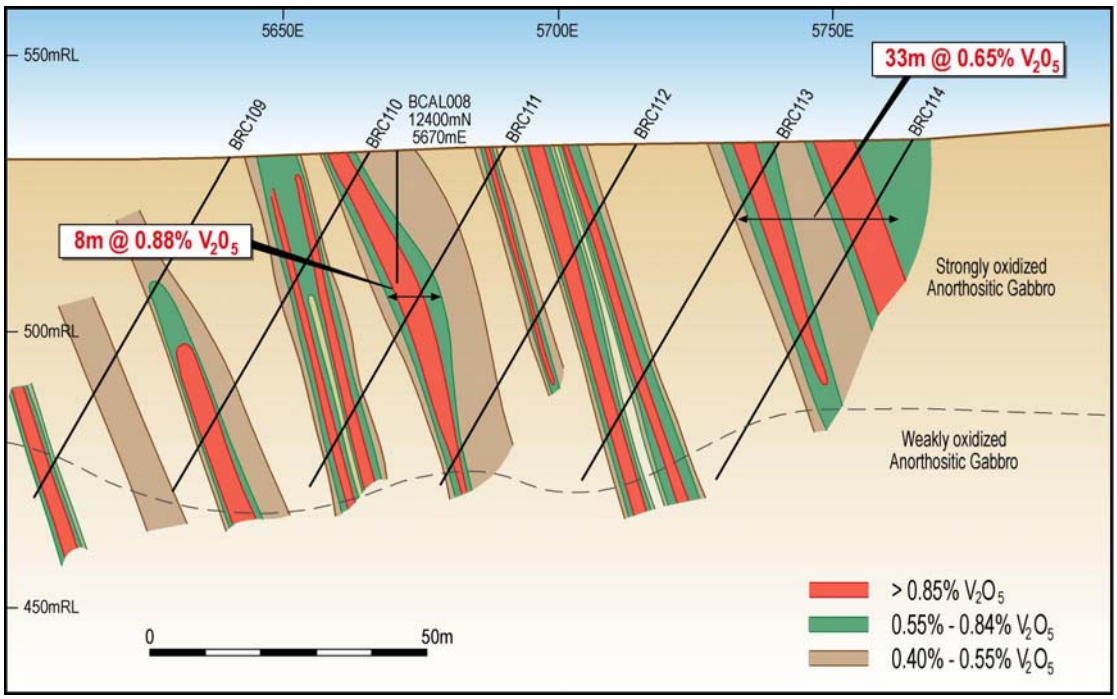

Figure 2 Drill section 12400N in the Bay segment of the Barrambie deposit showing interpreted distribution of high-grade bands including the massive Eastern Band and high-grade bands among disseminated mineralisation making up the Central Bands to the west (interpretation by Bryan Smith Geosciences). Much of the intervening material between the high-grade bands has grades in the range 0.4-0.55 % V_2O_5.

Appendix A

Intercepts of high grade mineralisation (>0.6 % V_2O_5)

Summary of intercepts of high-grade, vanadiferous ilmenomagnetite-ilmenite mineralisation for all assays with greater than 0.6 % V_2O_5, continuous throughout each intercept. Much of the intervening material is still mineralised with grades in excess of 0.4 % V_2O_5.

Hole ID	Collar mN	Collar mE	Dip/ Azimuth degrees	Depth From m	Depth To m	Downhole Intercept m	V_2O_5 %	TiO_2 %	Fe %
BRC085	11400	5700	60/240	7	11	4	0.89	10.7	30.1
				24	27	3	0.97	12.4	32.4
				33	39	6	1.01	11.4	35.2
				41	45	4	1.13	12.4	48.0
BRC086	11400	5725	60/240	9	13	4	0.93	11.8	28.3
				16	25	9	0.98	10.6	32.2
				50	51	1	0.68	4.8	17.9
BRC087	11400	5750	60/240	4	13	9	0.89	10.1	37.7
				25	29	4	1.29	14.0	40.5
				40	41	1	1.09	17.8	39.7
				45	47	2	0.86	11.8	33.0
				54	60	6	1.06	16.1	38.8
BRC088	11400	5775	60/240	6	18	12	1.02	13.9	38.0
				19	21	2	0.65	12.3	22.8
				24	27	3	0.65	10.4	27.4
				36	37	1	0.62	6.5	20.6
				42	43	1	0.61	4.7	21.6
				50	52	2	0.93	16.2	30.8
				57	58	1	0.91	15.3	41.8
				68	70	2	0.87	13.6	37.1
BRC089	11400	5800	60/240	13	15	2	0.64	26.2	30.1
				16	28	12	0.80	28.3	37.0
				39	41	2	1.06	17.9	45.7
				42	53	11	0.97	18.5	41.2
				57	57	3	0.78	12.6	42.7
BRC090*	11400	4714	60/240	0	4	4	0.66	8.5	26.6
				55	71*	16	0.67	30.5	26.5
BRC091	11760	5640	60/240	20	23	3	0.98	13.4	36.3
				49	52	3	0.92	11.2	37.2
BRC092	11760	5665	60/240	4	5	1	0.62	7.4	25.3
				8	11	3	0.61	7.1	22.5
				17	25	8	0.87	9.7	22.3
BRC093	11760	5690	60/240	21	24	3	0.86	16.4	31.9
				30	32	2	0.82	13.4	34.7
				34	36	2	0.87	12.7	36.1
				46	55	9	0.89	13.3	32.4
BRC094	11760	5715	60/240	1	16	15	0.85	23.7	34.4
				38	45	7	0.87	16.7	40.9
				46	47	1	0.61	10.6	28.2
				64	66	2	0.62	9.3	29.1

Hole ID	Collar mN	Collar mE	Dip/ Azimuth degrees	Depth From m	Depth To m	Downhole Intercept m	V_2O_5 %	TiO_2 %	Fe %
BRC095	11760	5740	60/240	33	36	3	0.61	24.5	27.2
				39	67	28	0.81	31.7	32.5
BRC103	12200	5620	60/240	0	4	4	0.75	9.2	29.3
				10	16	6	0.85	9.7	29.6
				18	24	6	1.19	13.6	42.0
				31	32	1	0.73	8.3	28.9
				67	70	3	0.98	10.5	38.7
BRC124	13400	5975	60/60	0	14	14	0.72	30.4	35.9
				15	16	1	0.61	25.2	40.5
				17	19	2	0.65	24.0	41.9
				20	21	1	0.62	25.4	43.2
				23	25	2	0.61	22.8	42.3
				27	28	1	0.62	21.5	44.4
BRC125	13400	5950	60/60	31	32	1	0.64	10.8	34.6
				59	64	5	0.89	15.4	44.8
				67	70	3	0.64	23.6	40.5
BRC126*	13400	5925	60/60	37	41	4	1.05	18.2	38.2
				64	74*	10	0.95	14.8	44.6
BRC127	13400	5900	60/60	22	24	2	0.71	8.4	29.0
				63	67	4	1.01	14.3	46.3
				68	69	1	0.71	10.7	34.9
BRC128	14200	5900	60/240	4	16	12	1.16	13.0	29.5
				25	28	3	0.71	7.9	25.4
BRC129	14200	5925	60/240	10	11	1	0.66	8.1	16.8
				22	23	1	0.70	8.3	27.1
				38	42	4	0.89	10.2	34.5
				45	49	4	1.30	14.1	39.7
BRC130	14200	5950	60/240	34	36	2	0.74	10.2	27.4
				48	52	4	1.02	12.3	43.5
				60	62	2	0.82	10.2	35.4
BRC131	14200	5975	60/240	3	5	2	0.74	16.3	32.4
				16	19	3	0.90	18.1	34.8
				19	22	3	0.62	7.7	16.2
				28	37	9	0.91	12.8	28.6
BRC132	14200	6000	60/240	14	21	7	0.90	16.7	25.5
				22	23	1	0.61	11.3	24.1
				24	27	3	0.64	11.4	26.3
				47	49	2	0.90	16.7	38.3
				56	58	2	1.06	17.5	41.3
BRC133	14200	6025	60/240	0	1	1	0.62	24.9	37.0
				12	25	13	0.72	26.7	39.8
				36	42	6	0.91	16.6	38.7
BRC134	14200	6050	60/240	61	66	5	0.65	24.8	38.1
				67	68	1	0.64	23.2	40.1
				69	70	1	0.64	22.5	38.7

Hole ID	Collar mN	Collar mE	Dip/ Azimuth degrees	Depth From m	Depth To m	Downhole Intercept m	V_2O_5 %	TiO_2 %	Fe %
BRC138	15000	5850	60/60	0	8	8	0.89	33.5	28.3
				9	10	1	0.61	27.0	39.2
				12	13	1	0.64	25.0	41.4
BRC139	15000	5825	60/60	18	19	1	0.70	11.0	26.5
				21	25	4	0.72	11.8	23.6
				26	29	3	0.80	15.7	27.1
				53	62	9	0.73	21.7	40.9
				64	74	10	0.66	24.3	41.2
				75	77	2	0.62	24.8	40.6
				81	82	1	0.61	23.7	40.7
BRC140*	15000	5800	60/60	22	26	4	0.98	14.9	45.3
				27	28	1	0.64	10.6	30.4
				66	68	2	0.81	13.9	41.8
				70	71*	1	0.68	11.9	35.2
BRC141	15000	5775	60/60	1	3	2	0.72	14.7	25.1
				36	39	3	0.75	9.5	28.8
				61	65	4	0.95	14.8	41.7
BRC142	15800	5690	60/60	3	10	7	0.67	21.1	29.6
				12	13	1	0.66	20.2	35.4
BRC143	15800	5665	60/60	1	6	5	0.68	19.9	33.1
BRC144	15800	5640	60/60	4	5	1	0.83	16.6	38.6
				6	7	1	0.62	20.2	40.1
				19	20	4	0.64	18.0	41.0
				23	24	1	0.61	23.5	35.1
BRC145	15800	5615	60/60	39	43	4	0.95	15.9	45.3
				59	62	3	0.90	16.5	42.2
BRC149	16650	5525	60/60	10	11	1	0.64	23.4	36.0
				14	15	1	0.61	20.7	34.3
BRC150	16650	5500	60/60	15	17	2	0.71	12.8	32.2
				19	24	5	0.94	17.3	45.1
BRC151*	16650	5475	60/60	15	18	3	0.83	12.4	37.5
				25	27	2	0.87	13.1	39.2
				57	71*	14	0.94	16.6	46.1
BRC153*	16650	5425	60/60	20	21	1	0.71	10.6	30.7
				70	71*	1	0.95	12.8	42.0
BRC154	17400	5275	60/240	22	24	2	0.84	11.5	31.2
				40	45	5	1.26	14.9	42.7
				50	51	1	0.80	9.6	28.8
				57	60	3	0.83	9.3	35.6
				61	62	1	0.61	6.4	32.2
				64	68	4	1.29	15.3	47.6
BRC155	17400	5300	60/240	5	1	1	0.62	8.7	20.5
				8	12	4	0.91	13.3	29.2
				13	14	1	0.66	8.7	21.4
				49	51	2	0.79	9.9	35.7

Hole ID	Collar mN	Collar mE	Dip/ Azimuth degrees	Depth From m	Depth To m	Downhole Intercept m	V_2O_5 %	TiO_2 %	Fe %
BRC156	17400	5325	60/240	3	4	1	0.96	15.8	32.4
				12	16	4	0.87	14.0	34.5
				19	24	5	0.84	13.2	33.2
				49	50	1	0.73	9.8	33.3
BRC157	17400	5350	60/240	23	27	4	1.12	18.5	33.5
				36	41	5	1.11	17.6	32.0
				55	57	2	0.98	14.0	44.5
BRC158	17400	5375	60/240	4	5	1	0.61	33.4	25.7
				9	22	13	0.82	30.4	28.4
				23	25	2	0.62	8.5	18.9
				37	47	10	1.01	20.1	33.4
BRC159	17400	5400	60/240	29	63	34	0.70	26.0	37.6

* Drill hole finished in high-grade mineralisation.

NOTES:

1. Collar coordinates are for a local grid as illustrated in Figure 1
2. All holes drilled at an angle of 60 degrees from the horizontal toward grid east or west, depending on the apparent dip of massive bands. All holes drilled to a depth of 71 metres except for BRC126 (74m), BRC139 (83m), BRC141 (77m), BRC142 (83m).
3. All depths and intercept lengths are down-hole distances and not intended to represent the true width of high-grade bands.
4. Vanadium and titanium grades are reported as V2O5 and TiO2 and iron is reported as total Fe, in accordance with convention for reporting this style of mineralisation.
5. Some holes that were drilled to the east of the Eastern Band did not intersect significant mineralisation and are not listed above.
6. Use of the term “high-grade” in this appendix is conceptual in nature and is not intended to represent the grade of a resource.

ENDS