

16th December 2016

Company Announcements Office, ASX Ltd

Drilling Update

Mount Ridley Mines Ltd (ASX: MRD) (or “the **Company**”) would like to keep the market informed of the progress of drilling at its 100% owned Fraser Range project.

The current diamond drill hole MRDD018 at Target 19 has encountered equipment problems that will require replacing and as such will cause a short temporary delay in reaching the target zone. Due to the Christmas and New Year break, it is now anticipated to reach the targeted off hole conductor early in the New Year.

The Company looks forward to updating the market in due course.

For and on behalf of the board



Mr Ashley Hood

Managing Director

Competent Persons Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Tony Donaghy who is a Registered Professional Geoscientist (P.Geo) with the Association of Professional Geoscientists of Ontario (APGO), a Recognised Professional Organisation. Mr Donaghy is a technical advisor to the Company. Mr Donaghy has sufficient experience which is relevant to the style 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.