ASX ANNOUNCEMENT

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Company Announcements Office
ASX Limited

Aircore Drilling Doubles Nickel and Copper Supergene Enrichment Zone at Target 19

Highlights

- **Nickel and Copper supergene zone now doubled to over 1,600m in length based on the latest round of aircore drilling results.**
- **Aircore holes MRAC226 and MRAC181 located in the immediate vicinity of the up-dip projection of the recently announced bedrock conductor contain relatively high values of copper peaking at 1060ppm and 430ppm respectively.**
- **Results from aircore sampling plus extensive petrographic work have identified at least two peridotite layers within the intrusion which are coincident with higher nickel and copper values.**
- **Better nickel and copper intersections include 24m @ 0.10% Ni & 463ppm Cu from 35m including 1m @ 0.12% Ni & 3850ppm Cu from 37m in MRAC203 and 6m @ 0.11% Ni & 812ppm Cu from 42m in MRAC172.**

Mount Ridley Mines Ltd (ASX: **MRD** or "the **Company**") is pleased to advise that further assay results have been received from aircore drilling at its 100% owned Mt Ridley Project in the Albany-Fraser Range Province.

The results are from the latest round of aircore drilling at Target 19 which commenced around eight weeks ago. The results are a combination of four metre composite and one metre re-split samples.

Aircore Drilling at Target 19

These new results are all from aircore drilling carried out on a 400m x 100m and 200m x 50m local grid with 400m and 200m spacing's between lines with 100m and 50m spacing's between holes on the lines. Initial drilling has been focused on the north-eastern portion of Target 19 where the olivine bearing intrusion is interpreted to be at its thickest. (see Figure 1.0).

To date a total of 240 holes for 10,994 metres has been completed encompassing only a third of the total interpreted strike length of Target 19. Of the two hundred and forty holes completed approximately a quarter of them, fifty seven in total, have returned anomalous nickel and copper values. These holes have defined a broad zone of supergene nickel and copper enrichment (>1,000ppm Ni, >100ppm Cu) some 1,600m long and up to 350m wide with peak nickel and copper assays of 5730ppm and 3850ppm respectively (see Figure 2.0).

The main nickel and copper supergene enrichment zone is located near the central axis of Target 19 positioned roughly over two peridotite layers defined by the recent aircore and diamond drilling. The recently announced **bedrock EM conductor** lies near the southern edge of the enrichment zone adjacent to the SE contact of the intrusion. Some of the best copper results returned in this latest round of assays coincide with the up-dip projection of the **EM conductor** including MRAC226 which returned **2m @ 1060ppm copper** at the bottom of hole. The highly elevated values of copper in MRAC226 suggest primary nickel and copper mineralisation is potentially nearby in the fresh rock beneath the hole. (see Figures 2.0 and 3.0).

Aircore drilling at Target 19 has defined at least two distinct peridotite units or layers within the intrusion together with other rock units including, troctolites, olivine norites, and gabbronorites. The intrusion is relatively complex suggesting it may have formed from more than one pulse of magma. Peridotites have far more olivine in them than the other major units within the intrusion and are the better host rock for nickel and copper sulphide mineralisation. It should be noted that no graphitic sediments have been seen in drilling to date.

As was seen from previously reported aircore holes the better nickel and copper results are definitely focused at or near the transition, the boundary between partly oxidised and fresh rock. It is important to note that most results returned to date are **end of hole intersections** with some of the better nickel and copper results coming from the bottom few metres, ie MRAC173 1m @ 0.26% Ni and 560ppm Cu from 44m. A list of the more significant Ni and Cu intersections can be found in Table 1 below.

Prospect	Hole #	Northing	Easting	From (m)	To (m)	Length (m)	Ni (%)	Cu ppm	Hole depth m
Target 19	MRAC126	6323075	430844	34	44	10	0.13%	187	44
Target 19	MRAC155	6322433	430348	41	45	4	0.19%	575	45
Target 19	MRAC156	6322502	430280	33	45	12	0.22%	180	45
Target 19	MRAC172	6322239	429414	42	48	6	0.11%	812	48
Target 19	MRAC173	6322501	430554	21	45	24	0.13%	310	45
Target 19	MRAC178	6322574	430482	40	51	11	0.25%	249	51
Target 19	MRAC181	6322582	431055	39	56	17	0.15%	230	56
Target 19	MRAC202	6322437	429493	28	40	12	0.15%	177	54
Target 19	MRAC203	6322367	429564	35	59	24	0.10%	463	69
Target 19	MRAC224	6322613	431020	21	41	20	0.11%	190	62
Target 19	MRAC226	6322542	430809	45	51	6	0.10%	632	51
Target 19	MRAC233	6322542	430516	25	49	24	0.16%	336	49
Target 19	MRAC258	6322895	431022	26	53	27	0.27%	200	53
Target 19	MRAC261	6322329	429599	33	81	48	0.12%	117	81

TABLE 1: Better nickel and copper intersections at Target 19 from the May-June 2015 reconnaissance aircore program. 4 metre composites and 1 metre re-samples.

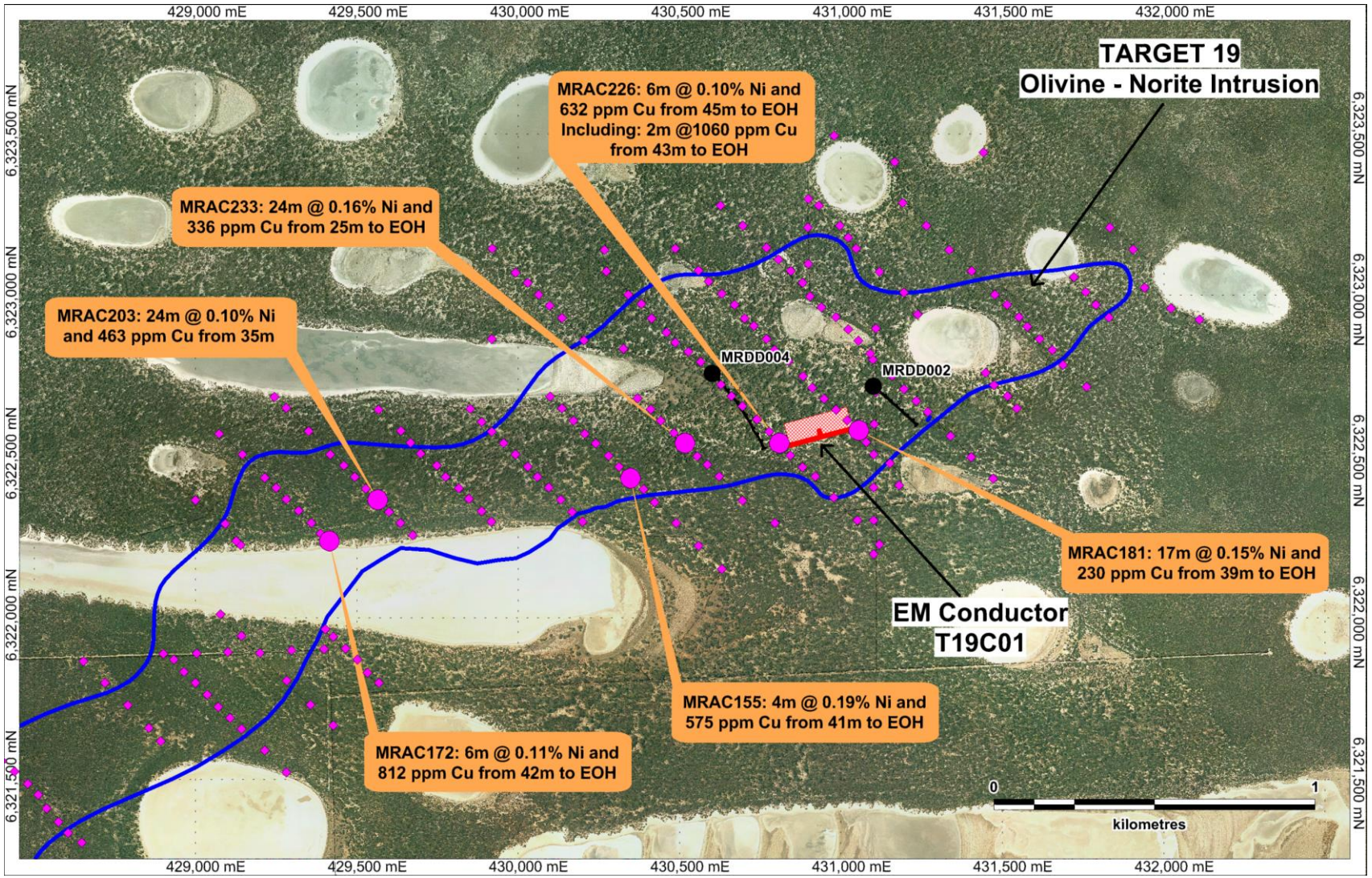

FIGURE 1: Orthophoto Image showing location of Target 19 EM Conductor and significant aircore intersections.
Pink dots represent aircore drillhole locations and black dots represent diamond hole locations.

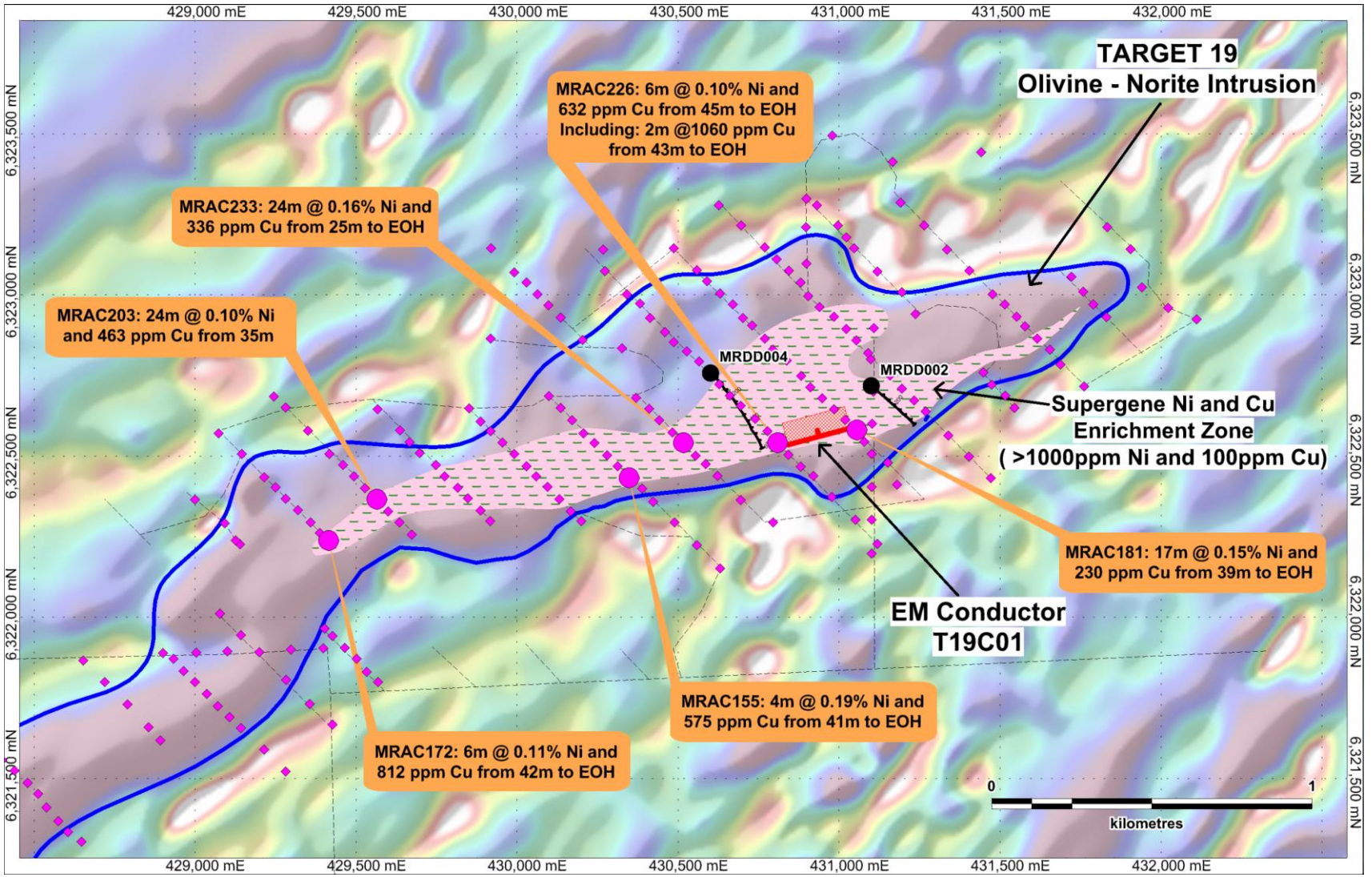

FIGURE 2.0 – Aeromagnetic image showing position of supergene nickel-copper enrichment zone and location of EM Conductor
Pink dots represent aircore drillhole locations and black dots represent diamond hole locations.

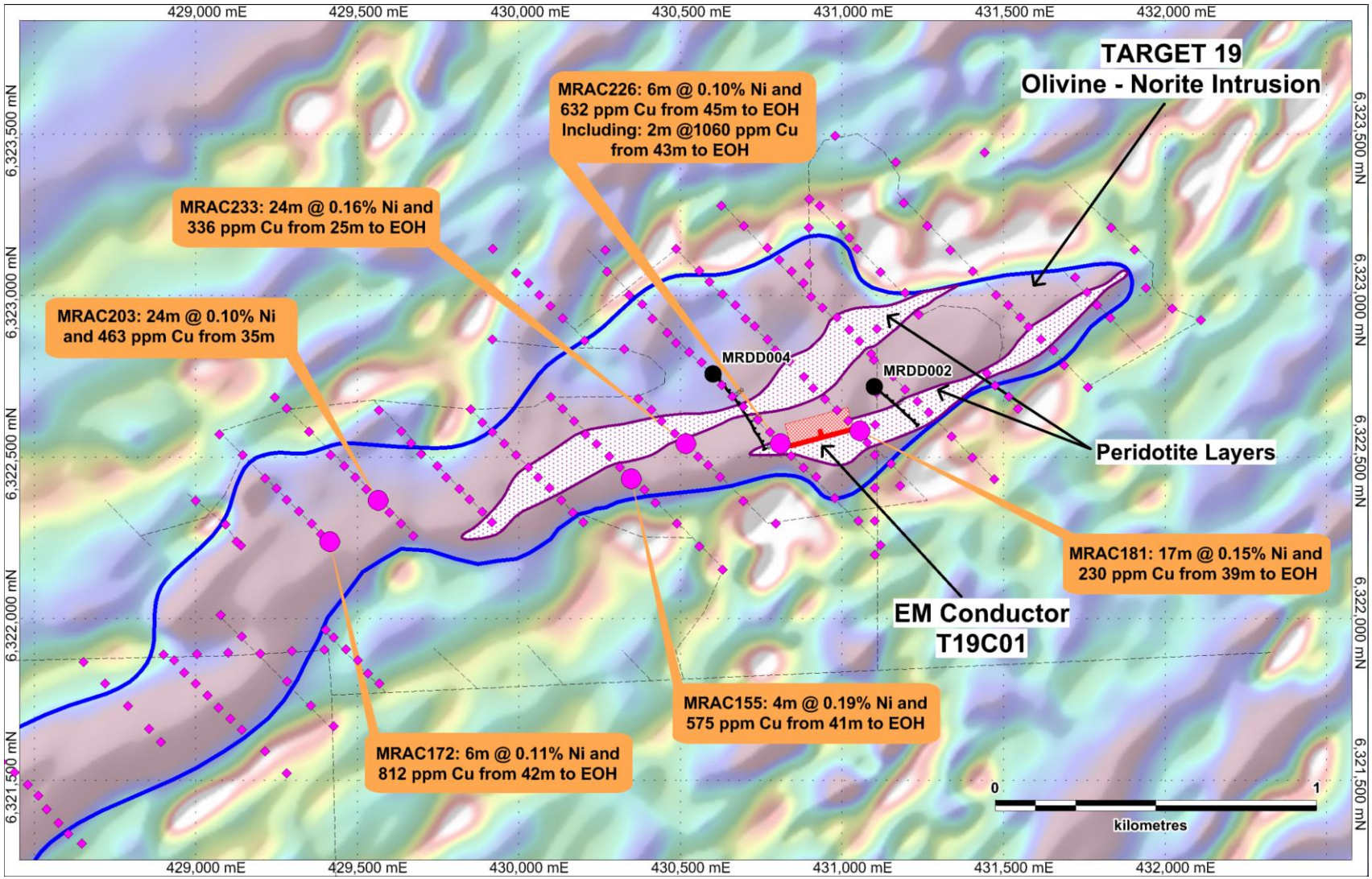

FIGURE 3.0 – Aeromagnetic image showing position of peridotite zone and location of EM Conductor
Pink dots represent aircore drillhole locations and black dots represent diamond hole locations.

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Ongoing Exploration

The Company plans to carry out additional ground based moving loop EM surveys in the immediate vicinity of the bedrock conductor. Once these surveys have been completed several diamond holes will be drilled to test the EM conductor and any other features that may arise from the ground based EM work. These programs are expected to get underway in the coming weeks.

Further aircore drilling is planned for salt lake areas that cover parts of Target 19. This program, totalling some 85 holes, is due to commence in mid August.

For and on behalf of the board

Mr Dean Goodwin. AIG

Managing Director

TEL: +61-8-9358-2877

CELL: +61-(0)-410-482-867

FAX: +61-8-9358-3344

web: www.mtridleymines.com.au

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dean Goodwin who is a Member of the Australian Institute of Geoscientists. Mr Goodwin is the Managing Director of the Company. Mr Goodwin 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 Goodwin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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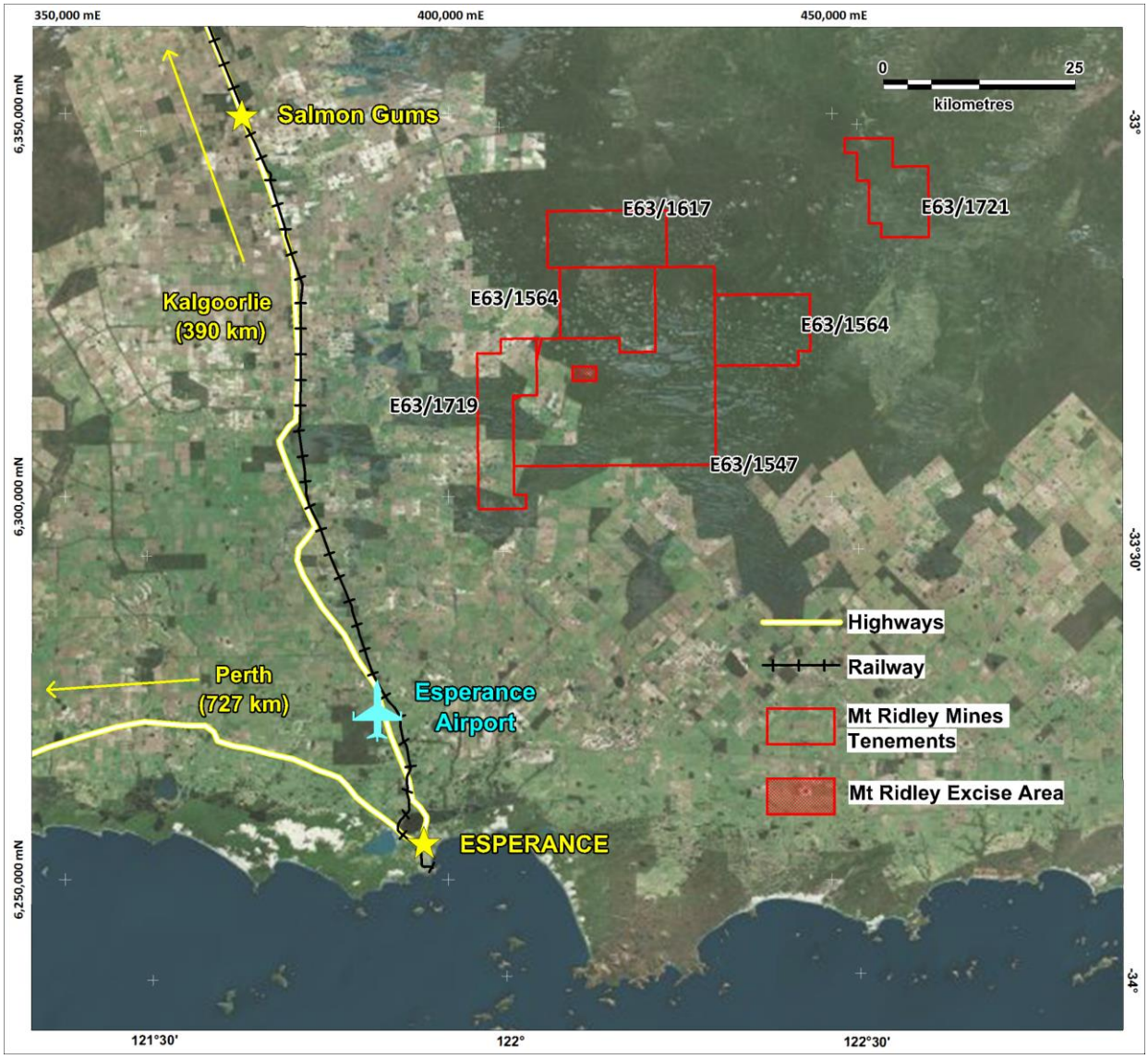
About Mt Ridley Mines Ltd

Mt Ridley Mines Ltd is a Perth based Australian exploration company focusing primarily on projects in the Fraser Range region with the potential to host major mineral deposits in base and precious metals including nickel, copper, cobalt, silver and gold.

The Company is managed by a team of highly motivated professionals with significant expertise in mineral exploration, mining operations, finance and corporate management with a proven track record of successfully delivering value to shareholders.

Mt Ridley Mines Ltd is actively targeting nickel sulphide deposits in the Albany-Fraser Range Province of Western Australia, the site of Sirius Resources Nova Nickel-Copper Deposit. The Company currently has a portfolio of tenements totaling in excess of 1000sq/kms in what is fast becoming the world's most exciting emerging nickel province.



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Appendix 2 Mount Ridley Mines Limited – Mt Ridley Project – Aircore Drilling JORC CODE 2012.

Section1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling technique	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used* • *Aspects of the determination of mineralisation that are material to the Public report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• **All aircore drill samples were collected using a hand held spear.** • **A full and level spear is consistently collected for each sample. Samples were composited by sampling the individual 1 metre sample spoils and combining 4 for each composite sample** • **Aircore drilling was used to obtain 1 metre samples which are used to make 4m composites, these were pulverised and a 40g charge was taken for fire assay.**
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).*	• **The aircore drilling was conducted by ONQ Exploration using a 92mm blade bit to blade refusal**
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed* • *Measurements taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and wether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• **Sample recoveries were not measured.** • **The sampling cyclone and buckets were cleaned regularly.** • **Not applicable.**

	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography.* • *The total length and percentage of the relevant intersections logged*	• **Aircore drill chips were geologically logged.** • **Qualitative descriptions of colour, grain size, texture and lithology are recorded for each sample. Thin sections of significant samples were made for petrological analysis.** • **Drill holes are geologically logged in their entirety.**
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and wether quarter, half or all core taken.* • *If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• **Not applicable** • **Aircore samples are not riffle split.** • **Samples consisted of 4 metre composites. Submitted sample weights vary from 1 to 2 kg. Samples were collected using hand spearing of each of the sample spoils.**
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• **For aircore drilling sample analysis was completed by Bureau Veritas Minerals Pty Ltd of Perth, W.A. using a 4 acid digest, which is regarded as total digest. Elements (As, Co, Cr, Cu, Fe, Mg, Ni and Zn) were measured using inductively coupled plasma (ICP) Optical Emission Spectrometry. Au and AuR were measured by Atomic Absorption Spectrometry. These are considered the most cost effective techniques for the measurement of gold and base metals.** • **For aircore drill samples, QAQC standards were routinely inserted within the sample batches at an approximate rate of 1 standard per 40 samples. In addition reliance is placed on laboratory procedures and laboratory batch standards**

	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes* • *Documentation of primary data, data entry procedures, data verification, data storage (physically and electronic) protocols.* • *Discuss any adjustment to assay data.*	• **Not applicable at this early stage of exploration** • **Not applicable at this early stage of exploration** • **Sampling data is collected in the field and data entry and validation is completed in the office by experienced database personnel assisted by geological staff.** • **No adjustments are made to assay data.**
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resources estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• **Drill collar positions were recorded with handheld GPS system with expected accuracy of +/- 5m horizontal and +/ 10m vertical. This is considered acceptable for broad spaced ground activities.** • **The grid system for the Mt Ridley Project is GDA94, MGA Zone 51** • **Topographic control is based on the GPS heights and radar altimeter data from an airborne magnetic and radiometric survey (100m line spacing).**
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Reserve and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• **Aircore drill spacing was dictated by access; drill traverses were planned on newly cleared lines and along existing cleared tracks over the targets to be tested. Drill traverse spacing was 400m. The drill collar spacing was nominally 100m and 50m along each traverse.** • **Not applicable.** • **Composite sampling has been applied to the aircore drilling. 4 metre composite samples have been used.**
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• **The orientation of the aircore traverses is considered to achieve an unbiased sampling at these broad spacings given it is an early stage of exploration** • **Not applicable**

	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• **Not applicable for first pass shallow aircore drilling. Sample bags are clearly marked and addressed for assay laboratory and are delivered using commercial freight carriers. Assay pulps are retained and stored in a company facility for future reference if required.**
Audits or reviews	• *The results of and audits or reviews of sampling techniques and data.*	• **No audits or reviews of sampling techniques have been completed.**

Section2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenements and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interest, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• **Tenement E 63 /1547. Dundas mineral field. The tenement is 100% held by Mt Ridley Mines Ltd.** • **The tenure is secure and in good standing at the time of writing**
Exploration done by other parties	• *Acknowledgement and appraisal of exploration by other parties.*	• **Previous exploration has primarily targeted lignite**
Geology	• *Deposit type, geological settings and style of mineralisation.*	• **Mt Ridley Mining is exploring primarily for magmatic hosted Ni-Cu sulphide.**
Drill hole information	• *A summary of all information material for the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *Easting and northing of the drill hole collar* ○ *Elevation or RL (Reduced level-elevation above sea level in metres)and the drill hole collar* ○ *Dip and azimuth of the hole* ○ *Down hole length and interception depth* ○ *Hole length*	• **The aircore drill hole coordinates and details are outlined in Table 1 of this ASX Announcement.** • **Due to the nature of this drilling and the early phase of exploration all holes with significant intersections of nickel (>1000 ppm) and/or copper (>100 ppm) have been reported and tabulated. The remaining holes do not have any significant results and are considered barren. Drilling was undertaken testing conceptual targets, although the holes are barren they do provide valuable geological information.**

Criteria	JORC Code explanation	Commentary
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• **Weighted averaging techniques have been applied to the composite samples when calculating grade intervals.** • **The composite intervals have been calculated using a minimum assay of 900 ppm Ni and 30 ppm Cu.** • **No metal equivalent values have been reported.**
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known')*	• **The geometry of anomalous nickel assays is unknown** • **All drill hole intercepts are measured in down hole metres**
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited too plan view of drill hole collar locations and appropriate sectional views.*	• **Appropriate plans have been included in the body of the report**
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• **Not applicable at this early stage of exploration**

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Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations, geophysical survey results, geochemical survey results, bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or containing substances.*	• **A detailed aeromagnetic survey was completed in October 2014; the aircore drill targeting is based on the interpretation of this dataset for intrusive features that could potentially be associated with magmatic hosted nickel sulphides. The data and interpretation have been discussed in previous ASX releases and exploration updates.** **This announcement contains results of ground geophysical surveys as follows:** **Moving Loop TEM (Outer Rim Exploration)** **Configuration: Slingram (-200m offset)** **TX Loop: 100m x 100m** **TX Current: 150 Amp** **Receiver: SMARTem 24** **Sensor: Fluxgate B Field** **Components: Bz, Bx and By** **Fixed Loop TEM (GAP Geophysics)** **Configuration: SAMSON Fixed Loop** **TX Loop: 200m x 200m** **TX Current: 240 Amp** **Receiver: SAMSON** **Sensor: TM-7 Magnetometer** **Components: Total Field**
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, providing this information is not commercially sensitive.*	• **Additional aircore drilling is being planned for targets 2,19 and 20 to delineate high priority areas for follow-up ground electromagnetic (TEM) surveying.** • **Diamond drill holes are being planned for target 19 to test new bedrock conductor and to obtain additional stratigraphic information, samples for assay and analysis and to allow down hole TEM surveying.**