

2 September 2016

Company Announcements Office, ASX Ltd

Exploration Update

Mount Ridley Mines Ltd (ASX: **MRD**) ("the **Company**") advises that the Company has engaged CSA Global, headed by Tony Donaghy, to undertake an independent technical audit of the Company's entire geochemical and geophysical database. The scope will therefore review 389 air core holes, 16 diamond holes and comprehensive databases completed to date.

CSA Global's Nickel Consulting team has long been recognised as leaders in resource management and exploration for nickel laterite and sulphide deposits. With over 50 years of combined experience in the field at senior management level, team members have played an active role in new deposit discovery and resource evaluation in the great majority of the world's key nickel belts.

Tony Donaghy is a recognised global specialist in nickel-platinum strategy, development and exploration. Tony is the most senior nickel geologist in a top 5 global mining company.

The Company also advises that diamond hole MRDD016 and the relevant down-hole Electro Magnetic geophysics has been completed. The results from this exploration work was delayed and is relatively incomplete. As such these results will also be included in the scope of the independent review conducted by CSA Global and released to the market as soon as the information is available and accurate.

Further exploration activities will continue following recommendations from the independent review and will be released to the market in due course.

The Company will remain in a trading halt until the Company responds to an ASX Price Query.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read "Ashley Hood".

Mr Ashley Hood
Managing Director