

10 October 2016

## CAPITAL RAISING

Mount Ridley Mines Limited (ASX: **MRD**) (or “the **Company**”) is pleased to announce a capital raising via a placement of 158,763,031 fully paid ordinary shares (“Shares”) at \$0.005 each for a total amount raised of \$793,815 (before costs) to sophisticated investors of the Company (“Placement”). The Company will also be issuing free attaching unlisted options on a 1 for 2 basis, exercisable at \$0.0125 on or before 31 August 2019 (“Options”).

Settlement of the capital raising is expected within a few business days. A fee of 6% of the total amount raised will be paid to Barclay Wells Limited, who has been appointed as Lead Broker in relation to the Placement.

The Shares will be issued under the Company’s placement capacity under ASX Listing Rule 7.1 and the Options will be issued at a later date following shareholder approval at the Company’s 2016 Annual General Meeting. An Appendix 3B and a cleansing notice will be released to the market following the issue of the Shares.

For and on behalf of the Board

A handwritten signature in black ink, appearing to be "Michael Pedley", followed by a horizontal line and a small square mark.

Mr Michael Pedley  
**Chairman**