

21 September 2016

Company Announcements Office, ASX Ltd

Exploration Update

Mount Ridley Mines Ltd (ASX: MRD) (or “the **Company**”) is pleased to announce an update on the Company’s flagship project Mt Ridley.

Diamond drill hole MRDD016 is scheduled to recommence this Friday 23 September 2016.

As mentioned in ASX announcement dated 13 September 2016, MRDD016 was originally planned for a target depth of 750 - 800m (see ASX announcement 25 July 2016) to test a priority Audio Magnetotelluric (AMT) phase anomaly modelled at this depth.

The hole was terminated at 620m in disseminated sulphide-bearing gabbro-norite to peridotite intrusive, and has not yet encountered the lower most contact of the intrusive with the surrounding footwall rocks. The geology and sulphides encountered in the end of the hole (620m) suggest that the hole should be re-entered and continued to its original planned depth of 750 - 800m. The lowermost 30m of the hole has not yet been sampled or assayed (ASX announcement 13 September 2016).

On the basis of this information, diamond drill hole MRDD016 will be completed to the original planned depth of 750 - 800m. Once the target zone / geological contact zone has been intersected then down hole electromagnetic surveying will again be used to detect any off hole conductors.

As part of the ongoing relationship with CSA Global, geologist Simon Pigatto will be managing the completion of MRDD016 under the supervision of CSA Global Nickel expert Tony Donaghy (see ASX announcement 2 September 2016). Tony Donaghy will be acting as the Company’s key geological representative and is currently completing a review of the Company’s Mt Ridley project.



Photo: CSA Global nickel sulphide expert Tony Donaghy relogging MRDD016 core.

For and on behalf of the board



Mr Ashley Hood
Managing Director