

29 July 2024

ASX Announcement

Activities Report for the Quarter Ended 30 June 2024

Mount Ridley Mines Limited (ASX: MRD, “Mt Ridley” or “the Company”) is pleased to provide an Activities Report for work undertaken during the June 2024 quarter.

HIGHLIGHTS

- *The Company reported its maiden Mineral Resource Estimate for the central zone of the Mia REEⁱ Prospect of 168 million tonne at 1,201ppm TREOⁱⁱ, which includes higher grade zones amounting to 83Mt at 1,558ppm TREO.*
- *The central zone of the Mia prospect is an open-ended, 8.5km long corridor of clay-hosted rare earth mineralisation with drilling completed on 400m spaced cross lines and holes spaced between 100m and 400m along each line.*
- *Sighter metallurgical tests have previously indicated that simple screening could significantly increase the in-situ grade of mineralisation by as much as 160%ⁱⁱⁱ, and indicated the efficacy of HCl to leach REE's into solution^{iv}.*
- *Better reflecting the Company's knowledge of the distribution of rare earth elements in the regolith, 350km² of least prospective areas have been voluntarily surrendered.*

The Esperance District hosts wide-spread clay-hosted REE mineralisation and the Mia Prospect is one of the 7 priority zones of strongly anomalous REE accumulations within the Company's greater Project Area.

- *Tenement E20/986, located adjacent to the Company's Weld Range West Project, was acquired. The tenement is considered prospective primarily for iron, but also for other commodities including gold, lithium and base metals.*

CORPORATE

As at 30 June 2024, the Company held cash reserves of \$1.411 million and no debt. In addition, the Company holds shares in a listed public company with a current market value of \$397k.

EXPLORATION UPDATE

Mount Ridley REE Project

The Mt Ridley Rare Earth Project is located approximately 55 km northeast of Esperance, Western Australia. Following recent tenement rationalisations, the Project now comprises seven granted exploration licenses, with an area of approximately 3,175km² (Figure 1).

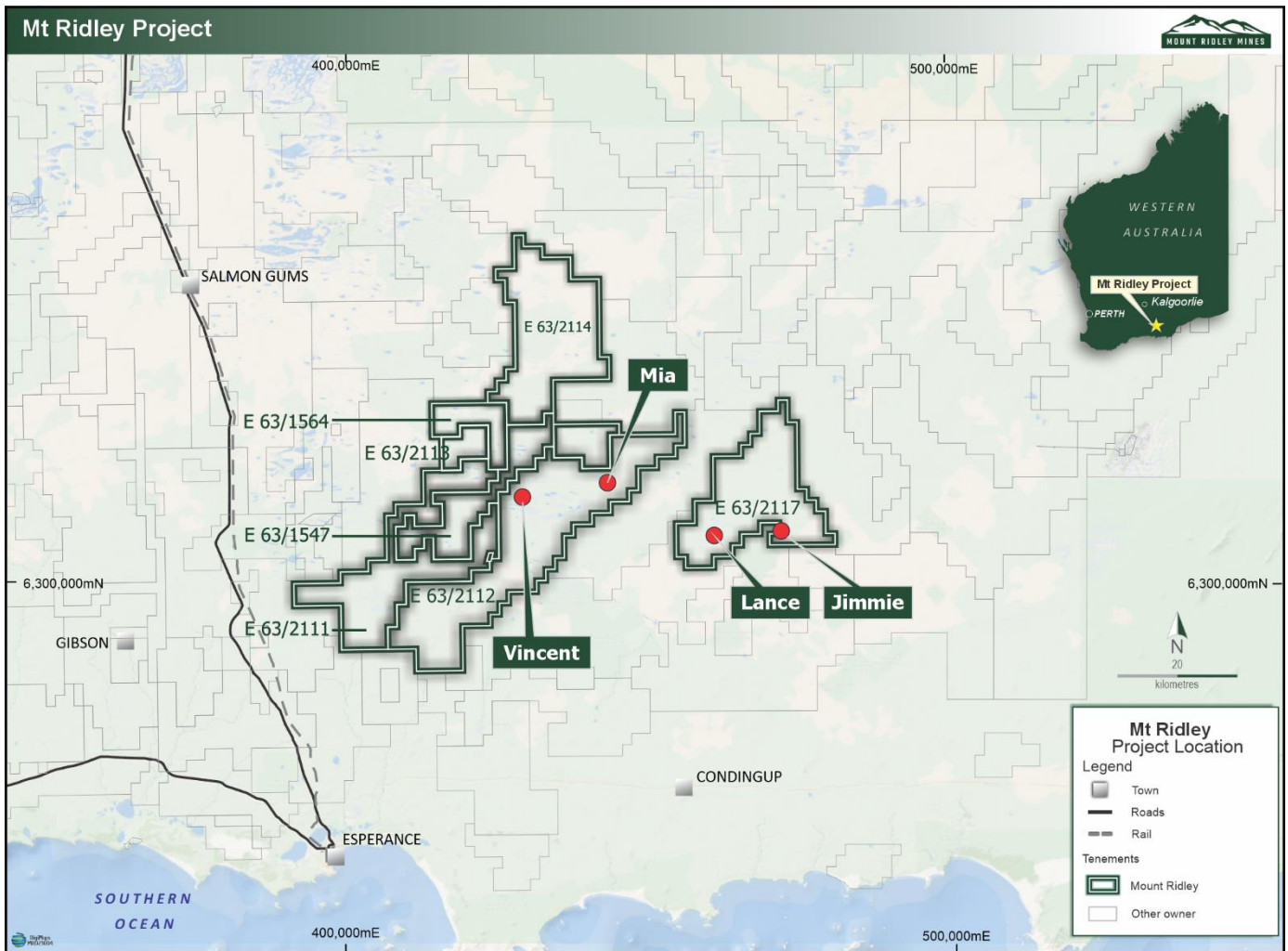


Figure 1: Mount Ridley Project showing Prospect Locations.

Mineral Resource Estimate for the Mia Prospect

The Mia Prospect was discovered by drilling 400m-spaced holes along existing tracks. Intersections returned were amongst the thickest and highest grades among an initial 11 prospects identified within the Project. Further work has reduced this number to 7 priority targets (Figure 2). Three iterations of drilling have been completed at the Mia Prospect.

The Company reported the outcome of its maiden mineral resource estimate (MRE) to the ASX on 22 May 2024^v. This was managed by Mr David Crook, a consultant to Mount Ridley Mines Limited through OreSource Pty Ltd, with geologists contracted from OMNI GeoX Pty Ltd; and Mr Lauritz Barnes of Trepanier, a geological consultancy with proficiency in resource block modelling.

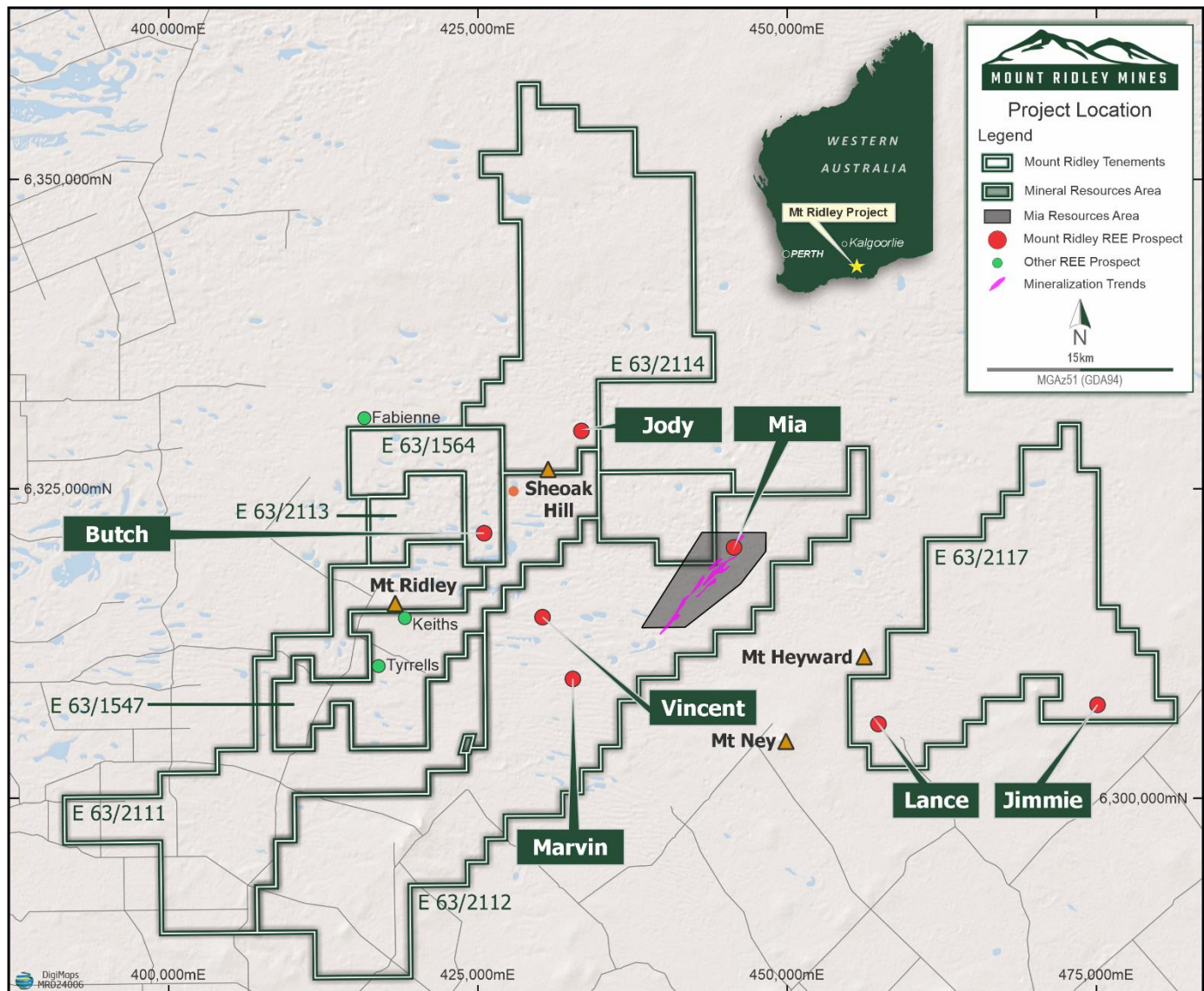


Figure 2: Mount Ridley Project tenements showing the Mia Prospect Mineral Resource area.

Overall, the resource model for the central Mia Prospect took into account 382 air core holes which covered an area of 40km² (Figure 2) where drill holes intersected rare earth mineralisation generally exceeding 700ppm TREO.

The MRE was expressed in tonnes and as units of Total Rare Earth Oxide (TREO^{vi}), represented by:

Table 1: Central Mia Prospect Mineral Resource Estimate using a lower cut-off grade of 750ppm TREO

Prospect	JORC Category	Tonnes (Mt)	Pr ₆ O ₁₁ (ppm)	Nd ₂ O ₃ (ppm)	Tb ₄ O ₇ (ppm)	Dy ₂ O ₃ (ppm)	TREO (ppm)	MagREO (ppm)	MagREO /TREO (%)
Mia	Inferred	168	57	215	4	25	1,201	301	25%

The MRE for the central Mia Prospect was reported tabulating mineralisation above a 750ppm TREO cut-off grade. Of these, 'magnet rare earths' (MagREO), Neodymium (Nd), Praseodymium (Pr), Terbium (Tb) and Dysprosium (Dy) were listed individually as these are the highest in price and demand.

Grade-Tonnage Curve

The MRE was estimated and reported for consecutive grade groups which allowed results for different cut-off grades to be presented for comparison purposes in a grade-tonnage curve.

Table 2: Central Mia Prospect Rare Earth Mineral Resource Estimate – by global cut-off grade

JORC Category	Lower Cut-off Grade (ppm TREO)	Tonnes (Mt)	Pr ₆ O ₁₁ (ppm)	Nd ₂ O ₃ (ppm)	Tb ₄ O ₇ (ppm)	Dy ₂ O ₃ (ppm)	TREO (ppm)	MagREO (ppm)	MagREO /TREO (%)
Inferred	400	622	33	122	3	14	714	171	24%
Inferred	500	424	39	146	3	17	839	205	24%
Inferred	750	168	57	215	4	25	1,201	301	25%
Inferred	1,000	83	74	284	6	34	1,558	398	26%
Inferred	1,200	51	89	342	7	40	1,840	478	26%

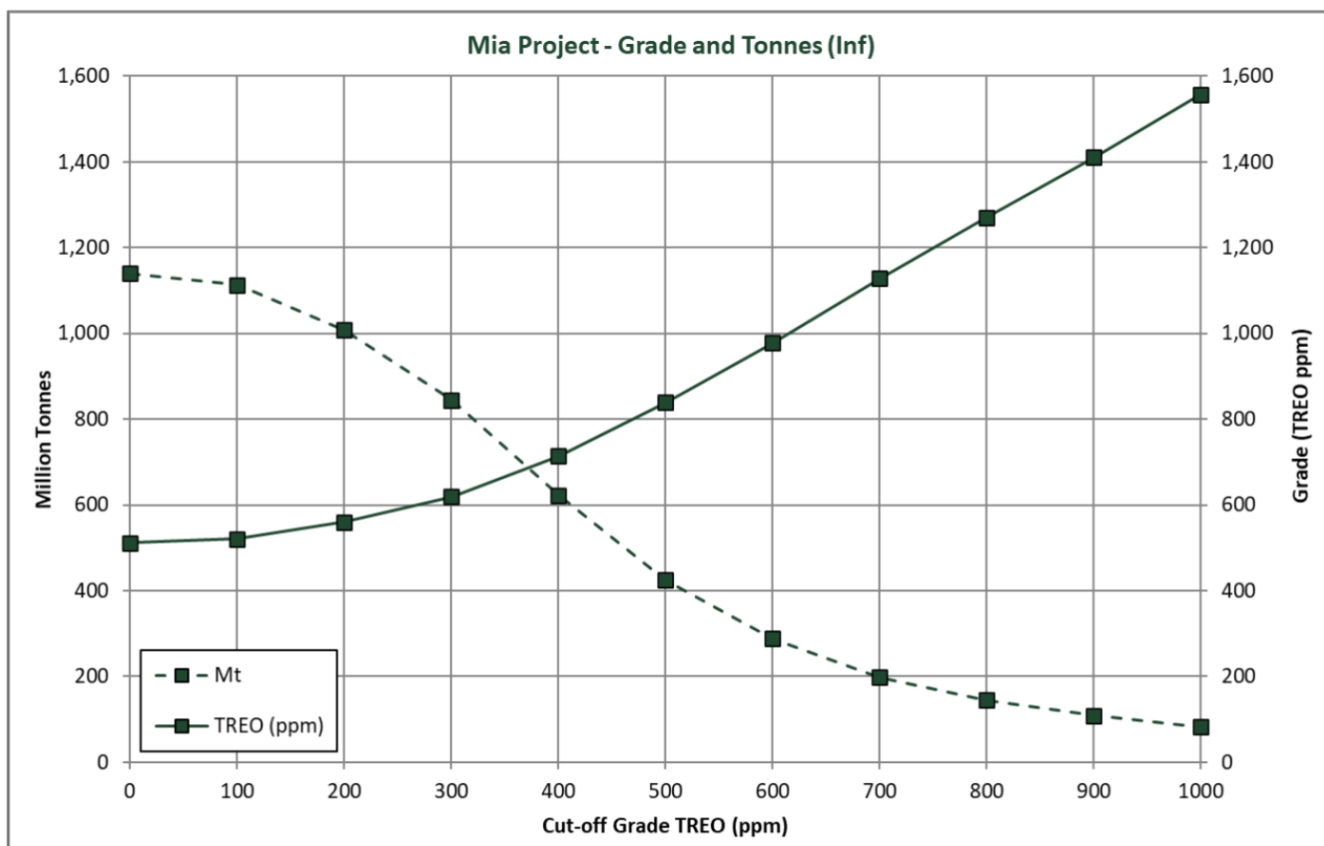


Figure 3: Mount Ridley Project, Mia Prospect Grade-Tonnage Curve

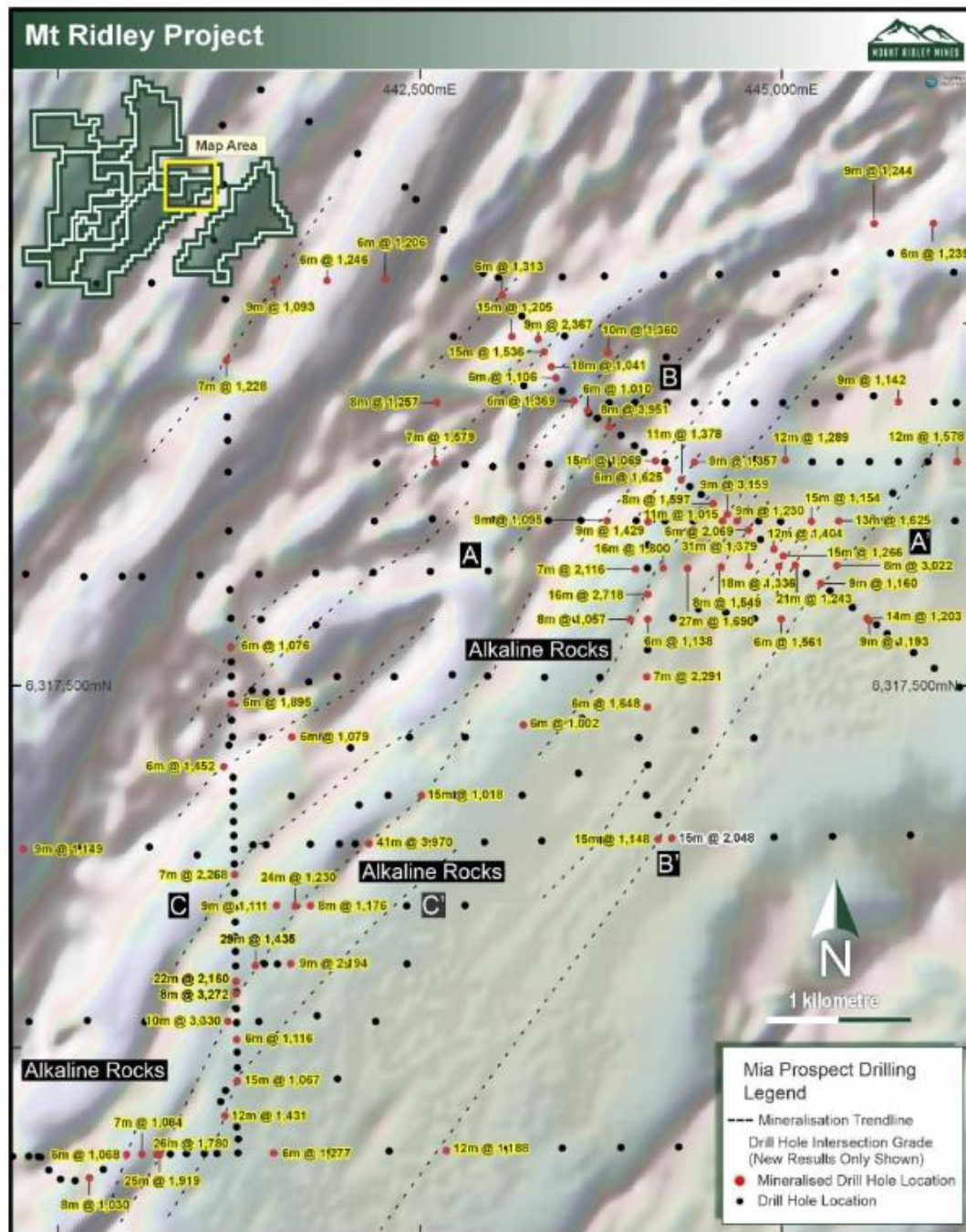


Figure 4: Drill Hole Location Plan for reported drill holes. A-A' and C-C' mark the endpoints of cross sections in Figures 5 and 6.

Mining and Metallurgical Methods / Material Modifying Factors

To date, 23 samples project-wide, including 5 samples from the central Mia Prospect, have been the subject of a range of metallurgical sighter tests including screen beneficiation and alternative acid leach options. While more investigation is required; a flowsheet that uses a particle size beneficiation process, followed by HCl leaching, shows greatest efficacy.

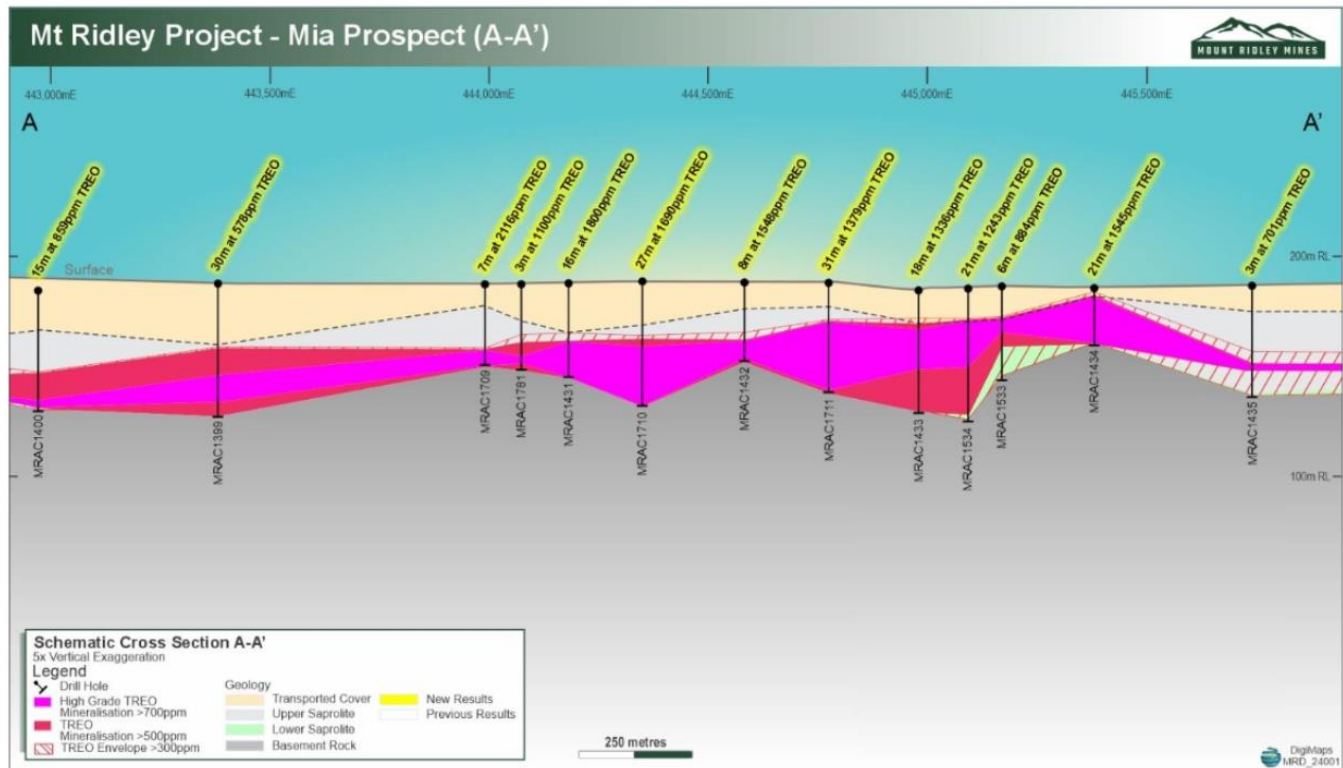


Figure 5: East-west cross section across the Mia Prospect at approximately 6,318,300mN, (see Figure 4 for location). High-grade mineralisation is approximately 1.4km wide. October 2023 holes are shown with yellow highlight. The vertical scale is 5x the horizontal scale.

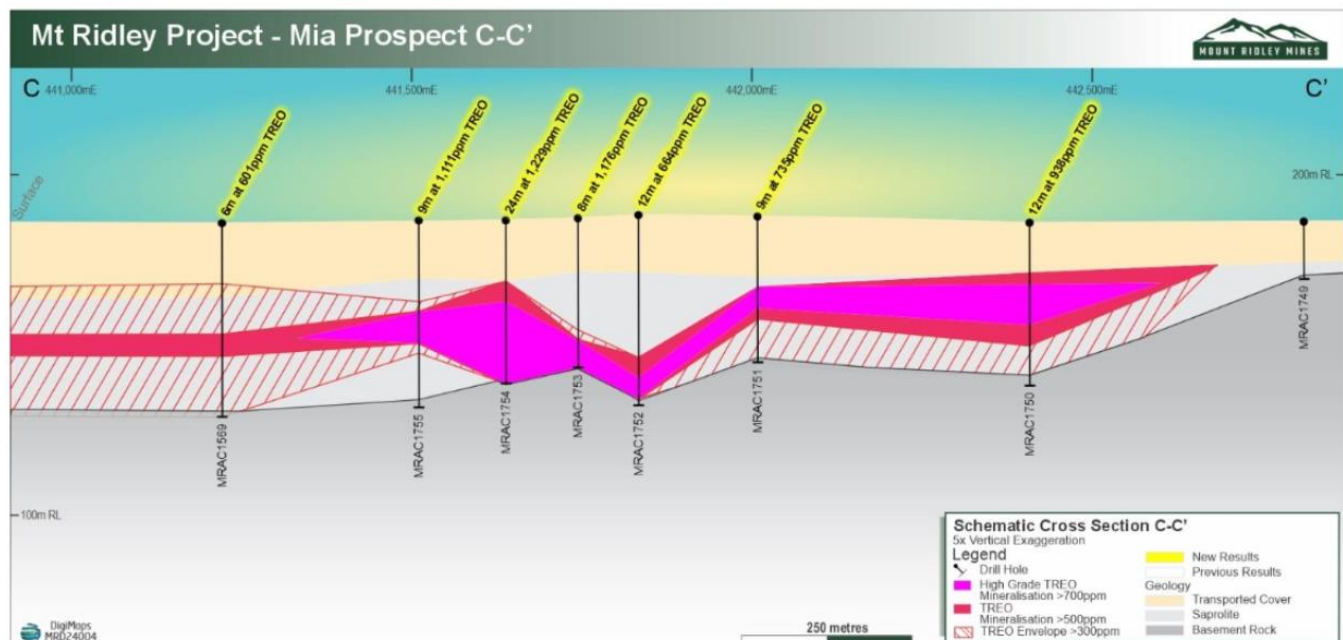


Figure 6: Cross section across the Mia Prospect at approximately 6,315,980mN, (see Figure 4 for location). The thick zone of high grade clay-hosted REE mineralisation is approximately 300m wide. Key drill holes are 100m apart. New holes are shown with yellow highlight. The vertical scale is 5x the horizontal scale.

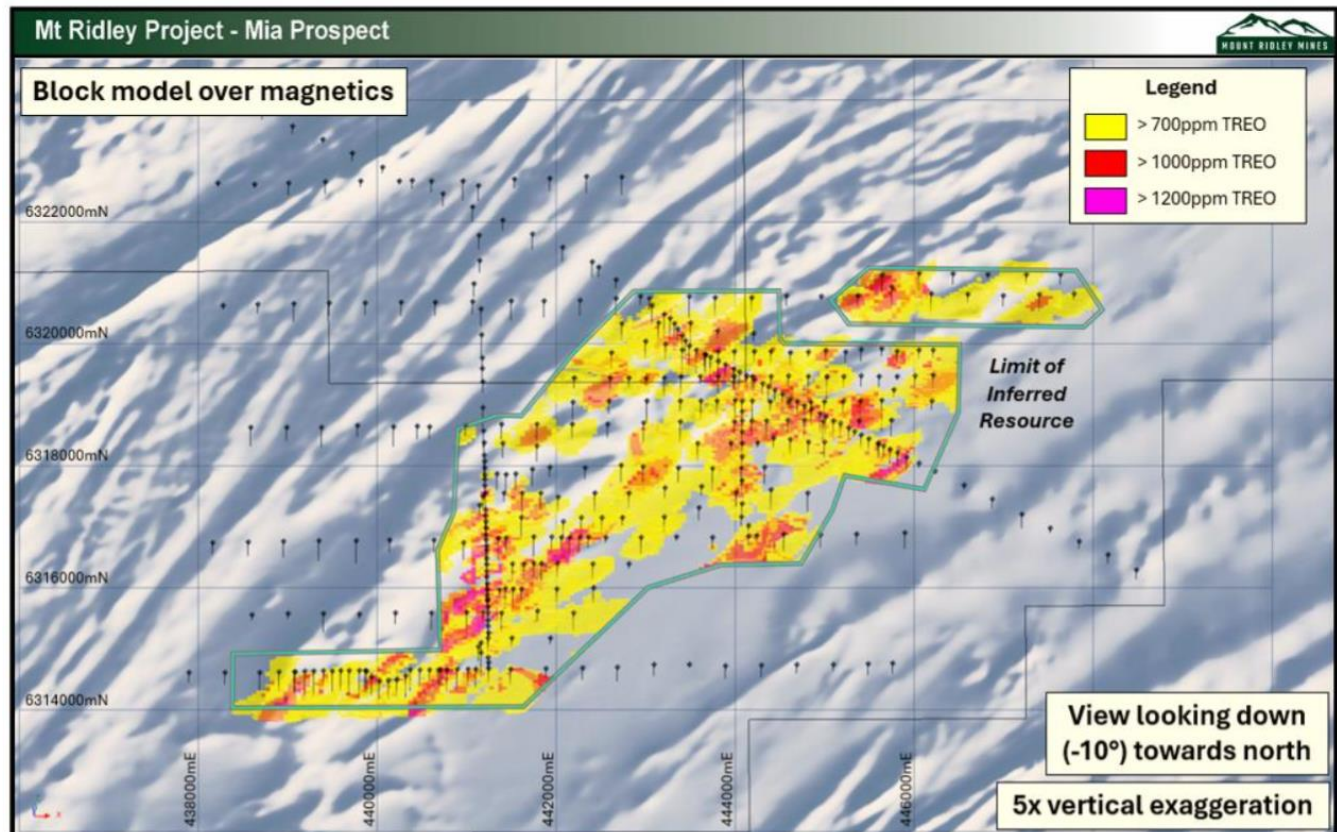


Figure 7: Oblique 3-D diagram illustrating the block model TREO grades (700ppm TREO lower cut-off) overlying magnetics. Breaks in mineralisation and extensions to the NE will be the subject of future drilling programs.

Future Works and Resource Growth Potential

- Undertake infill drilling to upgrade the maiden MRE to Indicated classification;
- Drill strike extensions to the corridor enclosing the more alkali rocks which are associated with better clay-hosted REE intersections; and
- Continue metallurgical studies to confirm optimal areas for acid leach processing and design an appropriate flow sheet.

About the Mount Ridley REE Project

The Company announced on 1 July 2021 that laterally extensive REE mineralisation had been identified at its namesake Mount Ridley Project.

The Mount Ridley Project is located from approximately 50 kilometres northeast of the deep-water port of Esperance, with a town of approximately 12,000 people which is a hub for tourism, agriculture, and fishing (Figure 1). The Port exports minerals including nickel sulphide, iron ore and spodumene.

The Project is approximately 20 kilometres east of the sealed Goldfields Esperance Highway and infrastructure corridor which includes the Kalgoorlie–Esperance railway line and gas pipeline. The Esperance airport is located at Gibson Soak, approximately 20 kilometres from the Project.

The Company acknowledges the Esperance Nyungar People, custodians of the Project area and thanks the Esperance Tjaltjraak Native Aboriginal Corporation for facilitating the Company's exploration programmes.

This announcement has been authorised for release by the Company's board of directors.

For further information, please contact:

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No New Information

Except where explicitly stated, this report contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcements.

The information in this report relating to the Mineral Resource Estimate for the Mia Prospect is extracted from the Company's ASX announcement dated 22 May 2024 entitled "Maiden Inferred Mineral Resources Estimate for the Mia Prospect of 168Mt at 1,201ppm TREO." Mt Ridley confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply.

JORC Table 1 included in Previous Mt Ridley announcements to ASX

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

- 2 August 2021. “REE Potential Unveiled at Mount Ridley.”
- 13 September 2021. “REE Targets Extended.”
- 21 October 2021. “Encouraging Rare Earth Extraction Results.”
- 3 August 2022. “Excellent Drilling Results Expand Rare Earth Mineralisation Footprint at the Mt Ridley Project.”
- 6 October 2022. “Highest grades to date returned from Mt Ridley Rare Earth Project, Mineralised footprint extended to more than 1,200km².”
- 14th February 2023. “Thick, shallow and high grade REE mineralisation discovered at the new Jody and Marvin Prospects.”
- 30 March 2023. “Resource drilling commences on 30km long Mia – Marvin Zone at the Mount Ridley REE Project.”
- 10 May 2023. “Coincident High-Grade Rare Earth Elements and Geophysical Anomalies at Mia Prospect.”
- 25 May 2023. “Drilling update for the Mia REE Prospect.”
- 06 July 2023. “Excellent Beneficiation Test Results Lift REE Grades.”
- 21 September 2023. “Leach tests achieve up to 85% recovery of Magnet REE.”
- 11 October 2023. “Drilling confirms continuity at Mount Ridley REE Project.”
- 5 December 2023. “Drilling returns wide, high-grade REE intersections at two new prospects at the Mount Ridley Project.”
- 21 February 2024. “Results flow from Mia resource-focused drilling at the Mount Ridley Rare Earth Element Project.”
- 22 May 2024. “Maiden Inferred Mineral Resource Estimate for the Mia Prospect of 168Mt at 1,201ppm TREO.”

Caution Regarding Forward Looking Information

This announcement may contain forward-looking statements that may 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 development.

Additional ASX Information

Summary of Exploration Expenditure (ASX Listing Rule 5.3.1)

In accordance with Listing Rule 5.3.1, the Company advises the cash outflows on its mining exploration activities reported in 1.2(1) of its Appendix 5B for the June 2024 quarter and detailed above were \$182,538, split \$161,936 on the Mount Ridley Project and \$20,602 on the Weld Range Project.

Mining Production and Development (ASX Listing Rule 5.3.2)

There were no substantive mining production and development activities during the quarter.

Payment to Related Parties (ASX Listing Rule 5.3.5)

The Company advises the payments in section 6.1 of Appendix 5B for the quarter related to Director fees.

The mining tenement interests acquired or relinquished during the quarter and their location

Mining Tenements E63/1617 and E63/2125 were surrendered during the period.

Mining Tenement E20/986 was acquired.

About Mount Ridley Mines Limited

Mount Ridley is a company targeting demand driven metals in Western Australia.

Its namesake Mount Ridley Project, located within a Fraser Range sub-basin, was initially acquired for its nickel and copper sulphides potential, and is now recognised as being prospective for clay hosted REE deposits.

The Company also holds approximately 18% of the Weld Ranges in the mid-west of Western Australia. Areas of the tenements are prospective iron and gold.

Board

Peter Christie	Non-Executive Chairman
Simon Mitchell	Non-Executive Director
Guy Le Page	Non-Executive Director
Johnathon Busing	Company Secretary

Registered Office

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168 Stirling Highway
Nedlands WA 6009
Telephone: +61 8 6165 8858

Principal Place of Business

Lvl 1, 1297 Hay Street
West Perth, WA 6005

Forward Shareholder Enquiries to Automic Registry Services

Level 5, 126 Phillip Street
Sydney, NSW 2000
Telephone: +61 2 9698 5414

Issued Share Capital

As at the of this report, the total fully paid ordinary shares on issue were 7,784,882,867.

TENEMENT INFORMATION (ASX Listing Rule 5.3.3)

The table below shows the interests in tenements held by Mount Ridley Mines and is provided in accordance with ASX Listing Rule 5.3.3.

Location	Project Name	Tenement	Ownership	Titleholder	Note
Western Australia	Mt Ridley	E 63/1547	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/1564	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/1617	0%	Mount Ridley Mines Limited	3
Western Australia	Mt Ridley	E 63/1719	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/2111	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/2112	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/2113	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/2114	100%	Mount Ridley Mines Limited	
Western Australia	Mt Ridley	E 63/2117	85%	Mount Ridley Mines Limited	1
Western Australia	Mt Ridley	E 63/2125	0%	Mount Ridley Mines Limited	3
Western Australia	Weld Range West	E 20/842	100%	Mount Ridley Mines Limited	2
Western Australia	Weld Range West	E 20/873	100%	Mount Ridley Mines Limited	2
Western Australia	Weld Range West	E 20/946	100%	Mount Ridley Mines Limited	2
Western Australia	Weld Range West	E 20/986	100%	Redcode Pty Ltd	4

1. Odette Geoscience Pty Ltd has a 15% free-carried interest in E63/2117.
2. Subject to the Zeedam Enterprises Pty Ltd Royalty Agreement.
3. Surrendered during the Quarter.
4. Mount Ridley Mines Limited is the beneficial holder.

ⁱ **REE (Rare Earth Element)** means the 14 common rare earth elements; cerium (Ce), dysprosium (Dy), erbium (Er), europium (Eu), gadolinium (Gd), holmium (Ho), lanthanum (La), lutetium (Lu), neodymium (Nd), praseodymium (Pr), samarium (Sm), terbium (Tb), thulium (Tm), ytterbium (Yb). Yttrium (Y) is usually included with REE.

ⁱⁱ **TREO (Total Rare Earth Oxide)** means the sum of the 14 REE+Y, each converted to its respective stoichiometric element oxide.

ⁱⁱⁱ ASX: MRD: 6 July 2023 “Excellent screen beneficiation test results lift REE grades by up to 202% at the Mount Ridley REE1 Project”.

^{iv} ASX: MRD 21 August 2023, “Leach tests achieve up to 85% recovery of Magnet REE”.

^v ASX:MRD 22 May 2024. “Maiden Inferred Mineral Resource Estimate for the Mia Prospect of 168Mt at 1,201ppm TREO.”

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MOUNT RIDLEY MINES LIMITED

ABN

93 092 304 964

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	15	15
1.2	Payments for		
	(a) exploration & evaluation	(183)	(2,550)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(42)	(168)
	(e) administration and corporate costs	(96)	(751)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	15	62
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	999
1.8	Other (GST & Other Refunds)	41	309
1.9	Net cash from / (used in) operating activities	(250)	(2,084)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	24
2.5	Other (loan facility)	-	(19)
2.6	Net cash from / (used in) investing activities	-	5

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,661	3,490
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(250)	(2,084)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	5
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,411	1,411

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,411	1,661
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,411	1,661

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	42
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(250)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(250)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,411
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,411
8.7(Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.64
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2024

Authorised by: Johnathon Busing

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.