



ASX: MRD

10 April 2015

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**Company Announcements Office
ASX Limited**

Diamond and Aircore Drilling Programs Commence at Mt Ridley

Mount Ridley Mines Ltd (ASX: MRD) (or “the **Company**”) is pleased to announce that it has commenced diamond drilling at its 100% owned Mt Ridley Project in the highly sought after Albany-Fraser Range Province. The diamond drilling program is the first for the Company and represents an exciting period of exploration activity at the Mt Ridley Nickel-Copper Project. Aircore drilling will commence in the coming week.

The diamond drilling program will focus on Target 2, Target 19 and Target 20 (Figure 1). The program will consist initially of two holes into each target. The holes have been designed to investigate the geology and stratigraphy of all three targets which at this stage have only been tested by wide spaced shallow aircore holes.

The drilling of these much deeper diamond holes, to around 300-400m, will allow the Company to appraise the stratigraphy for nickel and copper mineralisation within the olivine bearing intrusions. It will also allow the Company to conduct important downhole EM surveys which will hopefully detect any significant conductors at depth within the vicinity of the holes.

Diamond drilling has commenced at Target 2 where previous fixed loop ground EM surveying by the Company had detected a sub-surface conductor at a depth of between 50-150m associated with an olivine bearing intrusion (See ASX announcement dated 18th March).

Two diamond holes will be drilled to intersect the conductor and the main contact zone of the olivine bearing intrusion. Previous aircore drilling at Target 2 had detected minor primary disseminated nickel and copper sulphides at shallow depths with associated anomalous nickel and copper assays. These observed primary nickel and copper sulphides along with the anomalous nickel and copper intersections are all well above the much deeper EM conductor.

Diamond drilling at Targets 19 and 20 will be positioned to maximise the collection of important geological, geophysical (Downhole EM) and stratigraphic data along with any potential nickel and copper mineralisation. These holes will be designed around existing aircore assay data along with any new assay results from infill aircore drilling which has yet to get underway. These new high priority diamond holes will also target any significant EM conductors detected during downhole, ground and airborne surveying over Targets 19 and 20.

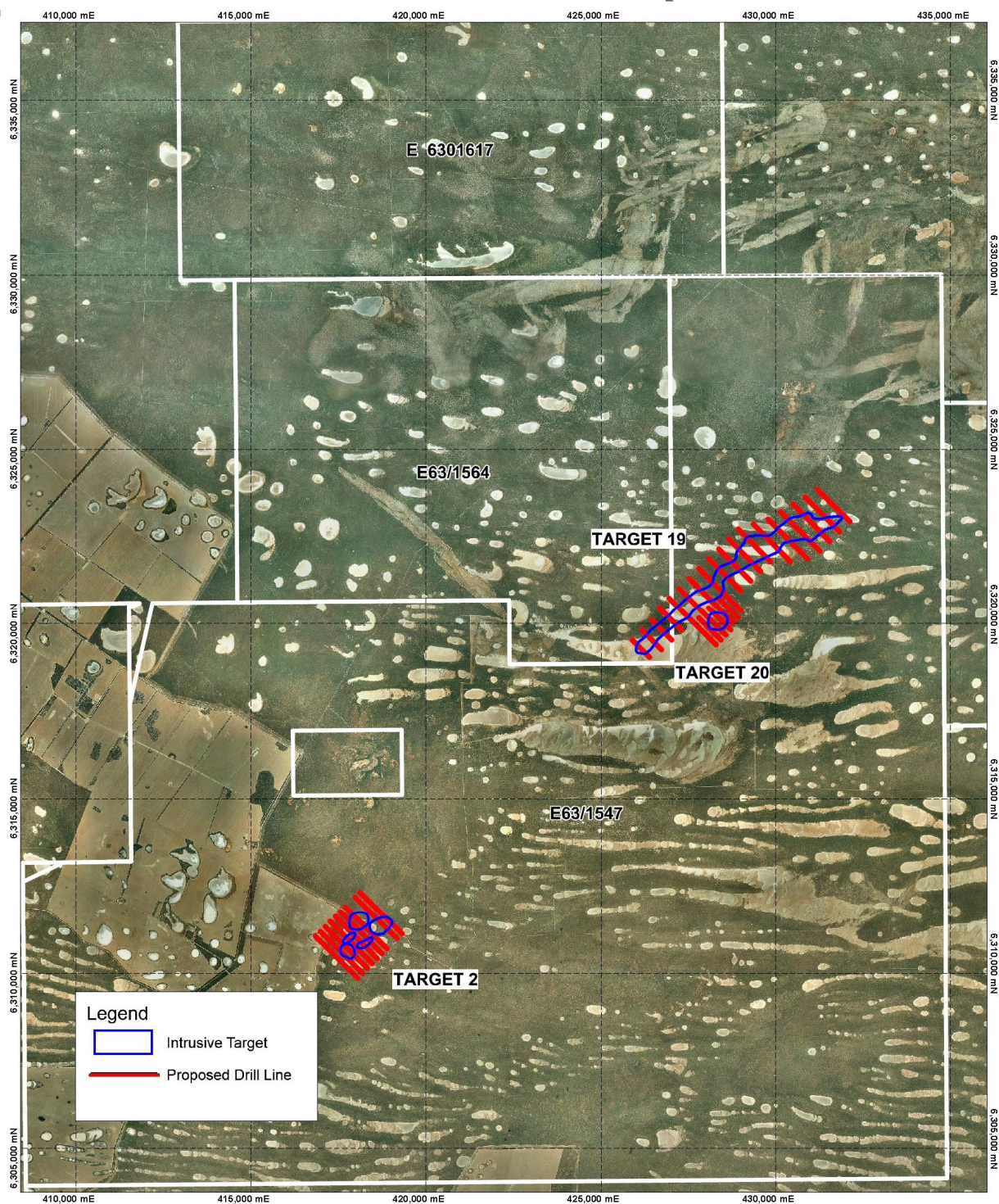


Figure 1: Orthophoto image showing planned aircore drill traverses, marked in red, over Targets 2, 19 and 20 marked in blue.

The Company plans to drill approximately 250 aircore holes for approximately 12,000m over Targets 2, 19 and 20 as part of a large infill drilling program to be carried out over the coming 3-5 months. Initial spacing for the lines will be at 400m with 100m spacing between holes (Figure 1).

The aim of this infill program is to look for geochemical hotspots within all three main target areas. These hotspots will then be the focus of further follow-up ground EM and diamond drilling programs.

An Aboriginal heritage survey was conducted over the areas to be drilled at Mt Ridley in preparation for the drilling program. No significant habitation sites were detected.

For and on behalf of the board

A handwritten signature in black ink, appearing to read 'D Goodwin'.

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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.