

ASX: MRD

12 March 2015

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**Company Announcements Office
ASX Limited**

Exploration Update

Mount Ridley Mines Ltd (ASX: MRD) (or “the **Company**”) is pleased to advise that further assay results have been received from aircore drilling at its 100% owned Mt Ridley Project in the Albany-Fraser Range Province.

The results are from the resampling of initial 4 metre composite samples down to 1 metre sample intervals.

Better intersections from the resampling include 23m @ 0.24% Ni and 92ppm Cu from 40m including 1m @ 0.53% Ni from 62m in MRAC021 and 8m @ 0.23% Ni and 63ppm Cu from 52m in MRAC022. Both these holes are located 100m and 200m respectively west of hole MRAC020 which returned 19m @ 0.31% Ni and 178ppm Cu from 42m including 1m @ 0.91% Ni from 56m. Both holes are located at Target 20.

In total five holes were resampled including two holes from Target 20, MRAC021 and MRAC022, and three holes from Target 19, MRAC028, MRAC030 and MRAC031 (See figure 1). As was seen in the initial 4 metre composite sampling the highest nickel results are again focused at or near the transition, the boundary between partly oxidised and fresh rock. It's important to note that all results returned to date are end of hole intersections with some of the better nickel results coming from the very last metre, ie MRAC021 1m @ 0.53% Ni from 62m. A full list of results can be found in Table 1.

Prospect	Hole #	Northing	Easting	From (m)	To (m)	Length (m)	Ni (%)	Cu ppm	Hole depth m
Target 20	MRAC021	6320071	428298	40	63	23	0.24%	92	63
				62	63	1	0.53%	60	
Target 20	MRAC022	6320065	428191	52	60	8	0.23%	72	60
				55	56	1	0.49%	50	
Target 19	MRAC028	6322600	431103	53	57	4	0.17%	110	57
				54	55	1	0.24%	130	
Target 19	MRAC030	6322800	431099	37	51	14	0.14%	35	51
Target 19	MRAC031	6322897	431108	19	50	31	0.12%	68	50

TABLE 1: Anomalous nickel and copper values from Targets 19 and 20 from the January-February 2015 reconnaissance aircore program. 1 metre resampling.

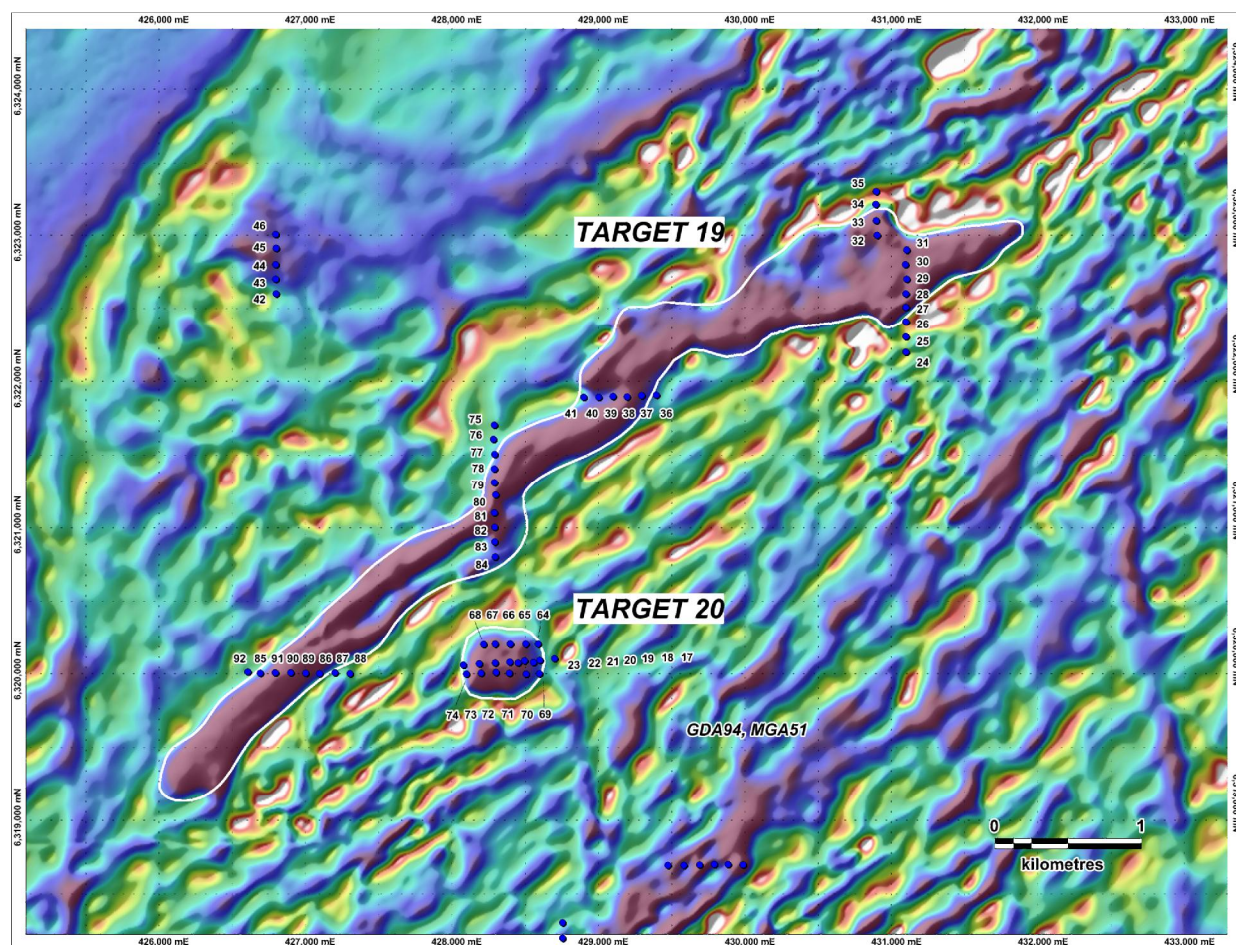


FIGURE 1: Aeromagnetic image showing location of aircore drill holes over Targets 19 and 20.

Minerex Services Pty Ltd has identified further trace amounts of primary nickel and copper sulphides within olivine bearing gabbro in holes MRAC066-068 and MRAC071-073. These holes were all drilled at Target 20 approximately 100m either side of the line of holes containing MRAC017-023 which host the highest grade nickel and copper assays recorded to date from the project. The sulphides are almost identical in concentration to those seen in holes MRAC020-022 and include varying amounts of pentlandite, violarite and millerite. All samples supplied to Minerex Services Pty Ltd are taken from bottom of hole in fresh rock. The Company is still awaiting results from holes MRAC061-092.

Upcoming Exploration Work Programs

Follow-up exploration over the coming months is likely to comprise the following work programs at Mt Ridley:

- Infill and step out aircore drilling to delineate the extent of the olivine bearing intrusions at Targets 19 and 20 with the aim of identifying potential nickel and copper geochemical hotspots. These hotspots will provide a focus for further detailed infill drilling and potential geophysical surveying.

- A diamond drilling program in order to gain a greater understanding of the geology at both Targets 19 and 20. This will include the identification of crystal layering or fractionation sequences within the intrusions with the aim of identifying basal olivine rich layers which have the potential to host both disseminated and massive nickel and copper sulphides.
- Downhole electromagnetic surveys within the diamond holes in order to identify potential off-hole conductors that may be indicative of massive or heavily disseminated sulphides.
- Detailed infill gravity surveying covering Targets 19 and 20.
- High-powered ground EM surveying over priority areas within targets 19 and 20. This type of surveying is capable of identifying conductors at depths of up to 300 metres below the surface.
- Potential airborne electromagnetic EM surveying over the main gravity corridor to aid in rapid regional reconnaissance of the entire project area.

The work programs outlined above are scheduled to commence early in April and take approximately six to nine months to complete. Each element of the work program will have a measured and thorough approach and will be modified accordingly depending on results.

Correction to ASX Announcement 16 February 2015

On page five of the ASX Announcement (16/2/2015) it stated that the average ratio (based on mineralisation outlined in Table 1) of Ni to Cu is approximately 2:1. This statement is incorrect and there was only one sample that returned with this ratio that is not set out in Table 1 of this ASX announcement. The weighted average Ni: Cu ratio is in fact approximately 22. However the presence of troctolites and primary nickel sulphides is (notwithstanding that these results were from broad spaced reconnaissance aircore drilling), in the opinion of the Company, significant and are features which are present at Thompson Bay, Raglan and Voisey Bay in Canada.

MT RIDLEY MINES LTD
(ASX : MRD)



MOUNTRIDLEYMINES

For and on behalf of the board



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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.



MOUNT RIDLEY MINES LIMITED

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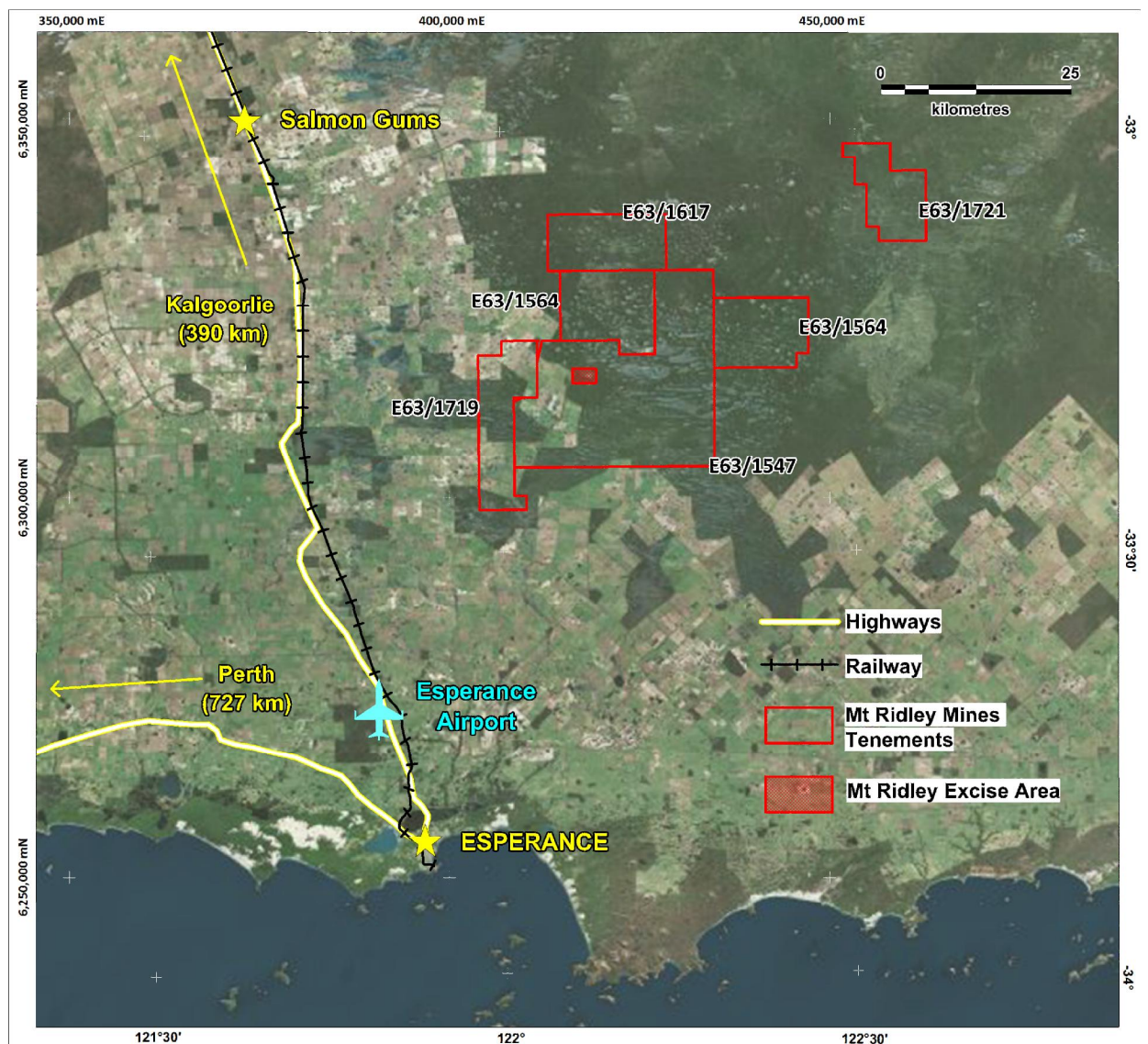
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About Mt Ridley Mines Ltd

Mt Ridley Mines Ltd is a Perth based Australian exploration company focusing primarily on projects in the Fraser Range region with the potential to host major mineral deposits in base and precious metals including nickel, copper, cobalt, silver and gold.

The Company is managed by a team of highly motivated professionals with significant expertise in mineral exploration, mining operations, finance and corporate management with a proven track record of successfully delivering value to shareholders.

Mt Ridley Mines Ltd is actively targeting nickel sulphide deposits in the Albany-Fraser Range Province of Western Australia, the site of Sirius Resources Nova Nickel-Copper Deposit. The Company currently has a portfolio of tenements totaling in excess of 1000sq/kms in what is fast becoming the world's most exciting emerging nickel province.



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Appendix 2 Mt Ridley Mining Limited – Mt Ridley Project – Aircore Drilling JORC CODE 2012.

Section1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling technique	- Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used - Aspects of the determination of mineralisation that are material to the Public report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	- All aircore drill samples were collected using a hand held spear. - A full and level spear is consistently collected for each sample. Samples were composited by sampling the individual 1 metre sample spoils and combining 4 for each composite sample - Aircore drilling was used to obtain 1 metre samples which are used to make 4m composites, these were pulverised and a 40g charge was taken for fire assay.
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).	The aircore drilling was conducted by ONQ Exploration using a 92mm blade bit to blade refusal
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed - Measurements taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	- Sample recoveries were not measured. - The sampling cyclone and buckets were cleaned regularly. - Not applicable.

	JORC Code explanation	Commentary
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography. - The total length and percentage of the relevant intersections logged	- Aircore drill chips were geologically logged. - Qualitative descriptions of colour, grain size, texture and lithology are recorded for each sample. Thin sections of significant samples were made for petrological analysis. - Drill holes are geologically logged in their entirety.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry. - For all sample types, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	- Not applicable - Aircore samples are not riffle split. - Samples consisted of 4 metre composites. Submitted sample weights vary from 1 to 2 kg. Samples were collected using hand spearing of each of the sample spoils.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	- For aircore drilling sample analysis was completed by Bureau Veritas Minerals Pty Ltd of Perth, W.A. using a 4 acid digest, which is regarded as total digest. Elements (As, Co, Cr, Cu, Fe, Mg, Ni and Zn) were measured using inductively coupled plasma (ICP) Optical Emission Spectrometry. Au and AuR were measured by Atomic Absorption Spectrometry. These are considered the most cost effective techniques for the measurement of gold and base metals. - For aircore drill samples, QAQC standards were routinely inserted within the sample batches at an approximate rate of 1 standard per 50 samples. In addition reliance is placed on laboratory procedures and laboratory batch standards

	JORC Code explanation	Commentary
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes - Documentation of primary data, data entry procedures, data verification, data storage (physically and electronic) protocols. - Discuss any adjustment to assay data.	- Not applicable at this early stage of exploration - Not applicable at this early stage of exploration - Sampling data is collected in the field and data entry and validation is completed in the office by experienced database personnel assisted by geological staff. - No adjustments are made to assay data.
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resources estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	- Drill collar positions were recorded with handheld GPS system with expected accuracy of +/- 5m horizontal and +/- 10m vertical. This is considered acceptable for broad spaced ground activities. - The grid system for the Mt Ridley Project is GDA94, MGA Zone 51 - Topographic control is based on the GPS heights and radar altimeter data from an airborne magnetic and radiometric survey (100m line spacing).
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Reserve and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	- Aircore drill spacing was dictated by access; drill traverses were planned along existing cleared tracks over the targets to be tested. The drill collar spacing was nominally 100m along each traverse. - Not applicable. - Composite sampling has been applied to the aircore drilling. 4 metre composite samples have been used.
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	- The orientation of the aircore traverses is considered to achieve an unbiased sampling at these broad spacings given it is an early stage of exploration - Not applicable

	JORC Code explanation	Commentary
Sample security	The measures taken to ensure sample security.	Not applicable for first pass shallow aircore drilling. Sample bags are clearly marked and addressed for assay laboratory and are delivered using commercial freight carriers. Assay pulps are retained and stored in a company facility for future reference if required.
Audits or reviews	The results of and audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques have been completed.

Section2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenements and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interest, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- Tenement E 63 /1547. Dundas mineral field. The tenement is 100% held by Mt Ridley Mines Ltd. - The tenure is secure and in good standing at the time of writing
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	Previous exploration has primarily targeted lignite
Geology	Deposit type, geological settings and style of mineralisation.	Mt Ridley Mining is exploring primarily for magmatic hosted Ni-Cu sulphide.
Drill hole information	- A summary of all information material for the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - Easting and northing of the drill hole collar - Elevation or RL (Reduced level-elevation above sea level in metres) and the drill hole collar - Dip and azimuth of the hole - Down hole length and interception depth - Hole length	- The aircore drill hole coordinates and details are outlined in Table 1 of this ASX Announcement. - Due to the nature of this drilling and the early phase of exploration all holes with significant intersections of nickel (>1000 ppm) and/or copper (>35 ppm) have been reported and tabulated. The remaining holes do not have any significant results and are considered barren. Drilling was undertaken testing conceptual targets, although the holes are barren they do provide valuable geological information.

Criteria	JORC Code explanation	Commentary
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	- In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated. - Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	Weighted averaging techniques have been applied to the composite samples when calculating grade intervals. The composite intervals have been calculated using a minimum assay of 900 ppm Ni and 30 ppm Cu. No metal equivalent values have been reported.
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known')	The geometry of anomalous nickel assays is unknown All drill hole intercepts are measured in down hole metres
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited to plan view of drill hole collar locations and appropriate sectional views.	Appropriate plans have been included in the body of the report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Not applicable at this early stage of exploration



Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations, geophysical survey results, geochemical survey results, bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or containing substances.</i>	A detailed aeromagnetic survey was completed in October 2014; the aircore drill targeting is based on the interpretation of this dataset for intrusive features that could potentially be associated with magmatic hosted nickel sulphides. The data and interpretation have been discussed in previous ASX releases and exploration updates. A fixed loop TEM survey was completed in December 2014 over targets 1 and 2. A mid-late time EM conductor detected at target 2 was tested with an aircore traverse; however, the conductor remains unexplained at this point in time. The TEM data and results have been discussed in a previous ASX release and exploration update.
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, providing this information is not commercially sensitive.</i>	Infill aircore drilling is being planned over targets 19 and 20 to delineate high priority areas for follow-up electromagnetic (TEM) surveying. RC and / or diamond drill holes are being planned for targets 19 and 20 to obtain additional stratigraphic information, samples for assay and analysis and to allow down hole TEM surveying