MT RIDLEY MINES LTD
(ASX : MRD)

MOUNT RIDLEY MINES LTD
PERTH WESTERN AUSTRALIA

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

28 August 2018

Mt Ridley Project, Albany-Fraser / Yilgarn Craton Orogen

- Gold Halo AC Drilling Recommences
- New Nova Style Ni-Cu-Co targets being generated
- Discrete coincident gravity & magnetics within intrusive mafic to ultramafic rocks

Mount Ridley Mines Limited (ASX: **MRD**) ("Mount Ridley", "the Company") would like to announce that the planned recommencement of the AC drilling campaign at its 100% owned Mt Ridley Project, located 70km north east of Esperance (Western Australia) (ASX announcement 16 July) was postponed due to force majeure matters. A recent site visit has cleared the site ready to recommence drilling early this week.

In addition, MRD has been reviewing the Company's gravity and magnetic databases given the recently announced discovery at Creasy Group's Silver Knight Ni/Cu/Co discovery approximately 25km north east of the Nova Bollinger deposits within the Albany Fraser Orogen (**AFO**). The Company's geophysical team at Southern Geoscience have identified several discrete magnetic and gravity signatures on the Mt Ridley project that will require further testing.

Larger coincident magnetic and gravity targets at Tyrells, The Lake, T19, T20, Keith's and Winston's to date have all proven to be coarse grained mafic to ultramafic gabbronorite and peridotite intrusive rocks containing disseminated to blebby magmatic sulphides of pyrrhotite, chalcopyrite and pentlandite. The presence of magmatic sulphides in such varitextured zones is typical of nickel sulphide systems and is seen as significant, demonstrating a magmatic nickel sulphide system has formed within the project area.

The recent Creasy Group announcement demonstrates that the IGO Nova Mine is not unique in the AFO, and exploration discovery potential within the AFO for similar systems as Nova remains significant.

The key at Mt Ridley is to take knowledge gained from the Nova and Silver Knight discoveries and focus the next round of exploration on smaller, discrete magnetic and gravity coincident features with the objective of identifying conduit zones suitable for sulphide accumulation.

Numerous geophysical surveys have been deployed at Mt Ridley to identify potential targets in a challenging environment. Although the latest HPFLTEM surveys didn't identify any bed-rock conductors attributable to nickel sulphide mineralisation, the Company's technical team believe the data successfully penetrated the lacustrine clays to a sufficient depth that the MRD has confidence that should an ore system exist within the survey field, it would have been identified.

The Company will be using HPFLTEM to test the discrete magnetic and gravity anomalies that remain to be followed up.

Mt Ridley Mines looks forward to updating the market once further information becomes available from this geophysical review and update progress on the gold AC drilling campaign.

For and behalf of the board.

Mr Ashley Hood
Managing Director

Visit www.mtridleymines.com.au for additional information including past announcements.

Competent Persons Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Tony Donaghy who is a Registered Professional Geoscientist (P.Geo) with the Association of Professional Geoscientists of Ontario (APGO), a Recognised Professional Organisation. Mr Donaghy is a technical advisor to the Company. Mr Donaghy 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 Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements Disclaimer

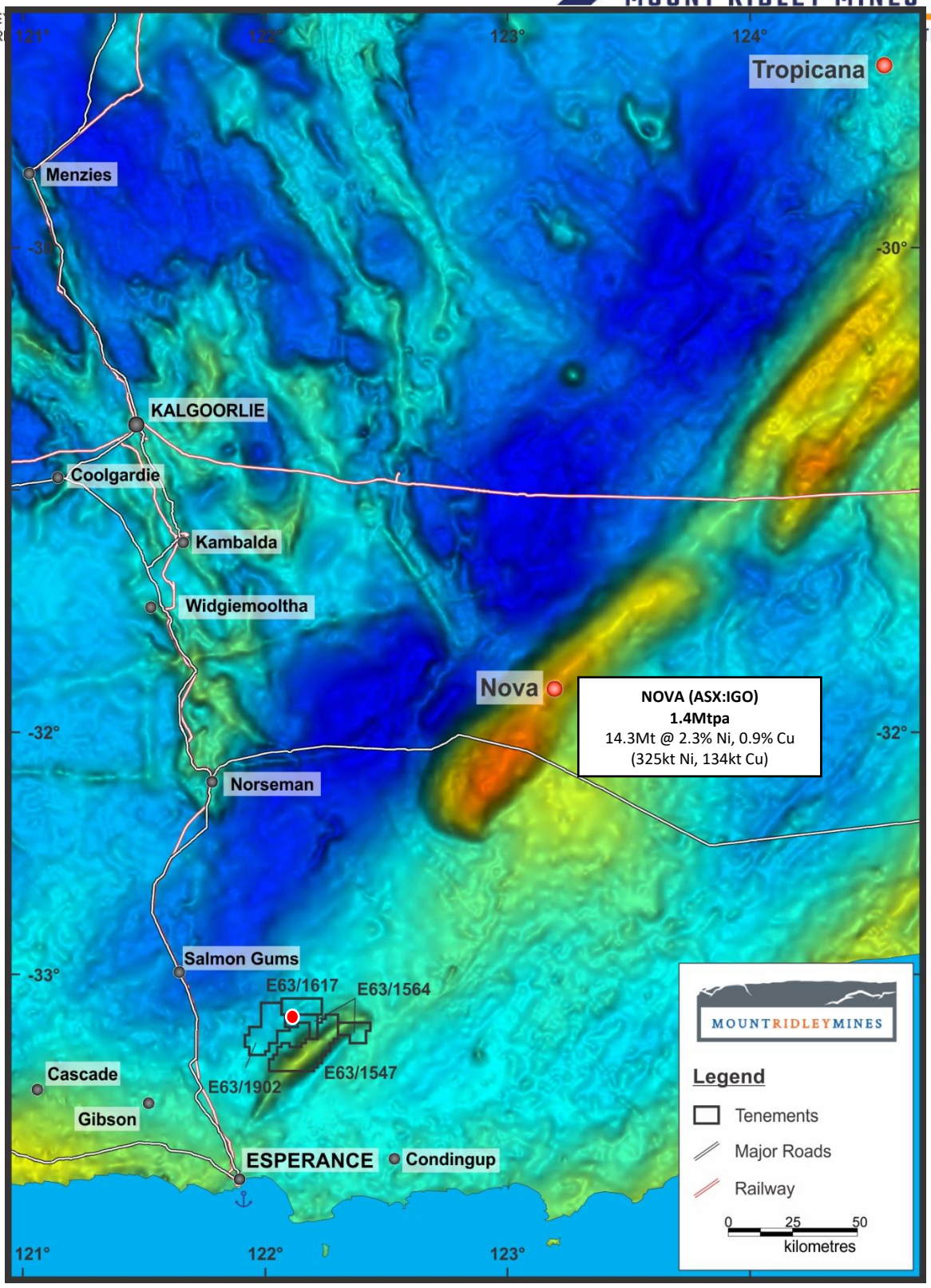
This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and 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 developments.

About Mount Ridley Mines Ltd

Mount Ridley Mines Ltd is a Perth based Australian Exploration Company focusing primarily on projects in the Albany Fraser Range region of Western Australia, 70kms north east of a major port in Esperance. The project has 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.

Mount Ridley Mines Ltd is actively targeting nickel/copper sulphide and gold deposits in the Albany Fraser Range and Yilgarn Craton Province of Western Australia, the site of Independence Groups Nova Nickel-Copper Deposit discovered by Sirius Resources NL. The Company currently has a tenement portfolio of approximately 846 sq kms or 84,643 Ha (including EL63/1902) in what is one of the world's most exciting emerging nickel and copper provinces.



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