



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

15 February 2021

Work Programs commence at Weld Range West Iron Project Mid-West Western Australia

HIGHLIGHTS

- Heritage survey to clear proposed drill hole locations
- Gravity survey scheduled to commence following heritage survey targeting banded iron formations (“BIF’s) and channel iron deposits
- Flora survey and geological mapping to be undertaken concurrently
- RC drilling to commence following approvals

SUMMARY

Mount Ridley Mines Ltd (ASX: MRD) (“Mt Ridley” or the “Company”) is pleased to provide an update for work programmes planned for the first half of 2021 at its 100%-held Weld Range West Iron Project (WRWIP) in Western Australia’s Mid-West region, approximately 60km north west of Cue.

HERITAGE PROTECTION SURVEY

The Company has contracted Ethical Engagement Consultants to coordinate ethnographic and archaeological surveys. Company geologists and members of the Wadjarri People, who are the Traditional Custodians for the area of the Company’s tenements, are currently on site.

The surveys will cover the locations of proposed drill holes planned to test priority targets for direct shipping haematite ore (“DSO”) and will take approximately 8 days to complete.

The results of these surveys will designate areas with clear access for future ground disturbing work, including the drilling programme, and other areas reserved for further study.

The Weld Range is known to have many places of varying levels of significance to the Wadjarri People.

GRAVITY SURVEY

Following completion of the Heritage Protection surveys, a detailed gravity survey will be undertaken within approved areas. The gravity survey will target specific horizons of the banded iron formation (“BIF”) where DSO is most likely to occur, and other areas where channel iron deposits may have accumulated.

The process that upgrades magnetite-BIF to DSO destroys magnetism without substantially changing the

density of the rock. Geophysical modelling is therefore used to identify coincident zones of high-density BIF (using the gravity data) that have a diminished magnetic response (using aeromagnetic data) to generate locations of possible DSO formation. These will then be drill tested.

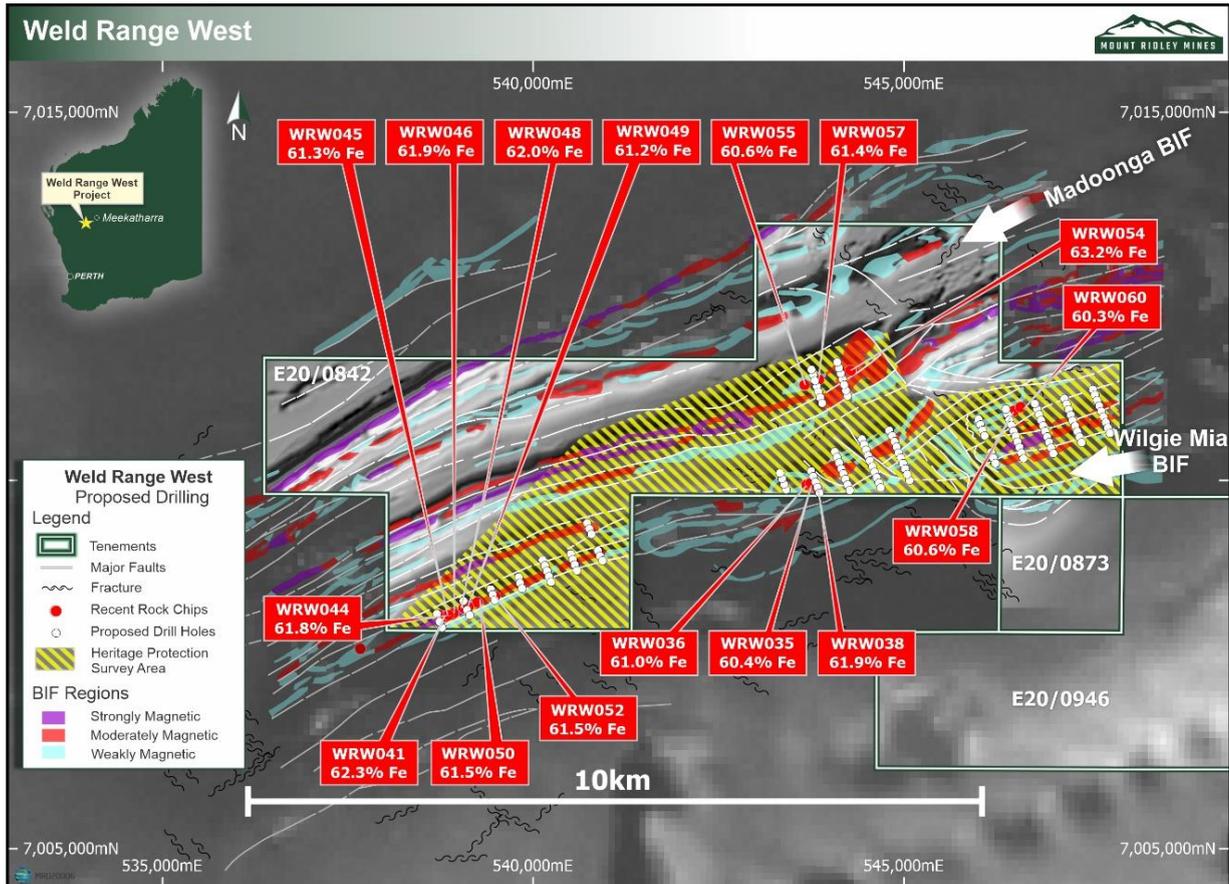


Figure 1: Weld Range West Iron Project showing locations of high-grade rock chip samples with Iron assays >60 Fe%. The yellow hatched area is the area of the Heritage Protection Survey and the proposed area of both gravity and flora surveys. White dots are the sites of proposed drill holes.

OTHER WORK PROGRAMS

Flora Survey and Geological Mapping

Concurrently, the Company engaged Botanica to complete a Flora survey of the proposed drill areas, and OmniGeoX to complete detailed geological mapping of the targeted iron formations.

Mount Ridley’s Chairman, Mr Peter Christie commented:

“The Company is moving through the detailed DMIRS approval process required for operations in the Weld Range, which includes the current environmental and cultural surveys. Mount Ridley has planned approximately 15,000m of RC and core drilling, kicking off as soon as these approvals are received.”

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ABOUT THE WELD RANGE WEST IRON PROJECT

The WRWIP is located approximately 330km northeast of Geraldton, in the Mid-West region of Western Australia. The Weld Ranges are defined by BIFs which extend for over 60km, with iron deposits recorded in Geological Survey bulletins published in the 1950s.

The northern-most BIF horizon is referred to as the Madoonga Formation and the southern-most, the Wilgie Mia Formation. Both host high-grade (>62.5% Fe) DSO haematite iron deposits some of which are currently being mined nearby and which are the primary target of Mount Ridley's exploration initiatives.

The geological stratigraphy of the Weld Range West Iron Project is analogous to the overall Weld Range package, as aeromagnetic imagery shows that the parallel horizons of BIF extend for the entire length of the Weld Ranges.

Mount Ridley's Weld Range West Project provides tenure to the western 20% of the overall Weld Ranges, covering 4 parallel BIF units, each with a strike length of over 10 kilometres, including the highly prospective Madoonga and Wilgie Mia Formations.

Substantial resources of Iron Ore have been defined in the 80% of the Weld Ranges held by Sinosteel Midwest Corporation Limited¹ ("**Sinosteel**") and Fenix Resources Limited ("**Fenix**") (ASX: FEX). To date however drilling has not tested haematite iron targets within Mount Ridley's ground.

For and on behalf of the Board

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Competent Persons Statement

The information contained in this report to exploration results relates to information compiled or reviewed by David Crook who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Crook is a geological consultant to the Company and has sufficient experience which is relevant to the activity which is reported herein 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 Crook consents to the inclusion in the announcement 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 LIMITED

Mount Ridley is a company targeting demand driven metals in Western Australia. At its namesake Mount Ridley Project located within a Fraser Range sub-basin, drilling has intersected disseminated and blebby nickel and copper sulphides hosted in a differentiated mafic intrusion. Further drilling may be planned based on the results of a detailed SQUID geophysical survey which is to be completed as soon as possible.

A shortage of supply of iron ore, in part due to the effects of COVID-19 in Brazil as well as expanded infrastructure spending by governments in most industrialised economies, has resulted in a rise in price which makes projects like the Weld Range West Iron Project very compelling. Exploration success could result in a fast-tracked mining operation.