ASX: MRD

ASX Release / 4 September 2026

$2 Million Placement to Advance Selectro Process and Grass Patch Project

Funding to accelerate Mount Ridley's next phase of technical and development activities

Highlights

- **Oversubscribed capital raise**, with firm commitments received from sophisticated and professional investors to raise **$2 million (before costs)** at $0.033 per share
- **Directors have committed to subscribe for a further $100,000** on the same terms as the Placement, subject to shareholder approval at the Company's next General Meeting
- Funds will **accelerate the next phase of work at the Grass Patch Project**, including flotation, bulk metallurgical testwork, scoping studies, resource definition activities and optimisation of the Selectro™ Process
- **Flotation program underway**, followed by a larger-scale Selectro™ testwork program to build on the Company's encouraging initial metallurgical results
- Resource work will focus on **increasing geological confidence and advancing the definition of the Project's scandium, gallium and heavy rare earth element resources**
- Selectro™ development to continue through **process optimisation, downstream testwork and assessment of third-party feed opportunities**

Mount Ridley Mines Limited (ASX: **MRD**, OTCID: **MRDMF**) ("**Mount Ridley**" or the "**Company**") is pleased to announce that it has received firm commitments to raise $2.0 million (before costs) through a placement to sophisticated and professional investors at an issue price of $0.033 per share ("Placement").

In addition, the Directors of the Company have committed to subscribe for a further $100,000 on the same terms as the Placement, subject to shareholder approval at the Company's next General Meeting.

Despite receiving demand exceeding the ultimate raise amount, the Company right-sized the issue in line with its culture of fiscal discipline and to align with the funding requirements of the highest value activities, whilst minimising dilution. The Company looks forward to reporting results from the accelerated advancement of the Selectro™ Process as well as ongoing activity at the Grass Patch Project, in the near term.

Mount Ridley Managing Director & CEO, Mr Allister Caird commented:

"*The strength of support from our existing shareholder base speaks to the confidence in the Grass Patch project as we move into a high impact work program. This raise was sized deliberately against a defined work program rather than as a general contingency, with funds allocated specifically for the flotation program, bulk test work and scoping study as we progress toward the design and construction of a demonstration plant. We see this as a well-supported step that positions the company to execute without distraction over the coming months.*"

Placement Details

The Placement will raise $2.0 million (before costs) through the issue of approximately 60,606,113 new fully paid ordinary shares in the Company ("New Shares") at an issue price of $0.033 per New Share.

The New Shares will be issued under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1, with settlement scheduled for 10 September 2026 and allotment expected on 11 September 2026.

In addition, Directors have committed to subscribe for approximately 3.03 million New Shares, raising a further $100,000 at the same issue price as the Placement. The issue of New Shares to Directors will be subject to shareholder approval at the Company's next General Meeting.

The issue price of $0.033 represents a 17.5% discount to the Company's last closing price of $0.040 on 1 September 2026 and a 9.2% discount to the 15-day VWAP of $0.0383.

Alpine Capital acted as Lead Manager to the Placement and will receive a management and placement fee of 6% of funds raised under the Placement. Subject to shareholder approval at the Company's next General Meeting, Alpine Capital will also be issued approximately 6.36m unlisted options exercisable at $0.0495 each and expiring three years from their date of issue.

Use of Funds

Proceeds from the Placement will strengthen the Company's funding position and enable Mount Ridley to accelerate the next phase of technical work across the Grass Patch Project and the Selectro™ Process.

The Company's near-term work program is expected to focus on:

- **Flotation program** – test work has been initiated to assess flotation as a pre concentration step ahead of Selectro™ leaching, targeting improved feed grade and reduced reagent consumption. The program will evaluate mineral liberation characteristics across the resource and inform whether flotation offers a viable addition to the processing flowsheet. Results to determine whether subsequent Bulk test work program will first undergo beneficiation.
- **Bulk metallurgical testwork** – planned large scale Selectro™ leaching program to increase the technology readiness level (TRL) of the Selectro™ Process. This represents an important step in maturing the Selectro™ Process and positioning it for federal funding opportunities. The program is designed to build upon the encouraging recoveries achieved during the Company's initial testwork, further inform flowsheet design and support production of the Company's first mixed rare earth oxide (MREO) product.
- **Selectro™ Process development** – continued optimisation and validation of the Selectro™ Process, including downstream processing studies and assessment of its application to both Grass Patch mineralisation and potential third-party feedstocks.
- **Resource definition** – undertaking technical and resource definition activities across the Company's scandium, gallium and heavy rare earth element resources, including work directed towards increasing geological confidence in portions of the existing Mineral Resources and identifying areas requiring additional drilling and analytical work.

Funds will also be applied towards ongoing exploration and development activities at Grass Patch, corporate costs and general working capital

This ASX announcement has been authorised for release by the Board of Mount Ridley Mines Ltd.

For further information, please contact:

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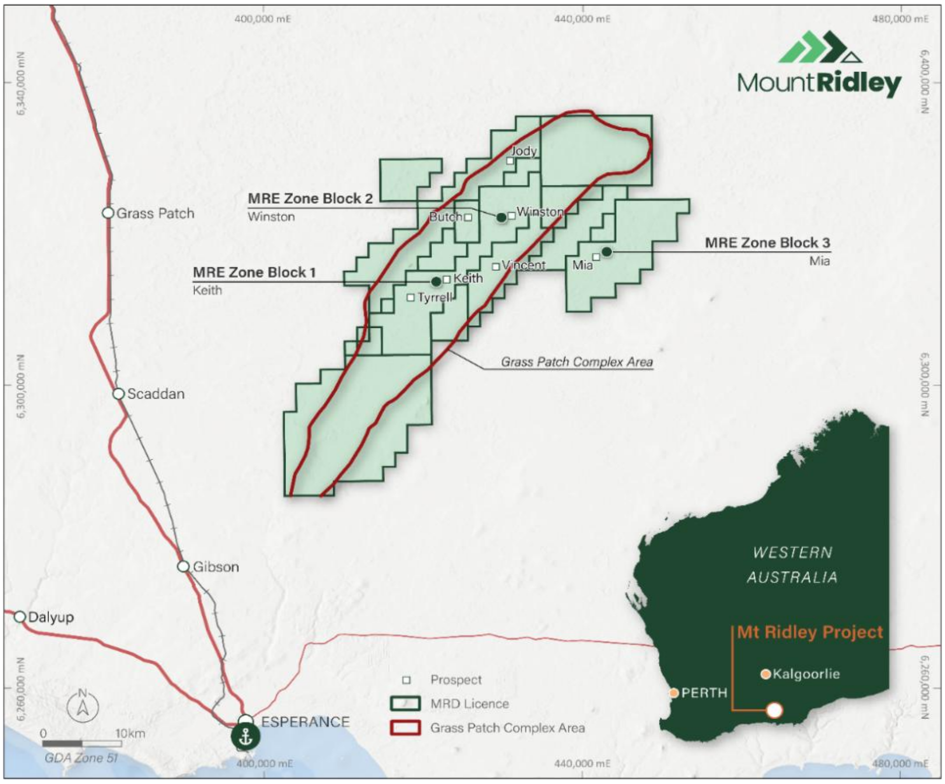

Location of the Grass Patch Project in 25km north of Esperance, Western Australia

About Mount Ridley Mines Ltd

Mount Ridley Mines Ltd is an Australian critical minerals explorer focused on the discovery and development of heavy rare earth elements, gallium and scandium across its wholly owned Mount Ridley and Weld Range projects in Western Australia. Complementary to its upstream business, the Company is actively pursuing longer term downstream pathways aimed at enhancing value through processing and separation of critical minerals for supply into allied markets.

Grass Patch Project

The flagship Grass Patch Project is located approximately 25 kilometres north of the deep water port of Esperance and hosts defined heavy rare earth element, scandium and gallium resources identified through 70 000 metres of historical drilling. A majority of the project tenure is centred on the Grass Patch Complex, which is widely interpreted to be the primary source of the heavy rare earth enrichment identified across the project area.

The Grass Patch Project remains significantly underexplored relative to its scale and geological endowment. Multiple high priority walk up drill targets have been identified through historical drilling, geophysics and recent technical reviews. These targets are currently being assessed and prioritised with the intention of supporting future drilling programs planned for 2026.

Weld Range Project

The Company also holds the Weld Range Project in Western Australia, which provides additional exposure to large scale mineral systems within a well-established mining region. Together, the Mount Ridley and Weld Range projects position the Company as an emerging participant in the supply of critical minerals into allied markets.