



ASX Announcement

22 October 2012

Quarterly Report for the period ended 30 September 2012

On 27 August 2012 Ridge Resources Ltd ("Ridge" or the "Company" (ASX: RID)) announced it had entered into an Implementation Agreement to acquire 100% of the existing shares in Cardinal Resources Limited ("Cardinal"). Cardinal is the beneficial owner of the Bolgatanga Project area and the Subranum Project comprising circa 734 km² of granted tenements in Ghana. Cardinal has also secured an option to acquire a 60% interest in a joint venture to be established over two exploitation licences currently held by Société Minière de Kilo-Moto (a state owned resources company based in the Democratic Republic of Congo ("DRC")) which are located over the Kilo-Moto greenstone belt in the far north eastern portion of DRC.

The consideration for the acquisition of Cardinal is comprised of 30,750,000 shares and 15,375,000 \$0.20c options expiring 30 June 2014 and the issue of 50 Class A and 50 Class B performance shares, each performance share converts to 100,000 shares on, amongst other significant milestones, the achievement of a JORC compliant inferred resource of not less than 1 Moz of gold.

In conjunction with the acquisition of Cardinal, Ridge will undertake an Entitlements Offer. The Entitlements Offer is comprised of a pro rata non-renounceable entitlements offer (subject to shareholder approval at Ridge's annual general meeting to be held on 19 November 2012), of approximately 25,070,250 shares on the basis of three (3) New Shares for every two (2) Ordinary Shares held by Ridge shareholders at an issue price of \$0.20 per New Share with a three (3) for two (2) free option, exercisable at \$0.20 on or before 30 June 2014 ("Option") to raise approximately \$5,014,000. The Entitlements Offer is underwritten up to \$4.0 million by Azure Capital Limited.

The acquisition of Cardinal constitutes a change in the nature and scale of Ridge's activities, therefore Ridge is required, pursuant to Chapter 11 of the ASX Listing Rules, to obtain approval from Ridge's shareholders at the annual general meeting to re-comply with Chapters 1 and 2 of the ASX Listing Rules. The timetable set out below outlines the key milestones for the Entitlements Offer.

Notice of meeting sent to Shareholders	24 September 2012
Lodgement of Prospectus with ASIC and ASX	15 November 2012
General meeting of Shareholders	19 November 2012
Suspension of trading of securities	19 November 2012
Notice sent to Shareholders	20 November 2012

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Ex Date	21 November 2012
Record Date for determining Shareholder entitlements	27 November 2012
Prospectus despatched to Shareholders	30 November 2012
Entitlement Offer Opening Date	30 November 2012
Entitlement Issue Closing Date	14 December 2012
Notify ASX of under-subscriptions	19 December 2012
Despatch date/securities entered into Shareholders' security holdings	24 December 2012

Shareholders should note that under the Listing Rules the suspension of trading in the Company's securities will occur on 19 November 2012 being the date of the Annual General Meeting of Shareholders. The trading halt will remain in place until the Company has complied with the requirements of Chapter 11 of the ASX Listing Rules which it is estimated will be on or around 24 December 2012.

The "Ex Date" will, therefore, occur at a time when trading is suspended.

BOLGATANGA PROJECT

The Bolgatanga Project area is located within a series of highly prospective granite-greenstone belts, the Bole-Nangodi belts. Similarly, the Subranum project is hosted within the Sefwi-Bibiani granite-greenstone belt. The belts are a NE extension to the Paleoproterozoic aged Birimian basins that formed during the collision between the West African and Guyana Archean Shields.

Cardinal Resources Ghana Limited ("Cardinal Ghana"), a Ghanaian registered Company and a wholly owned subsidiary of Cardinal, is the registered holder of the Kungongo and Bongo Reconnaissance Licences and the Ndonggo Prospecting Licence, collectively the "Bolgatanga Project".

The Bolgatanga Project is situated within the Upper East Region of Ghana near the town of Bolgatanga and the project area covers circa 660km² of Paleo-Proterozoic greenstone belts in the NE of Ghana. The Kungongo and Bongo leases cover part of the NE extensions of the Bole Belt whilst the Ndonggo lease straddles the Nangodi Greenstone Belt.

The Nangodi Greenstone Belt is the southern portion of the greenstone belt that crosses into Burkina Faso where the Youga gold mine is located. Locally, the belt trends NNE-SSW over a distance of 30km and turns to a more ENE-WSW trend in the south of the area.

The historic Nangodi gold mine is located nearby and produced 18,620 oz Au from 23,600 tonnes, approximately 0.77 ozs per tonne (23.9 g/t Au) (Ghana Department of Mines records 1938).

The belt is comprised of Birimian-aged interbedded metavolcanics (mainly basalt flows), metasediments (phyllites) and occasional cherty horizons. Some small basic to intermediate intrusions occur within the belt are associated with gold mineralisation. Metasediments of Tarkwaian age occur adjacent and beneath the belt. This is recognised as important as the gold mineralisation of the nearby Youga mine is hosted in sediments of similar age. The Nangodi Belt is regarded as the southern extension of the Youga Greenstone Belt in Burkina Faso.

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The Youga gold mine is located 50km to the northeast on the same greenstone belt in Burkina Faso. This mine is currently in production and operated by Endeavour Mining Corporation (TSX:EDV / ASX:EVR). The Youga gold mine commenced production in 2008 and has quoted reserves of 4.5 million tonnes @ 2.5 g/t Au (362,000 oz), with a resource of 1.55 Moz. This deposit was identified through regional exploration in the early 2000s.

Exploration and mining activity in the area includes the Shaanxi Mining Ghana Ltd underground mine which has targeted gold mineralisation following a sheared margins of the Nangodi Belt along with numerous individual and local artisanal miners.

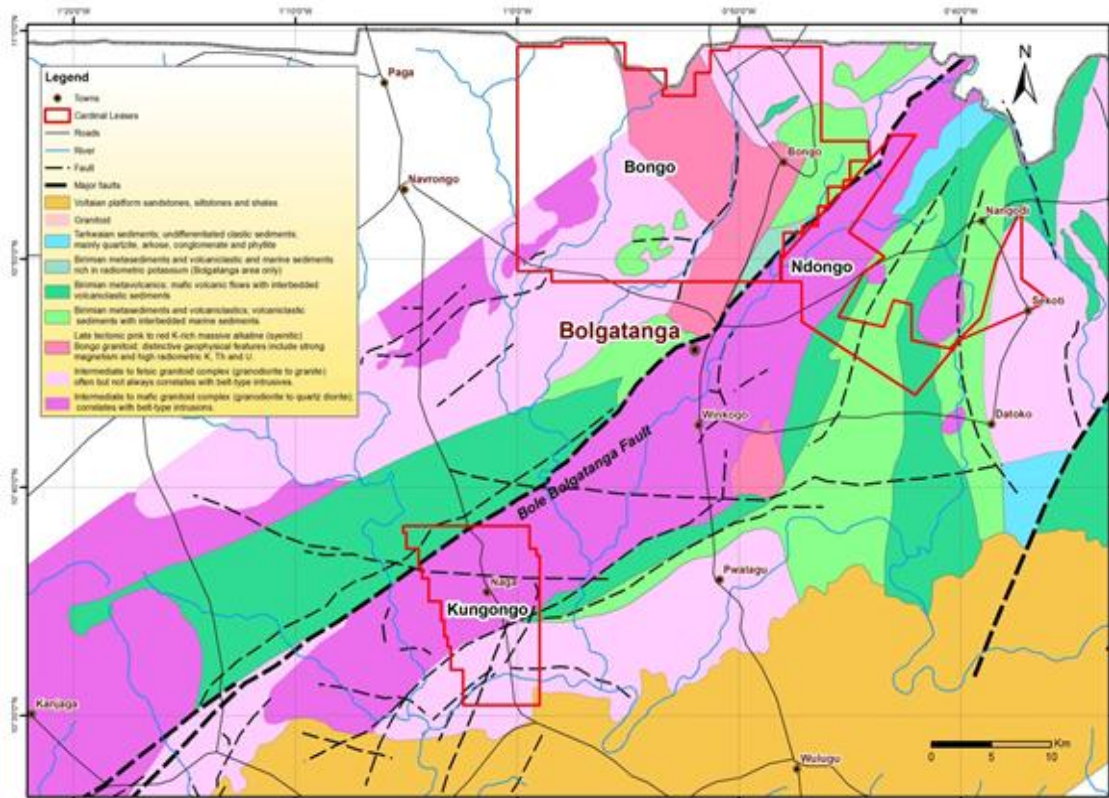


Figure1: Geology map showing the location of the Bongo, Ndongo and Kungongo licences

SUBRANUM PROJECT

The Subranum tenement is situated in the southern portion of Ghana, approximately 45km northwest of the township of Kumasi, and 240km northwest of the capital city Accra, in the Sabranomu district.

Cardinal Resources Subranum Limited (“Cardinal Subranum”) a Ghanaian registered Company and a wholly owned subsidiary of Cardinal, has entered into a Sale and Purchase agreement with Newmont Ghana Gold Limited (a subsidiary of Newmont Mining Corporation) for the purchase of Subin Kasu Prospecting Licence (the “Subranum Project”).

Subject to the approval of the sale by the relevant Minister for the Ghanaian Mining Act, Cardinal Subranum will acquire 100% of the Subin Kasu Prospecting Licence and pay to Newmont Ghana Gold Limited US\$50,000 on or before 10 days after the approval date, US\$50,000 on the first anniversary of the approval date and a final \$100,000 on the second anniversary date. In addition Cardinal Subranum will be required to spend US\$250,000 on exploration within the first year from approval and a further US\$750,000 in the second year.

Cardinal Subranum will be required to pay Newmont Ghana Gold Limited US\$50,000 per annum from the date which Cardinal Subranum reports a “gold resource estimate” of 1 Moz of Gold. Subject to the grant of a Mining Lease under the Ghanaian Mining Act, Cardinal Subranum will be required to pay Newmont Ghana Gold Limited a 2% Net Smelter Royalty.

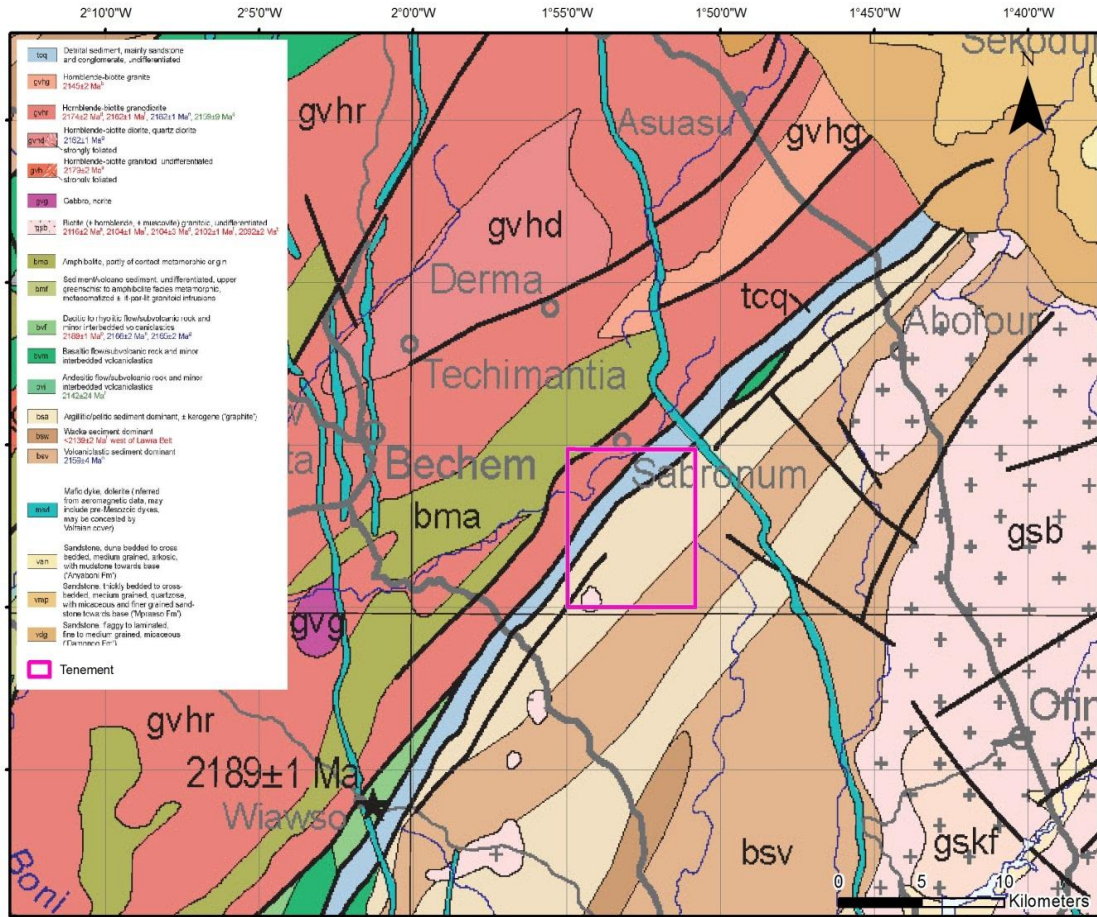


Figure 2: Location and Geology of the Subranum Project

The single tenement in the Subranum Project covers an area of 68.7km² and is situated in the Sefwi-Bibiani greenstone belt in South-western Ghana, and is proximal to the currently producing Bibiani and Chirano mines. Bibiani has produced over 3.8 million oz Au since its discovery in 1902, from a mixture of open pit and underground mining methods. Current owner Noble Mineral Resources Pty Ltd recently completed its first gold pour in March 2012 from a re-furbished 2.7 Mtpa mill.

The Chirano gold mine operated by Kinross Mining Corporation, proximal to the Bibiani mine, produced in excess of 260,000 oz (equivalent) Au in 2011.

Despite the existence of these large discoveries and the extensive history of gold production in the area, the remainder of the Sefwi-Bibiani greenstone belt remains comparatively under-developed. Similar to the Bolgatanga Project, exploration of the Subranum Project will be targeting structurally controlled greenstone belt deposits, comprising fault and shear hosted veins contained within intermediate volcanoclastic rocks and felsic intrusives.

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DEMOCRATIC REPUBLIC OF CONGO (DRC)

Cardinal has executed an Option Agreement with CONNECTIONS SPRL, a company domiciled in the DRC, to acquire certain exploitation rights in the DRC (“Option Agreement”).

Under the terms of the Option Agreement, Cardinal paid an Option Fee of US\$50,000, being an option to acquire a 60% interest in a joint venture to be established in the DRC. On exercise of the option, Cardinal is required to pay a further US\$500,000 to acquire its interest as contemplated by the Option Agreement.

Two exploitation licences currently held by Société Minière de Kilo-Moto (a state owned resources company based in the DRC) PE 5051 and 5053, are located over the Kilo-Moto greenstone belt in the far north eastern portion of DRC (Figure 3) are the subject of the Option Agreement.

The Kilo-Moto Greenstone Belt (KMGB) is a Neo-Archaean suite of complexly interlayered volcano-sedimentary rocks comprising basalts, dolerites dykes and sills, intermediate to felsic volcanic rocks, and fine grained sedimentary rocks. This sequence has been metamorphosed to greenschist facies.

Gold has been produced from a combination of small scale artisanal and modern mechanised methods from the Kilo-Moto region since its initial discovery in 1905 and the area remains prospective for the discovery of major gold deposits. The KMGB is known to host several large gold deposits, including the Kibali Gold Project, operated by Randgold resources, which is host to a resource of ~20 Moz Au and the Giro Gold project which has been subject to more than 60 years of artisanal historic working, and is known to host gold in quartz veins with grades in excess of 50 g/t Au.

The two exploitation licenses are directly adjacent to both the Kibali and Giro gold projects. The greenstone package of rocks that hosts both the Kibali and Giro gold project extends into PE 5051 and 5053.

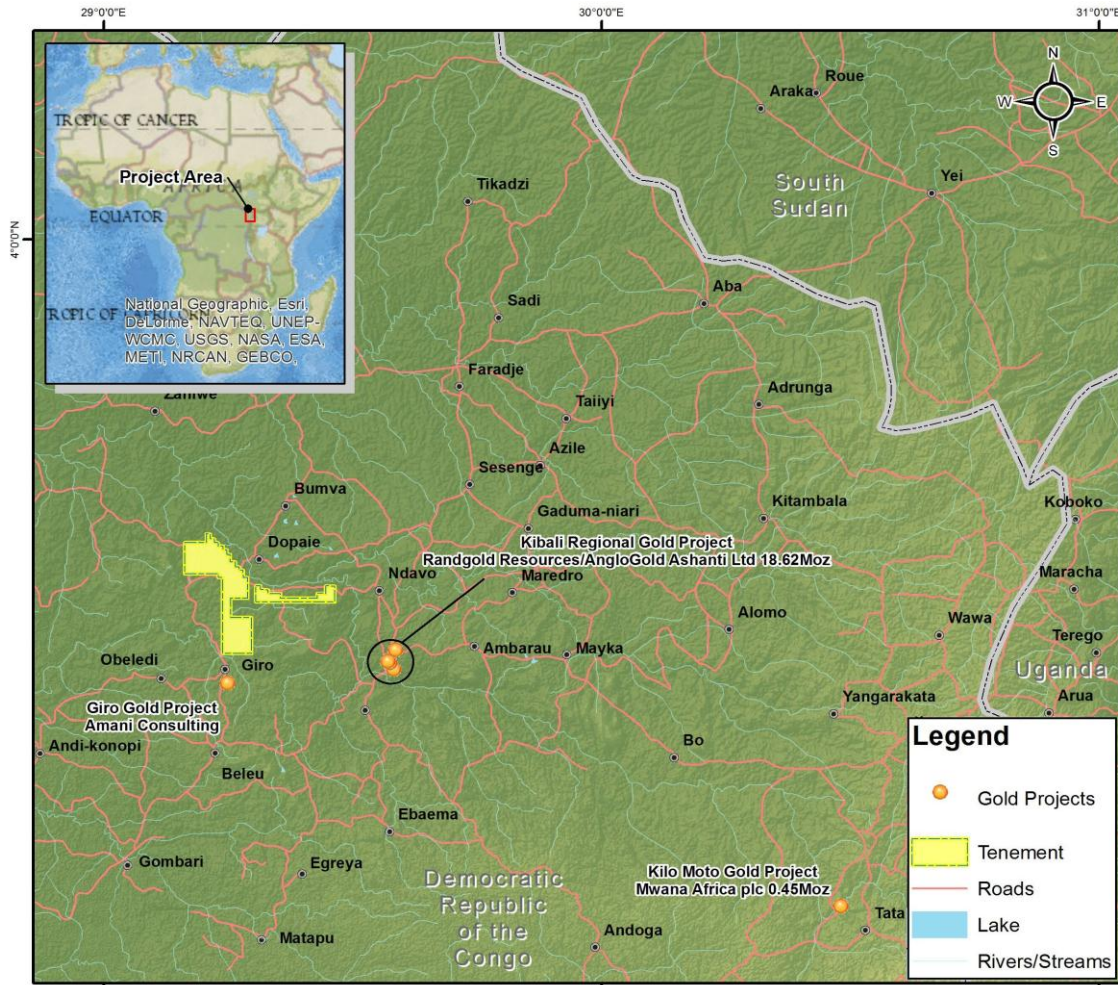


Figure 3 Democratic Republic of Congo Mining Licences 5051 and 5053

MT ALEXANDER PROJECT

The Company has entered into an agreement to earn a 60% interest in the Mount Alexander Project ("Project") from Northern Manganese Limited through the expenditure of \$1 million on the Project, and a further 10% interest through additional expenditure of \$800,000.

The Project is located approximately 20km southeast of Nanutarra and 120km to the south of Onslow, in the northwest of Western Australia and is secured by Exploration Licence EL08/1987, granted on 23 February 2010 over 90km² (refer to Figure 4 below).

Southern parts of the Project area cover the very rugged Mount Alexander which is 405m above sea level and an estimated 250m to 300m above the surrounding plain. The district is included in the catchment of the Ashburton River; tributary creeks have eroded the metamorphic rocks of a major anticlinal structure leaving the more resistant rocks as remnant ridges on the plain.

The Project is located within the northern part of the Yanrey Uranium Province. The metasediments of the Gascoyne Complex have been extensively intruded by sodic granitoids, an event which took place at the close of the Lower Proterozoic. The granitoids have probably provided the mineralising fluids for the mineralisation in the area representing potential sources of uranium, tin, tantalum, zinc and lead.

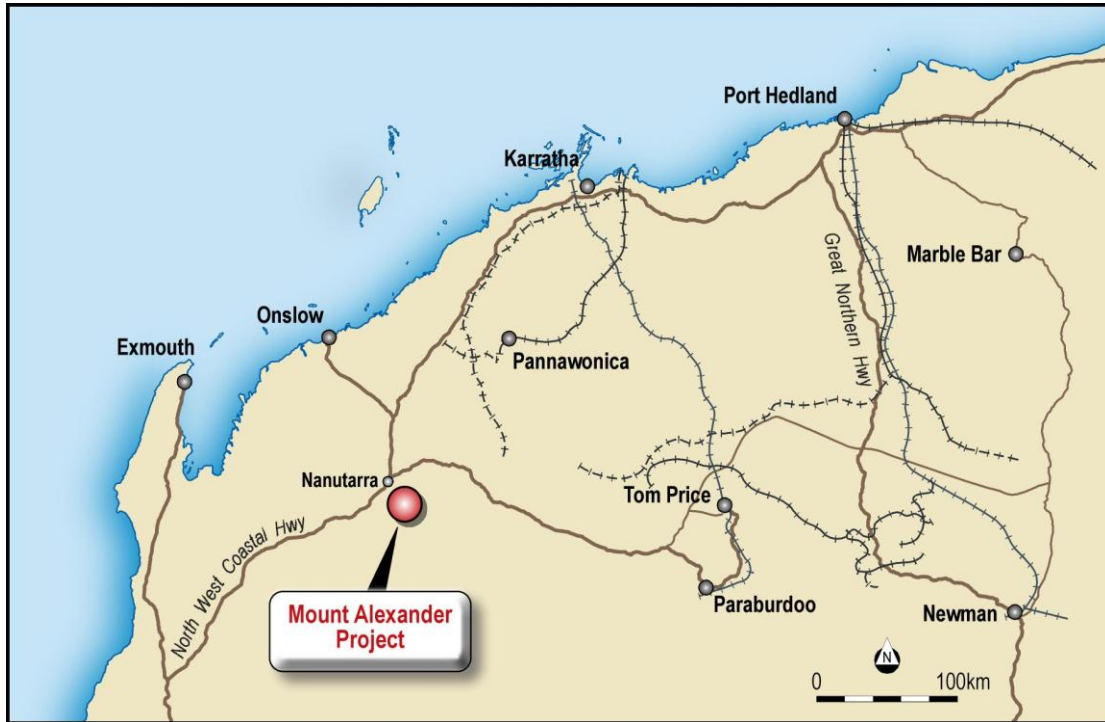


Figure 4 – Mount Alexander Project location map

The dolomites, banded iron formation (BIFs) and other metasedimentary rocks of the Lower Proterozoic Gascoyne Block occupy a regional synclinal structure, bounded by the Hamersley Basin and the Archaean age Pilbarra Block to the north and the Yilgarn Block to the south. The Gascoyne Complex is separated from the Lower Proterozoic Ashburton and is overlain unconformably by rocks of the Middle Proterozoic Bangemall Group to the east. The western extension is obscured by younger sediments of the Carnarvon Basin.

Ridge has captured all of the previous historical data in a digital format and purchased Quickbird remote sensing image over the Project area. Ridge has also undertaken an assessment and evaluation of previous/historical exploration reports and datasets.

During the quarter the Company did not undertake any further exploration activities on the Project. Further mapping is proposed at the Granite Bore prospect at a scale of 1:1,000 to determine the structure and shape of the quartzite bodies to allow accurate drill testing. The area to be covered measures 1.5km x 600m. Detailed radiometric surveys will also test for any extensions of the known anomalies. This field work will provide the final geological data to support drill testing.

Some additional sampling with a hand held motorized diamond core bore machine will be required on the granite targets to verify the grade of some radioactive zones in the granite.

CORPORATE

The Company's cash balance at 30 September 2012 was \$1.8 million.

Shareholder Information

As at 30 September 2012 the Company had 296 shareholders and 16,713,500 ordinary fully paid shares on issue with the top 20 shareholders holding 45.76% of the total issued capital.

For further information contact:

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Competent Persons Statement

Information in this report that relates to the Bolgatanga and Subranum Projects and the Democratic Republic of Congo Exploration Results is based on information compiled by Peter Gleeson a full time employee of SRK Consulting (Australasia) Pty Ltd, who is a member of Australian Institute of Geoscientists. Peter Gleeson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Peter Gleeson consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.

Information in this report that relates to the Mount Alexander Project Exploration Results and comments on the resource estimates is based on information compiled by Mr Dave Kelly, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Kelly has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Kelly consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.