



Offer to spur \$20m foray in remote SA

CAMERON ENGLAND

MUSGRAVE Minerals has lodged its prospectus, aiming to raise up to \$20 million to search for minerals in the far northwest of the state.

The company's new managing director, Rob Waugh, has experience working in the area with the former company WMC Resources. The Adelaide-based firm has combined Musgrave province assets from six exploration companies, and will raise a minimum of \$10 million via an initial public offer of 25c shares.

The area, which is considered to be under-explored because of its remoteness, is prospective for several minerals, including nickel, copper and gold.

The company holds seven granted exploration licences with cleared exploration access to areas totalling more than 3200sq km, and has applied for eight additional tenements.

Chairman Graham Ascough said the company was aiming to put together a tenement package covering 50,000sq km, or about 5 per cent of the area.

"Musgrave Minerals will have a massive footprint in the one of the least explored exploration frontiers," Mr Ascough said.

The company has started exploration, following a pre-listing \$1.5 million capital raising.

"In October and November 2010, Musgrave Minerals completed an initial phase of exploration that has identified new nickel, copper and gold mineralisation; delineated 15 high quality drill targets and advanced a number of conceptual targets to a drill test decision," MM says in its prospectus.

Those vending tenements will end up with 19.8-29.6 per cent of the company.

Shareholders in Mithril Resources, Independence Group, Goldsearch and Integra Mining, who hold more than \$5000 worth of shares, will have priority access. The share offer closes on April 8, or April 5 (priority offer), with shares expected to list on April 29. The issue is not underwritten.

Investor roadshows in Perth, Adelaide, Melbourne and Sydney start today.

BIG PLANS: Musgrave Minerals managing director Rob Waugh has experience working in the far northwest of the state with former mining giant WMC Resources.