

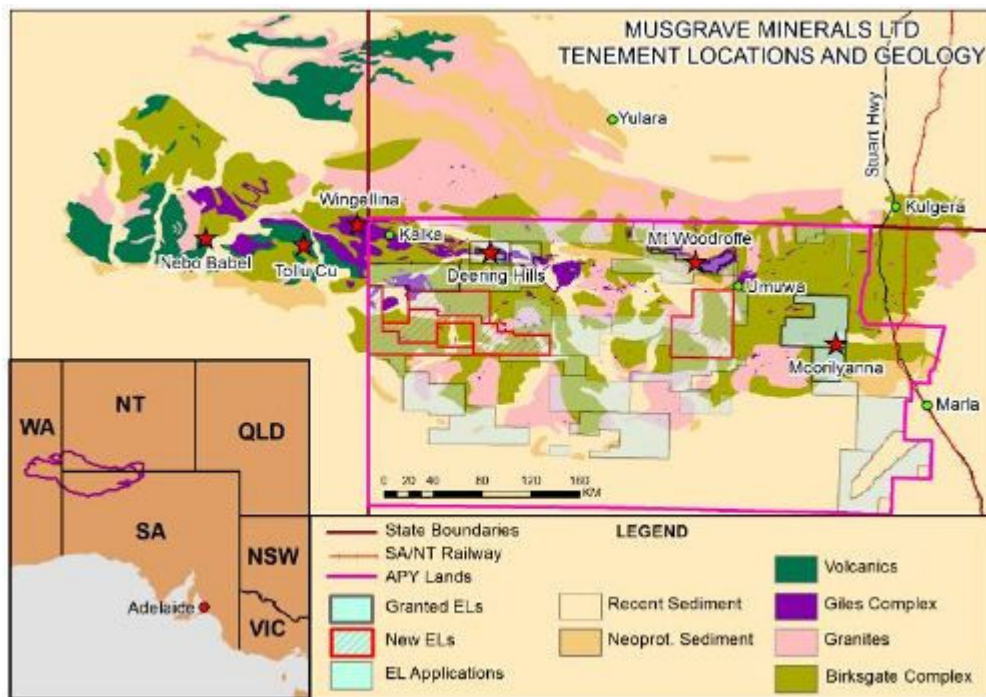
MUSGRAVE PICKS UP FOUR NEW EXPLORATION LICENCES

Wednesday, May 09, 2012

THE BOURSE WHISPERER: Musgrave Minerals has been granted four new mineral Exploration Licences in the Musgrave Geological Province, situated within in the far north of South Australia.

The four new licences cover a combined area of more than 7,300 square kilometres, which will more than double the company's current explorable ground holding.

Musgrave Minerals holds a 100 per cent interest in three of the licences, while it can earn up to a 75 per cent interest in the fourth.



Location of Musgrave Minerals' exploration licences. Source: Company announcement

The new licences cover areas Musgrave considers to be prospective for magmatic nickel-copper sulphide deposits that it has interpreted to be covered by thin less than 20 metres of sand with minor outcropping and sub-cropping geology.

The region is host to the large Nebo-Babel nickel-copper sulphide deposit in the West Musgrave currently held by BHP Billiton.

Musgrave Minerals said the granting of the new licences highlighted the relationship it has forged with Anangu Pitjantjatjara Yankunytjatjara – a body corporate established by the APY Lands Rights Act 1981, SA) - and Traditional Owners.

The company signed a Deed of Exploration with APY late last year in regards to these new licences, which were the first mineral Exploration Licences granted in the APY Lands since 2008.

“Musgrave Minerals is the first company to hold an active minerals Exploration Licence in this particular part of the

Musgrave Province,” Musgrave Minerals managing director Robert Waugh said in the company’s announcement to the Australian Securities Exchange.

“That’s a very exciting first mover opportunity.

“It’s very exciting to be in a part of Australia and have Exploration Licences granted over areas that have no record of any previous mineral exploration.

“We look forward to generating and advancing targets to a drill stage on these new areas as quickly as possible.”