

Market interest in Musgrave grows

MUSGRAVE Minerals has raised A\$3 million in a heavily oversubscribed placement as high-grade gold results from the Break of Day project continued to roll in.

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Drilling at Break of Day.

Patersons Corporate Finance acted as the lead manager for the placement of 40 million shares to sophisticated and professional investors.

The issue was priced at 7.5c, a 16.6% discount to Musgrave's last closing price on Friday. The funds will be used for ongoing drilling at the high-grade Break of Day deposit, as well as to start a scoping study at Moyagee, which

comprises Break of Day and the Lena deposit.

It comes as Musgrave released results for a further six holes at Break of Day.

Infill drilling returned 4m at 22.3 grams per tonne gold from 126m, and 6m at 5.7gpt gold from 222m.

Mineralisation remains open to the south and down-plunge and is being tested as part of the current 35-hole reverse circulation campaign.

The company has reported results for 16 of the 28 holes completed to date.

The results will form part of a new high-grade resource estimate to be released by the end of June, which will underpin development studies.

Musgrave owns 60% of the broader Cue project in joint venture with Silver Lake Resources, and is moving to 80% ownership.

Shares in Musgrave dropped by 11% to 8c, but were still above the placement issue price.