



ASX RELEASE

26 June 2017

ASX: MGV

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## High Grade Zinc Intersected at Mt Eelya

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- Assay results have been received for the first five drill holes from the recently completed base metal drilling program on the northern Hollandaire area of the Cue project
- RC drilling has intersected high grade zinc mineralisation:
  - 2m @ 18.1% Zn, 0.5% Cu from 17m down hole (17EPRC005) within a broader interval of:
  - 16m @ 3.1% Zn, 0.2% Cu and 0.1g/t Au from 12m down hole (17EPRC005)
  - 4m @ 8.1% Zn, 1.5% Cu, 0.6g/t Au and 21g/t Ag from 30m down hole (17EPRC004) within a broader interval of:
  - 21m @ 1.9% Zn, 0.4% Cu, 0.5g/t Au and 6g/t Ag from 21m down hole (17EPRC004)
- The near surface zinc and copper mineralisation at Mt Eelya is open along strike and down plunge
- Drilling to test geophysical targets at the nearby Colonel prospect intersected significant copper, gold and silver mineralisation including:
  - 6m @ 1.0% Cu, 1.7g/t Au and 11g/t Ag from 60m down hole (17EPRC001)
- The EM conductors at Colonel extend over a strike extent of more than 600 metres and are largely untested
- Assay results are expected in the coming weeks for a further 11 drill holes covering nine additional targets

Musgrave Minerals Ltd (“Musgrave” or “the Company”) (ASX: **MGV**) is pleased to report high grade zinc, copper, gold and silver mineralisation has been intersected near surface at the Mt Eelya and Colonel Prospects from the recently completed reverse circulation (“RC”) drilling program on the northern Hollandaire area of the Cue Project in the Murchison region of Western Australia (Figure 1). The Cue Project is a joint venture with Silver Lake Resources Ltd (ASX: SLR) where Musgrave holds a 60% interest and has elected to increase its interest to 80% <sup>^</sup>.

The base metal and gold focused drilling program was completed in late May with 16 drill holes completed for a total of 2,720m. Drill hole assay results have been received for the first five drill holes in the program covering four base metal targets. Three targets returned significant base metal and gold-silver intercepts (Table 1) at the Mt Eelya and Colonel prospects. All three targets are all still open with significant upside potential. Down hole electromagnetic surveys are currently being planned to better define the potential extent of the base metal mineralisation.

Musgrave Minerals has qualified for Western Australian Government Exploration Incentive Scheme (EIS) co-funded drilling support for this drilling.

Musgrave Managing Director Rob Waugh commented, “This is a fantastic first up result and confirms the project has significant upside base metal potential. The shallow and high grade nature of the mineralisation is also encouraging. It is still early days but these results add to the potential of the field. Further drilling on these targets is warranted however our near-term focus is to advance Lena and Break of Day and the upgraded gold resource estimate for these deposits is still on track for mid-July 2017”.

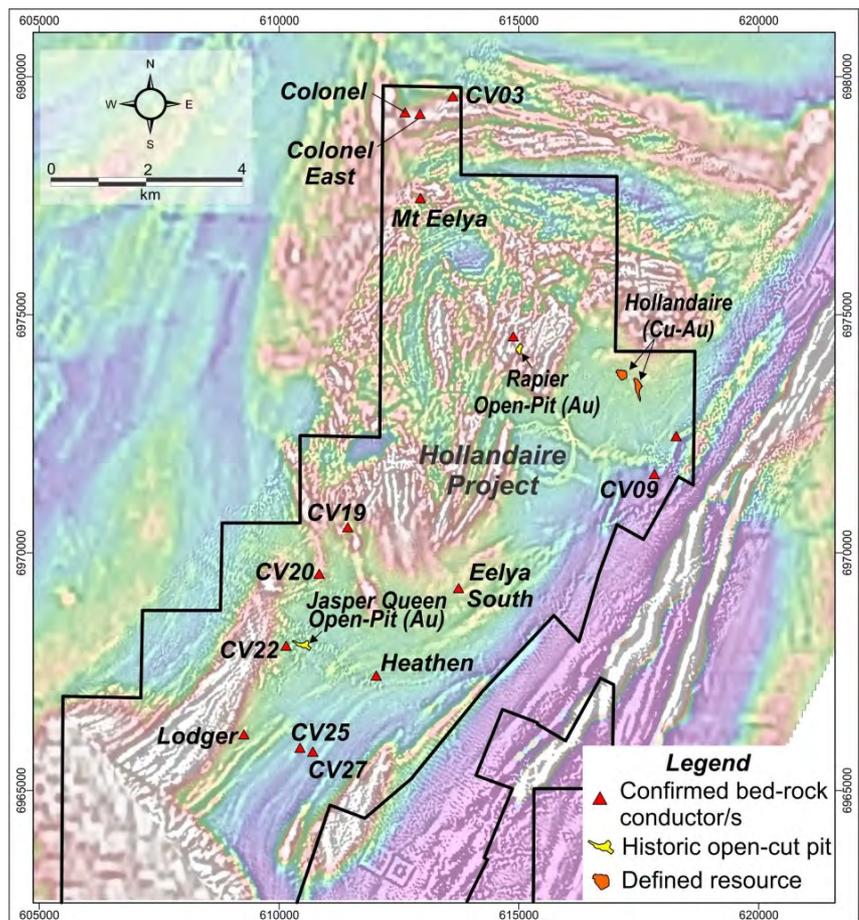


Figure 1: Plan showing locations of the base metal targets, including Mt Eelya and Colonel on aeromagnetic image

Footnote <sup>^</sup>

On 23 June 2017 Silver Lake Resources Ltd announced that it had agreed to sell its 40% interest in the Cue Joint Venture to Westgold Resources Ltd subject to Musgrave Minerals Ltd not exercising its pre-emptive right pursuant to the Cue Farmin and Joint Venture Agreement (Agreement). Pursuant to the terms of the Agreement, Musgrave has 30 days from receipt of notice of offer in which to exercise its pre-emptive right to purchase the JV interest on equivalent terms.

## Mt Eelya

Two RC drill holes were completed at the Mt Eelya prospect with both intersecting significant shallow zinc, copper, gold and silver mineralisation (*Figure 2 and 3*). Assay results are presented in Table 1.

Two parallel zones of sulphide mineralisation have been intersected in both drill holes approximately 25 metres apart. Drill hole 17EPRC005 intersected **16m @ 3.1% Zn, 0.2% Cu, 0.1g/t Au and 2g/t Ag** from 12m down hole, including a very high grade zone of **2m @ 18.1% Zn and 0.5% Cu** from 17m down hole. A second zone of **2m @ 1.3% Zn, 0.1% Cu and 0.1g/t Au** was intersected from 101m down hole.

Drill hole 17EPRC004 drilled 25 metres northwest of 17EPRC005, intersected; **21m @ 1.9% Zn, 0.4% Cu, 0.5g/t Au and 6g/t Ag** from 21m down hole, including a high grade zone of **4m @ 8.1% Zn and 1.5% Cu, 0.6g/t Au and 21g/t Ag** from 17m down hole. A second zone of **7.5m @ 0.6% Zn, 0.4% Cu and 0.1g/t Au** was intersected from 76.5m down hole.

The drilling confirms the historical intersection of **7m @ 9.3% Zn, 1.1% Cu, 11.3g/t Ag** from 29m down hole (12EEDD001). These shallow intersections highlight the near surface base metal potential at Mt Eelya. The mineralisation is open along strike and down plunge.

The mineralisation at Mt Eelya is interpreted to be hosted in an altered felsic/basaltic sequence and striking to the north-west and dipping steeply to the south (*Figure 2 and 3*). The mineralised sulphide intervals in drill holes 17EPRC004 and 17EPRC005 are weakly weathered and contain medium grained sphalerite (zinc sulphide) and chalcopyrite (copper sulphide) with associated pyrite.

Gossanous float, the weathered product of sulphide mineralisation, can be traced at surface over a strike of approximately 500m at Mt Eelya (*Figure 2*). The gossan forms intermittent but subparallel zones. A down hole electromagnetic (“DHEM”) survey is planned for the July quarter to better define the conductors and related sulphide mineralisation along strike and at depth.

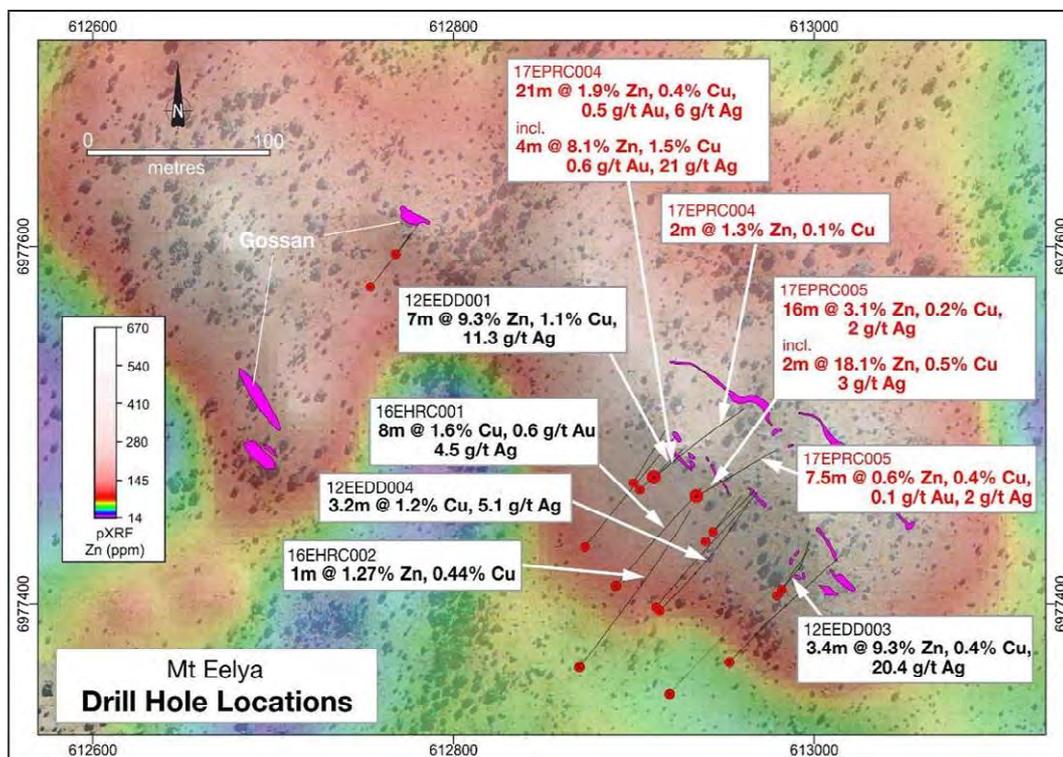


Figure 2: Plan showing drill hole locations for the Mt Eelya target with Zn from pXRF soil geochemistry overlaying aerial photography.

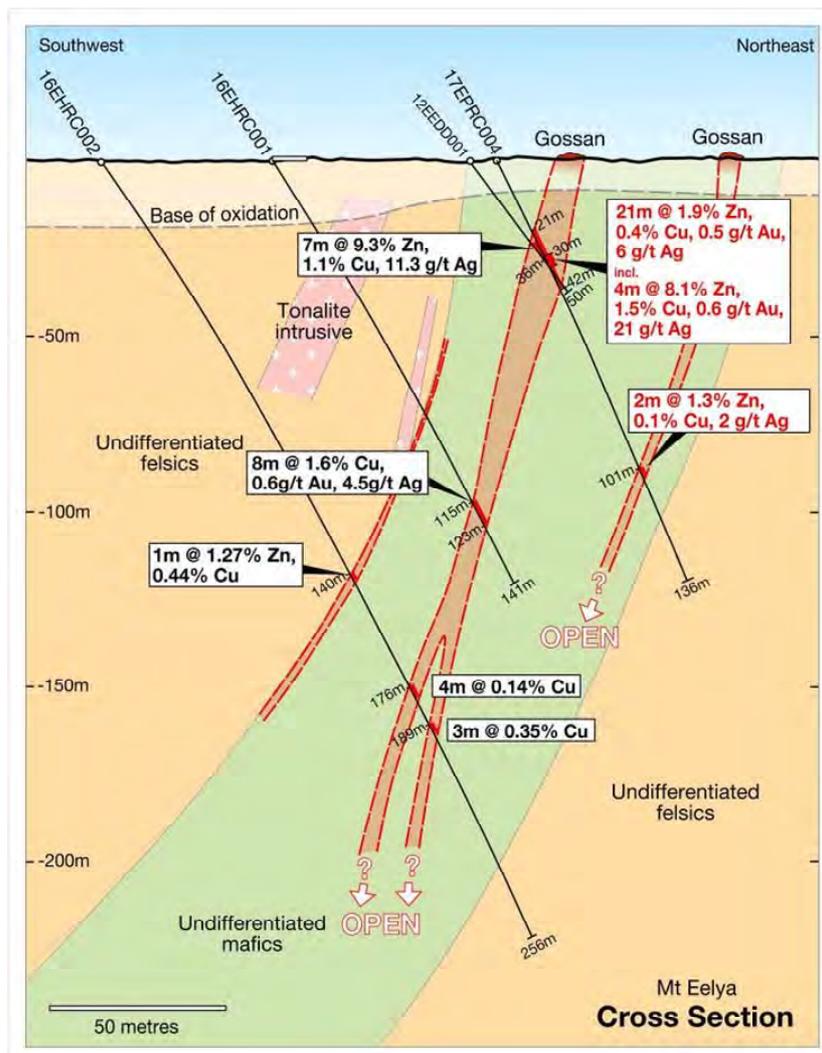


Figure 3: Mt Eelya cross section – local grid (vertical section through mineralisation)

## Colonel

Three RC drill holes were completed over three separate conductive EM targets at the Colonel Prospect (Figure 1) with two drill holes confirming the presence of significant copper and zinc sulphide and gold mineralisation (Figure 4). Assay results are presented in Table 1.

The conductive targets at Colonel and Colonel East are depicted in Figure 4 and were identified through airborne and surface EM surveys. Drill hole 17EPRC001 at Colonel intersected; **6m @ 1.0% Cu, 1.7g/t Au and 11g/t Ag** from 60m down hole. Drill hole 17EPRC002 drilled 300m to the south east of 17EPRC001 at Colonel East intersected; **6m @ 1.1g/t Au, 0.2% Cu, 1.6% Zn and 4g/t Ag** from 233m down hole. The mineralised sulphide intervals in drill holes 17EPRC001 and 17EPRC002 contains medium grained sphalerite (Zinc sulphide) and chalcopyrite (copper sulphide) with associated pyrite and pyrrhotite.

These intersections are the first drill holes into these EM targets covering a 600m strike extent and (Figure 5) highlight the base metal potential of the area. The mineralisation is open along strike and down plunge.

A down hole electromagnetic (“DHEM”) survey is planned for the July quarter to better define the conductor(s) (sulphide mineralisation) along strike and at depth.

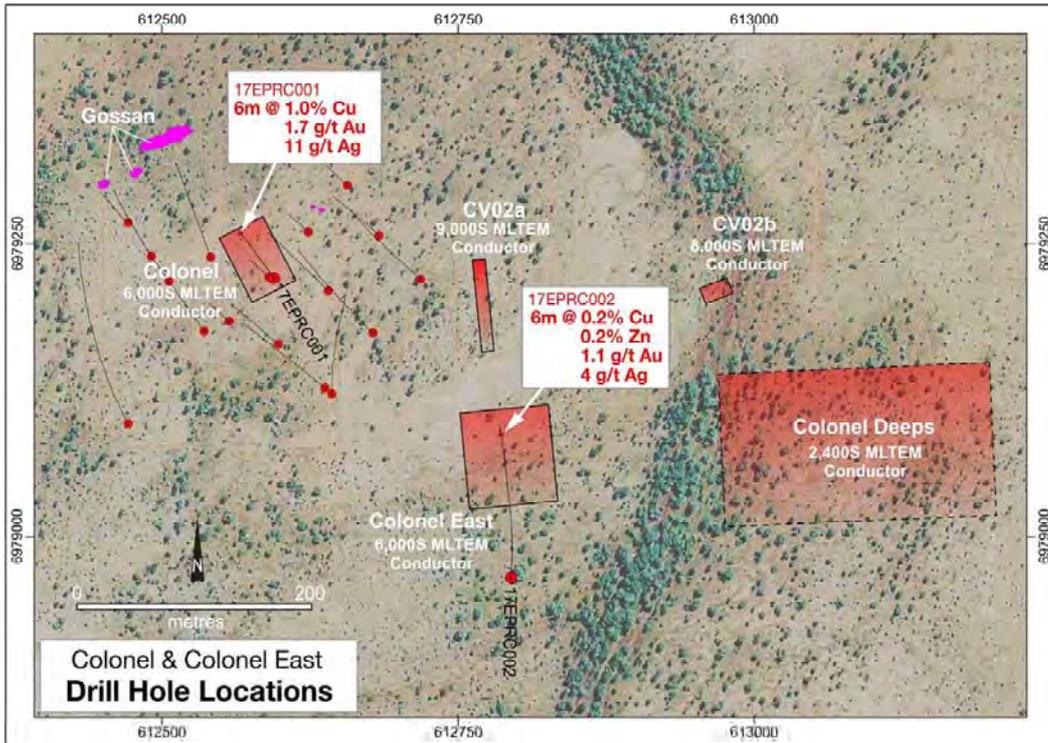


Figure 4: Plan showing drill hole locations for the Colonel target on aerial photograph

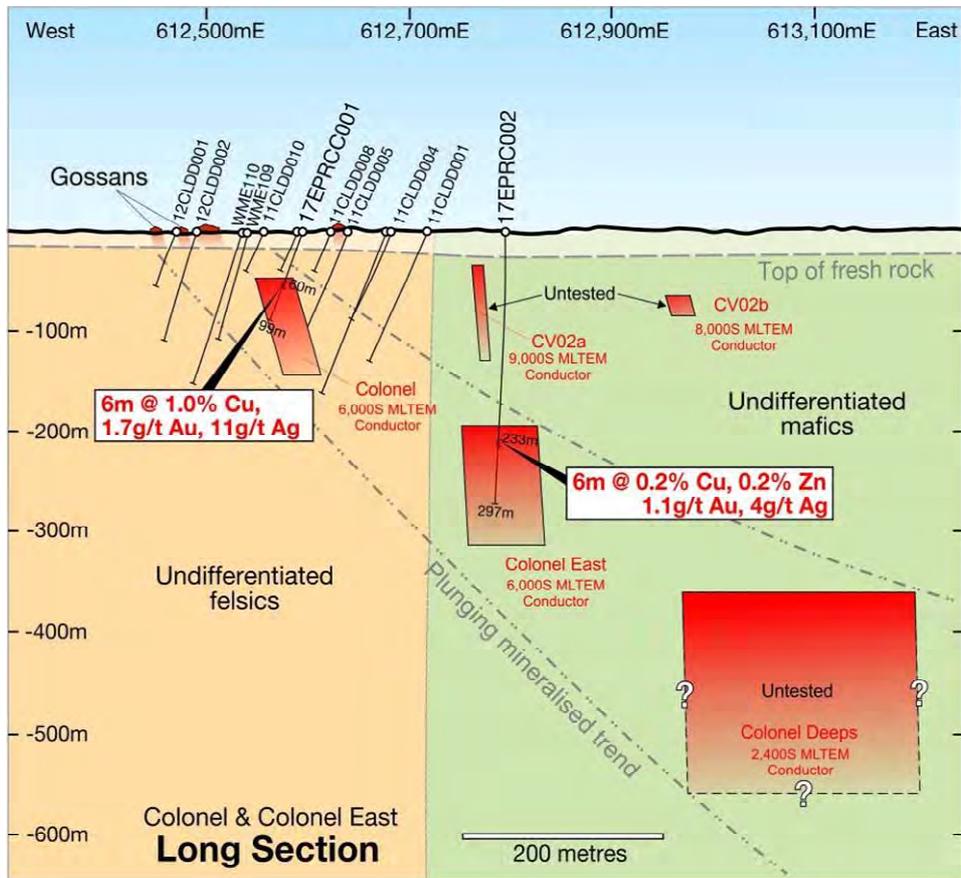


Figure 5: Colonel long section (vertical section through plane of mineralisation)



## FURTHER ASSAYS EXPECTED IN EARLY JULY

Assay results for the remaining 11 drill holes covering nine separate targets are expected in early July. These new targets are all associated with strong-moderate ground electromagnetic responses within the Hollandaire volcanic massive sulphide (VMS) field. They all have combinations of favourable geology and/or coincident soil geochemical or rock chip anomalism to support the potential for massive base metal sulphides and or gold and represent new discovery opportunities for the Company.

## THE CUE PROJECT

The Cue Project (“the Project”) is a Farm-In and Joint Venture Agreement with Silver Lake Resources Limited (“Silver Lake”) (ASX: SLR). Musgrave has met the Stage 1 Earn-In holding a 60% Joint Venture interest in the Project and has elected to progress to Stage 2 and increase its equity to 80%. The Project (*Figure 6*) consists of the Moyagee Gold and Hollandaire Copper Resources and surrounding tenure in the highly prospective Murchison province of Western Australia (see ASX announcement 25 November 2015, “Musgrave Secures Advanced Gold and Copper Project”).

The Company believes there is significant potential to extend existing mineralisation and also discover new high grade mineralisation within the Project area, shown by the recent drilling success at Break of Day and Lena.

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### **About Musgrave Minerals**

Musgrave Minerals Limited is an active Australian gold and base metals explorer. The Cue Project in the Murchison region of Western Australia is an advanced gold and copper project. Musgrave’s focus is to increase gold and copper resources through discovery and extensional drilling to underpin studies that will demonstrate a viable path to development in the near term. Musgrave also holds an active epithermal Ag-Pb-Zn-Cu project in the prospective silver and base metals province of the southern Gawler Craton of South Australia and a large exploration footprint in the Musgrave Province in South Australia. Musgrave has a powerful shareholder base with three mining and exploration companies currently participating as cornerstone investors.

### **Competent Person’s Statement Exploration Results**

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled and/or thoroughly reviewed by Mr Robert Waugh, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Geoscientists (AIG). Mr Waugh is Managing Director and a full-time employee of Musgrave Minerals Ltd. Mr Waugh has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Waugh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **Forward Looking Statements**

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Musgrave Minerals Limited’s (Musgrave’s) current expectations, estimates and projections about the industry in which Musgrave operates, and beliefs and assumptions regarding Musgrave’s future performance. When used in this document, words such as “anticipate”, “could”, “plan”, “estimate”, “expects”, “seeks”, “intends”, “may”, “potential”, “should”, and similar expressions are forward-looking statements. Although Musgrave believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Musgrave and no assurance can be given that actual results will be consistent with these forward-looking statements.

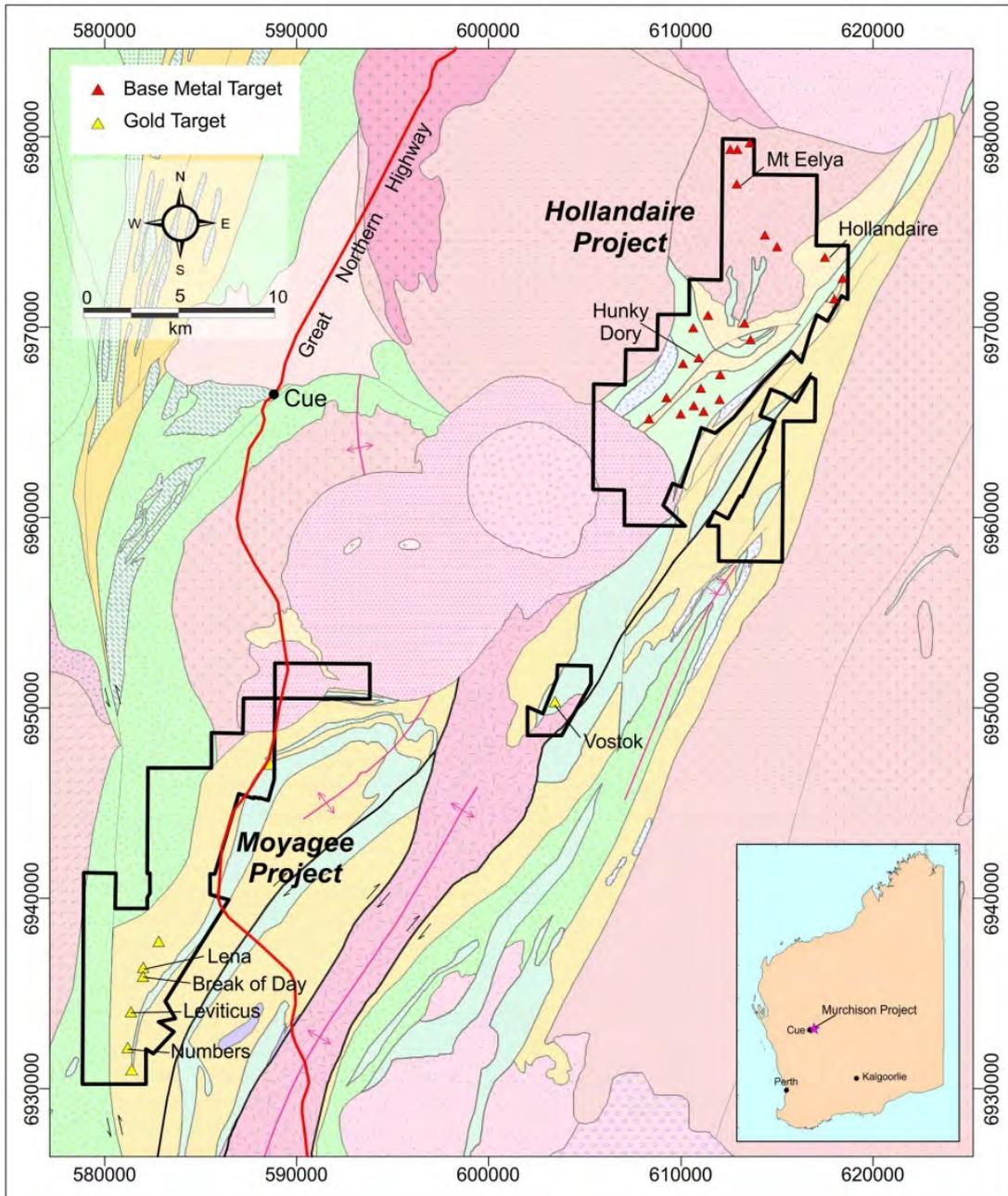


Figure 6: Cue Project location plan



**Table 1: Summary of Drill Hole Locations and Significant Assay Intervals**

Drill Hole ID	Drill Type	Prospect	Easting (m)	Northing (m)	Azimuth (degrees)	Dip (degrees)	RL (m)	Total Depth (m)	From (m)	Interval (m)	Zn (%)	Cu (%)	Au (g/t)	Ag (g/t)
17EPRC001	RC	Colonel	612595	6979220	325	60	445	99	60	6	0.3	1.0	1.7	11
17EPRC002	RC	Colonel East	612795	6978965	360	60	444	297	233	6	0.2	0.2	1.1	4
17EPRC003	RC	CV03	613550	6979500	360	60	441	117	NSI					
17EPRC004	RC	Mt Eelya	612910	6977470	50	60	453	135	21	21	1.9	0.4	0.5	6
							including		33	4	8.1	1.5	0.6	21
									101	2	1.3	0.1	0.1	-
17EPRC005	RC	Mt Eelya	612930	6977455	60	60	453	111	12	16	3.1	0.2	0.1	2
							including		17	2	18.1	0.5	-	3
									76.5	7.5	0.6	0.3	0.1	2

*Notes to Table 1*

1. An accurate dip and strike and the controls on mineralisation are only interpreted and the true width of mineralisation is not yet confirmed although it is expected to be 60-80% of the intersection width.
2. Six metre samples were collected for the entire drill hole. One metre individual samples within the visible sulphide zones are submitted for priority analysis.
3. g/t (grams per tonne), ppm (parts per million), ppb (parts per billion), X = below detection limit
4. NSI (No Significant intersection) – No gold assay above 1g/t.
5. All analysis was undertaken by Genalysis-Intertek in Maddington, Western Australia using four acid digest and ICPOES multi-element analysis and 25g gold fire assay.
6. g/t (grams per tonne), ppm (parts per million), ppb (parts per billion), X = below detection limit.

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## JORC TABLE 1

### Section 1 Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Sampling is undertaken using standard industry practices including the use of duplicates and standards at regular intervals. All Reverse circulation (RC) samples are split to 1-3kg in weight through a cyclone splitter on the drill rig. A Thermo Scientific Niton GoldD XL3+ 950 Analyser is available on site to aid geological interpretation. No XRF results are reported.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	All co-ordinates are in UTM grid (GDA94 Z50) and drill hole collars have been surveyed by differential GPS to an accuracy of 0.01m.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	RC samples were collected as 6m composites for all drill holes in the current program. One metre individual samples are immediately submitted for analysis where a high probability of mineralisation occurs (e.g. quartz vein lode or sulphide). All one metre samples are split to 1-3kg in weight through a cyclone splitter which is air blasted clean at the end of each 6m rod. Individual samples weigh less than 3kg to ensure total preparation at the laboratory pulverization stage. The sample size is deemed appropriate for the grain size of the material being sampled. Samples are pulverized to 85% passing -75um and four metre composite All analysis was undertaken by Genalysis-Intertek in Maddington, Western Australia using four acid digest and ICPOES multi-element analysis and 25g gold fire assay.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	An RC drilling program was undertaken by Ausdrill with a 5 5/8 inch hammer. A total of 16 RC holes have to date been drilled in this program over 13 separate base metal and gold targets. Historically Silver Lake Resources Ltd (SLR) undertook RC and diamond drilling at Mt Eelya and Colonel between 2010 and 2013 with some poorly documented shallow historical drilling prior to 2009. A combination of historical RAB, aircore, RC and diamond drilling has been utilised by multiple companies over a thirty year period across the broader project area.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC bulk sample weights are observed and noted in a field Toughbook computer by MGV field staff.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Drillers use industry appropriate methods to maximise sample recovery and minimise downhole contamination. A cyclone splitter was utilised to split 1-3kg of sample by weight. The splitter is air blasted clean at the end of each 6m rod.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No significant sample loss or bias has been noted.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	All geological, structural and alteration related observations are stored in the database.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of lithology, structure, alteration, mineralisation, colour and other features of core or RC chips is undertaken on a routine 1m basis.
	<i>The total length and percentage of the relevant intersections logged.</i>	All drill holes are logged in full on completion.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No diamond drilling was undertaken during this program.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples are routinely cyclone split and kept dry by the use of pressurised air. No wet sampling occurred.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Drill sample preparation and base metal and precious metal analysis is undertaken by a registered laboratory (Genalysis – Intertek). Sample preparation by dry pulverisation to 85% passing 75 micron.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QC procedures involve the use of certified reference standards (1:50), duplicates (~1:30) and blanks (1:50) at appropriate intervals for early stage exploration programs. High and medium base metal and gold standards are used.

	<p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>Sampling is carried out using standard protocols and QAQC procedures as per industry practice.</p> <p>Duplicate samples are inserted (~1:30) and more frequently when in high grade mineralisation, and routinely checked against originals.</p> <p>Sample sizes are considered appropriate for grain size of sample material to give an accurate indication of gold mineralisation at Break of Day. Sample is collected from full width of sample interval to ensure it is representative of samples lithology.</p>
<p><i>Quality of assay data and laboratory tests</i></p>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></p>	<p>One metre individual samples are analysed through potential gold and base metal mineralised zones. All analysis was undertaken by Genalysis-Intertek in Maddington, Western Australia using four acid digest and ICPOES multi-element analysis and 25g gold fire assay.</p> <p>Complete drill holes are analysed on six metre composite samples.</p> <p>Internal certified laboratory QAQC is undertaken including check samples, blanks and internal standards.</p> <p>This methodology is considered appropriate for base metal mineralisation and gold at the exploration phase.</p> <p>No geophysical tools were used to estimate mineral or element percentages. Musgrave utilise a Thermo Scientific Niton GoldD XL3+ 950 Analyser to aid geological interpretation.</p> <p>Standards, duplicates, blanks, and repeats are utilised as standard procedure. Certified reference materials that are relevant to the type and style of mineralisation targeted are inserted at regular intervals.</p>
<p><i>Verification of sampling and assaying</i></p>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>Samples are verified by the geologist before importing into the main database (Datashed).</p> <p>No twin holes have been drilled by Musgrave Minerals Ltd during this program.</p> <p>Primary data is collected using a standard set of templates. Geological sample logging is undertaken on one metre intervals for all RC drilling with colour, structure, alteration and lithology recorded for each interval. Data is verified before loading to the database. Geological logging of all samples is undertaken.</p> <p>No adjustments or calibrations are made to any assay data reported.</p>
<p><i>Location of data points</i></p>	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>All maps and locations are in UTM grid (GDA94 Z50) and have been surveyed or measured by hand-held GPS with an accuracy of &gt;±5 metres.</p> <p>Down hole surveys are undertaken using the axis or reflex digital clinometer down hole tool in either continuous reading mode or at regular 20m intervals.</p> <p>Drill hole and sample site co-ordinates are in UTM grid (GDA94 Z50) and converted from local grid references.</p> <p>Historical drill hole collars and RL's are surveyed by qualified surveyors in most instances in the resource areas. Differential GPS is used to survey drill hole collars with an accuracy of +0.01 metre including RL's.</p>
<p><i>Data spacing and distribution</i></p>	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>Variable drill hole spacings are used to adequately test targets and are determined from geochemical, geophysical and geological data together with historical drilling information. Historical drill hole spacings are variable.</p> <p>There is no current JORC mineral resource for any of these targets.</p> <p>One metre individual samples routinely split by the drill rig cyclone are undertaken for all RC drill holes but only submitted for analysis where there is a high probability of mineralisation from geological interpretation of the drill samples.</p> <p>Six metre sample compositing has also been undertaken for all drill holes in the current program. Composite sampling is undertaken using a stainless steel spear (trowel) at one metre samples and combined in a calico bag.</p>
<p><i>Orientation of data in relation to geological structure</i></p>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p>	<p>Drilling is designed to cross the mineralisation as close to perpendicular as possible.</p> <p>Most drill holes are designed to intersect the interpreted mineralisation as close to perpendicular as possible but being a single drill hole target test this is somewhat subjective and only an interpretation.</p>

	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No orientation based sampling bias is known at this time.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Chain of custody is managed by internal staff. Drill samples are stored on site and transported by a licenced reputable transport company to a registered laboratory in Perth (Genalysis-Intertek at Maddington). When at the laboratory samples are stored in a locked yard before being processed and tracked through preparation and analysis (Lab-Trak system).
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No external audits or reviews of modelling techniques and data have been undertaken.

## Section 2 Reporting of Exploration Results

<b>Criteria</b>	<b>Explanation</b>	<b>Commentary</b>
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>Musgrave Minerals Ltd now holds a 60% joint venture interest in all tenements.</p> <p>The Break of Day and Lena prospects are located on granted mining lease M21/106 and the primary tenement holder is Silver Lake Resources Ltd. Musgrave minerals commenced a Farm-In and Joint Venture on the project on 24 November 2015 (see MGX ASX announcement 25 November 2015: "Musgrave Secures Advanced Gold and Copper Project". Musgrave has secured a 60% equity interest in the joint venture (see MGX ASX announcement 8 February 2017: "Musgrave Completes Stage 1 Earn-In on Cue Project").</p> <p>The Mt Eelya prospect is located on granted exploration licence E20/608 and the primary tenement holder is Silver Lake Resources Ltd. The Hollandaire and Hollandaire West deposits are located on E20/699 and the primary tenement holder is Cue Minerals Pty Ltd a 100% subsidiary of Silver Lake Resources Ltd. The other base metal and gold targets are located on tenements E20/700, E20/606 or granted mining lease M20/277 and the primary tenement holder is Silver Lake Resources Ltd.</p> <p>Two targets are located on E20/630 where the tenement holders are G Petersons, Silver Lake Resource Ltd and Musgrave Minerals Ltd and two targets are on E20/659 where the tenement holders are Montezuma, Silver Lake Resource Ltd and Musgrave Minerals Ltd.</p> <p>Purple Rain is located on M58/224 and the primary tenement holder is Silver Lake Resources Ltd.</p> <p>The Cue project tenements consist of 32 licences as outlined in the Farm-In and Joint Venture Agreement.</p> <p>The tenements are subject to standard Native Title heritage agreements and state royalties. Third party royalties are present on some individual tenements.</p>
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The tenements are in good standing and no known impediments exist.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Historical drilling, soil sampling and geophysical surveys have been undertaken in different areas on the tenements intermittently by multiple third parties over a period of more than 30 years.</p> <p>At Mt Eelya historical exploration and gossan sampling was undertaken by Cambrian Resources in the 1990's and a drill program consisting of 12 holes was completed by Silver Lake Resources Ltd in 2011-2012. MGX drilled 2 RC holes in 2016. DHEM was undertaken on four drill holes and surface EM was completed.</p> <p>At Colonel minor historical exploration and gossan sampling was undertaken in the 1990's and a drill program consisting of 12 holes was completed by Silver Lake Resources Ltd in 2011-12.</p>
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>Geology comprises typical Archaean Yilgarn greenstone belt lithologies and granitic intrusives.</p> <p>Two main styles of mineralisation are present, typical Yilgarn Archaean lode gold and volcanic massive sulphide (VMS) base metal and gold mineralisation within the Eelya Felsic Complex.</p> <p>At Mt Eelya historical exploration and gossan sampling has been undertaken by Cambrian Resources in the 1990's and a drill program consisting of 12 holes was completed by Silver Lake Resources Ltd in 2012. DHEM was undertaken on two drill holes and three lines of surface EM were completed.</p>

<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.</i>	All relevant historical drill hole information has previously been reported by SLR and MGV. All new drill holes completed and assayed by MGV are referenced in this release.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	All significant new drill hole assay data are reported in this release. No cut-off has been applied to any sampling.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	All significant new drill hole assay data are reported in this release. No cut-off has been applied to any sampling.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values have been reported.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	All significant new drill hole assay data are reported in this release. True widths are not confirmed but all drilling is planned close to perpendicular to interpreted targets.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Diagrams referencing new data can be found in the body of this release. Some diagrams referencing historical data can also be found in the body of this report.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All assays received from Musgrave's drilling are reported in this release.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All new meaningful data is reported in this release. All material results from geochemical and geophysical surveys and drilling related to these prospects has been reported or disclosed previously.
<i>Further work</i>	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	A range of exploration techniques will be considered to progress exploration including additional surface sampling, geophysics and drilling.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to figures in the body of this announcement.