



ASX RELEASE

18 July 2017

ASX: MGV

Musgrave Exercises Pre-emptive Right to Acquire SLR's Interest in Cue JV

- **Musgrave moves to 100% ownership of Break of Day and Lena**

The Board of Musgrave Minerals Limited (ASX: **MGV**) ("Musgrave" or "the Company") is pleased to announce that Musgrave has elected to exercise its pre-emptive right to acquire Silver Lakes Resources Limited's (ASX: **SLR**) remaining interest in the Cue Project Farm-in and Joint Venture on equivalent terms to those proposed by Westgold Resources Limited (see ASX announcement 23 June 2017, "Sale of Murchison Assets").

Musgrave will acquire a 100% interest in the Break of Day and Lena deposits where Musgrave recently announced Minerals Resources in excess of 350koz gold (see ASX release dated 13 July 2017, "Resource Estimate Exceeds 350koz Gold"). The purchase price for the JV interest is cash consideration of \$1.5 million.

Musgrave Managing Director Rob Waugh said: "Musgrave sees considerable value in the opportunity to acquire SLR's interest and move to 100% ownership of the resources. Drilling is set to resume at Break of Day in early August to extend the high grade gold mineralisation outlined to date".

For further information, please contact:

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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 near term development. Musgrave also holds the highly prospective active epithermal Ag-Pb-Zn-Cu Corunna Project in the prospective silver and base metals province of the southern Gawler Craton 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.

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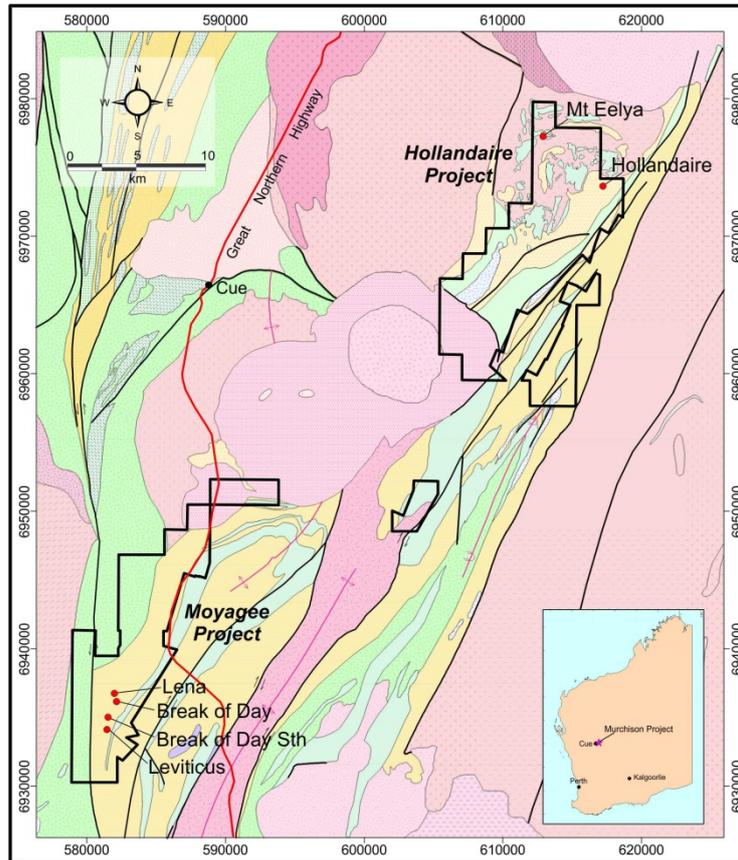


Figure 1: Cue Project location plan

**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.

Mineral Resources and Ore Reserves

The information in this report that relates to Mineral Resources at Break of Day and Lena is based on information compiled by Mr Aaron Meakin. Mr Meakin is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Meakin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Meakin consents to the disclosure of the information in this report 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.