

# Musgrave's Lake Austin North drilling confirms potential

THE first assayed drillhole into Musgrave Minerals new Lake Austin North target has delivered a barnstorming 42m of gold mineralisation grading 3.2 grams per tonne from 108m with additional higher grade hits below, supporting what could be a large mineralised gold system.



*Cue continues to deliver promising results.*

## Exploration / Development > Discovery

The same hole returned 24m at 5.1gpt from 114m, including 6m at 12.6gpt gold, all wrapped up within a broad gold halo of 84m at 1.7gpt from 84m, and terminating in low-grade gold mineralisation, 12m at 0.15gpt, which demands follow-up drilling.

Comments

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The A Zone target at Lake Austin North is a 700m-long gold regolith "halo" anomaly defined from aircore drilling and is open to the north and south.

**Haydn Black**

Editor

It is also just 3km north of the Break of Day and Lena resources within the company's flagship Cue project in Western Australia's Murchison district.

The second hole, drilled 75m to the west, also intersected a thick, broad regolith gold halo assaying 60m at 0.14gpt from 72m and terminated in low-grade gold mineralisation of 18m at 0.14gpt from 222m to the end of hole, close to where the high-grade gold lode is expected to be.

Again, drilling was limited by the depth capacity of rig and a diamond tail will need to be completed after the current 30 hole, 7500m program

To date four holes have been drilled and additional assays from the next two holes are expected within three weeks for the first two tests of the C Zone, which has a regolith gold mineralised halo up to 150m wide and covering a strike extent of over 450m.

Musgrave managing director Rob Waugh said the hits were a "wonderful" early result, following on from earlier aircore drilling where several holes terminated in high-grade gold mineralisation at up to 10.5gpt, again limited by rig capacity.

The company continues to study development of the 199,000oz Break of Day and 153,000oz deposits for early cashflow that can allow Musgrave to largely self-fund exploration at Lake Austin North and other high priority targets.

It has a term sheet with 15% shareholder Westgold Resources to investigate the development of Cue's existing resources, under which Westgold would finance, manage and develop the operation, and Musgrave would receive 50% of the profits.

Westgold owns the nearby Tuckabianna and Bluebird mills in the region, and in May invested A\$3.36 million in Musgrave at 7c per share.

Musgrave's dream is to find another Great Fingal-style gold deposit, with that 2Moz mine once described as one of the richest in the world in the early 1900s, before declining grades at depth saw the mine shut in 1918.

Shares in Musgrave rose by 12.5% to 7.2c this morning.



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