

Musgrave Minerals Ltd

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Musgrave Minerals surges 25% after results confirm gold discovery at Lake Austin North

Musgrave Minerals Ltd (ASX:MGV) has confirmed a gold discovery at the Lake Austin North prospect within its flagship Cue Gold Project in WA with strong, broad drilling results.

The first diamond drill holes into the A-Zone and C-Zone targets have returned up to 242 metres at 1.0 g/t gold from 61 metres, which included a high-grade zone of 45 metres at 3.3 g/t from 70 metres.

As well as hole 18MODD008, hole 18MODD005, also in A-Zone, returned 20 metres at 4.5 g/t from 102.2 metres with the zone remaining open in all directions.

Shares reach new 12-month high

Shares jumped 25% in early trade to 11.5 cents, a new 12-month high.

Musgrave's managing director Rob Waugh said: "The diamond drilling is confirming what we've seen in the RC results and extending the mineralisation.

"Drill hole 18MODD008 has returned another exceptionally thick intercept with a high-grade core on our southern-most drill traverse at A-Zone.

"The basement mineralisation remains open and untested to the south and at depth."

Waugh said: "Diamond drilling will now continue to step out and test the extents of the mineralisation along strike and aim to further outline the size and grade of this potentially large and exciting gold discovery."

Lake Austin North is 3 kilometres north of the Break of Day gold deposit, which is also within the Cue project in WA's Murchison district.

Price: A\$0.105

Market Cap: A\$34.33M

1 Year Share Price Graph



Share Information

Code: MGV

Listing: ASX

52 week High Low
A\$0.12 A\$0.05

Sector: Mining

Website www.musgraveminerals.com.au

Company Synopsis:

Musgrave Minerals Ltd (ASX:MGV) is listed on the Australian Securities Exchange.

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Cue project location plan and tenure.

Also, within the 45-metre intersection in hole 18MODD008 were 9 metres at 4.6 g/t from 70 metres and 18.9 metres at 4.7 g/t from 96.3 metres while further down was an intercept of 5.8 metres at 4.5 g/t from 199.8 metres.

The 20-metre intersection in hole 18MODD005 also included 2.6 metres at 11.0 g/t from 102.8 metres and 7.4 metres at 6.5 g/t from 114.9 metres.

READ: Musgrave Minerals extends high-grade gold at Cue Gold Project in WA

Diamond drilling at A-Zone is continuing with four holes completed to date for a total of 1,052 metres and assays received for three of these holes.

This program consists of a minimum of seven drill holes for about 1,500 metres and drilling will continue until late December.

A-Zone consists of a broad regolith gold halo extending up to 300 metres wide and covering a strike extent of more than 700 metres.

Location plan showing the Lake Austin North Gold Target.

Aircore results expected in January

Musgrave completed an aircore drilling program in November testing two new gold targets and two base metal targets on the northern tenure at Cue with assays expected in January.

Results of an induced polarisation (IP) survey completed to better define targets on the northern tenements are being interpreted.

The company has also completed a regional gravity survey over newly granted tenement applications adjacent to the existing gold tenure at Cue and has defined new targets for drill testing.

Development studies ongoing

At the Break of Day and Lena gold deposits, Musgrave is continuing development studies to evaluate options to optimise cash flow.

Break of Day hosts 868,000 tonnes at 7.15 g/t for 199,000 ounces and Lena hosts 2.682 million tonnes at 1.77 g/t for 153,000 ounces.

Negotiations are also continuing with Westgold Resources Ltd (ASX:WGX) regarding a mining and processing profit sharing agreement over the existing gold resources at Cue.

This proposed arrangement does not include Lake Austin North.

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