



ASX RELEASE

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Significant Near Surface Copper Intersected at Moorilyanna

- **Shallow RAB / Aircore drilling has identified three near surface strong copper anomalies at Moorilyanna**
- **The Caprica East anomaly extends over a strike of more than 900 metres**
- **Grades up to 12m @ 0.2% Copper from surface**

Musgrave Minerals Limited ("Musgrave Minerals") is pleased to announce that a combination of rotary air blast (RAB) and aircore drilling has successfully defined near surface copper mineralisation in weathered bedrock over a broad area at Moorilyanna.

The Moorilyanna Project is situated on wholly owned tenements located approximately 40km west of the Stuart Highway and Adelaide to Darwin railway line, in South Australia, on the eastern edge of the Musgrave Geological Province (Figure 1).

The drilling was undertaken on 10 broad spaced traverses in three main zones (Figure 2). A total of 142 holes were completed for 1,486 metres.

Results include:

<i>Hole #</i>	<i>Down Hole Intercept</i>	<i>From Depth (Down Hole)</i>
MOORB 057	10m @ 0.23% Cu	4m
MOORB 067	12m @ 0.20% Cu	0m
MOORB 110	2m @ 0.17% Cu	11m
MOORB 058	16m @ 0.14% Cu	2m
MOORB 059	4m @ 0.12% Cu	8m
MOORB 019	4m @ 0.10% Cu	4m
MOORB 030	2m @ 0.11% Cu	2m
MOORB 031	2m @ 0.11% Cu	2m
MOORB 047	2m @ 0.11% Cu	0m
MOORB 111	2m @ 0.11% Cu	3m

Table 1: Summary of best drill results from initial Moorilyanna regolith drilling

60 King William Road, Goodwood, South Australia 5034

Telephone: (61 8) 8378 8200 Fax: (61 8) 8271 0037

Web: www.musgraveminerals.com.au Email: info@musgraveminerals.com.au

ABN: 12 143 890 671

All three main target areas were anomalous in copper with best results from the Caprica East zone (Figure 3). The Caprica East zone extends for more than 900 metres with a mineralised width of up to 80 metres. The mineralisation is open along strike to the north west and is associated with elevated silver and gold. The mineralisation is interpreted to be hydrothermal in nature and structurally controlled.

The significant copper results are located in an area of sparse subcrop and shallow sand cover. The broad nature of these initial results is extremely encouraging.

Musgrave Minerals Managing Director, Rob Waugh said: "We are encouraged by these early results from our first round of drilling and are eagerly looking forward to further defining the potential primary source of the copper and to undertake deeper drill testing of these targets."

Planned Program at Moorilyanna

An induced polarisation (IP) geophysical survey is planned to identify the potential source of the primary copper mineralisation for deeper drill testing.

A reverse circulation (RC) drilling program will be undertaken to test these fresh rock targets for high grade copper mineralisation in September/October.

Deering Hills Drilling

Musgrave Minerals is also continuing its maiden nickel-copper diamond drilling program at Deering Hills.

The program is testing nine strong nickel-copper sulphide targets identified from airborne and ground electromagnetic ("EM") surveys. Musgrave Minerals identified the targets during surveys conducted in late 2010 and early 2011. The drilling is planned to test the targets at a depth of between 60 and 160 metres.

Mr Waugh said the company looked forward to providing further updates to investors as results become available.

About Musgrave Minerals

Musgrave Minerals Ltd has a massive exploration footprint in the Musgrave Province in South Australia, with tenements covering an area of approximately 50,000km² – which equates to approximately 5% of the State. The Company has a powerful shareholder base with six mining and exploration companies participating as cornerstone investors.

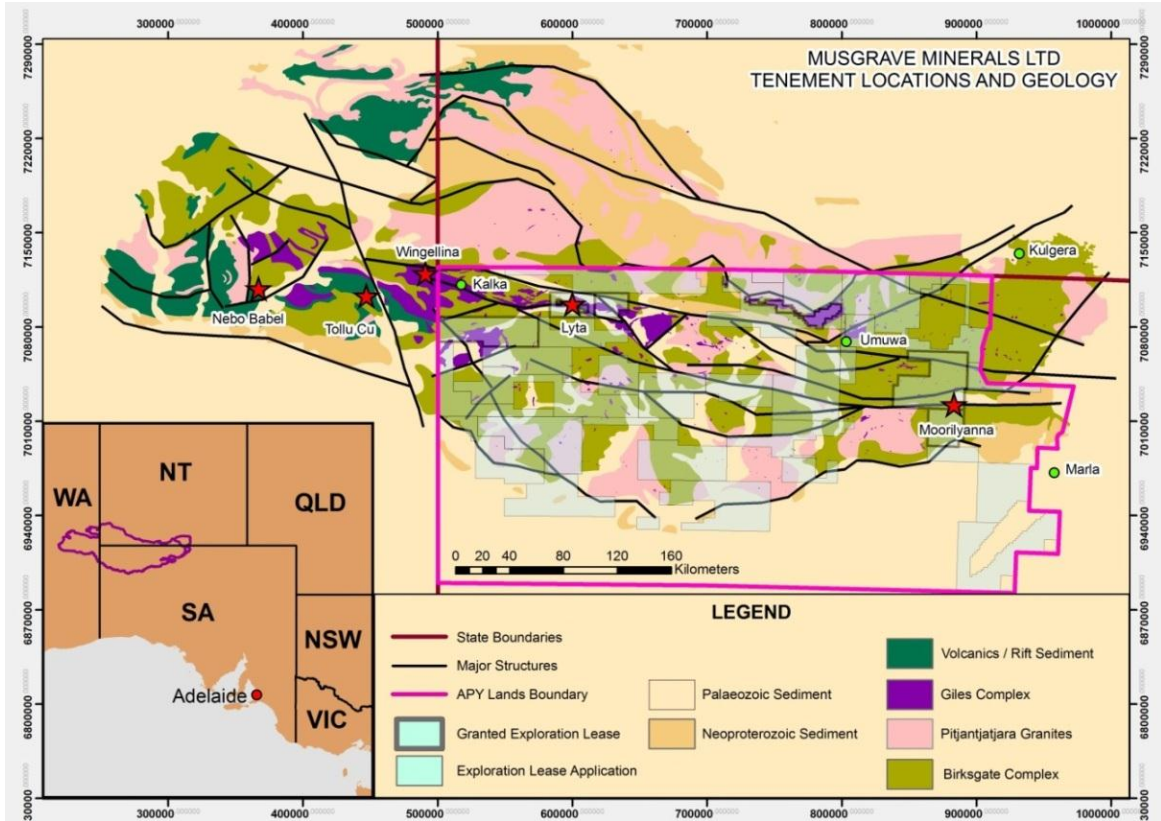
The Musgrave Province is one of the last under-explored exploration frontiers in Australia and is prospective for a number of commodities. The centrepiece is the recognition of, and access to, the unexplored potential of the Giles Complex, a 1080Ma aged mafic-ultramafic layered intrusive complex that hosts significant nickel and copper sulphide deposits (such as the Nebo/Babel deposit) in the Western Australian portion of the Province.

Musgrave Minerals recently completed a successful IPO raising \$20 million before expenses and listed on the Australian Securities Exchange on 29 April 2011.

Enquiries:
Robert Waugh
 Managing Director
 Musgrave Minerals Ltd
 0439 955 415

Richard Sproull/Kristy Macfarlane
 Michels Warren Public Relations
 0418 585 517 / 0402 557 527

Figure 1: Location of Moorilyanna project area



The information in this report that relates to Exploration Results is based on information compiled by Mr Robert Waugh. Mr Waugh is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a member of the Australian Institute of Geoscientists (AIG). Mr Waugh is Managing Director of Musgrave Minerals Limited. Mr Waugh has sufficient industry experience to qualify as a Competent Person as defined in the 2004 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 their information in the form and context in which it appears.

Figure 2: Location of Moorilyanna Drill Results on Geochemical Cu Grid and Aster Image

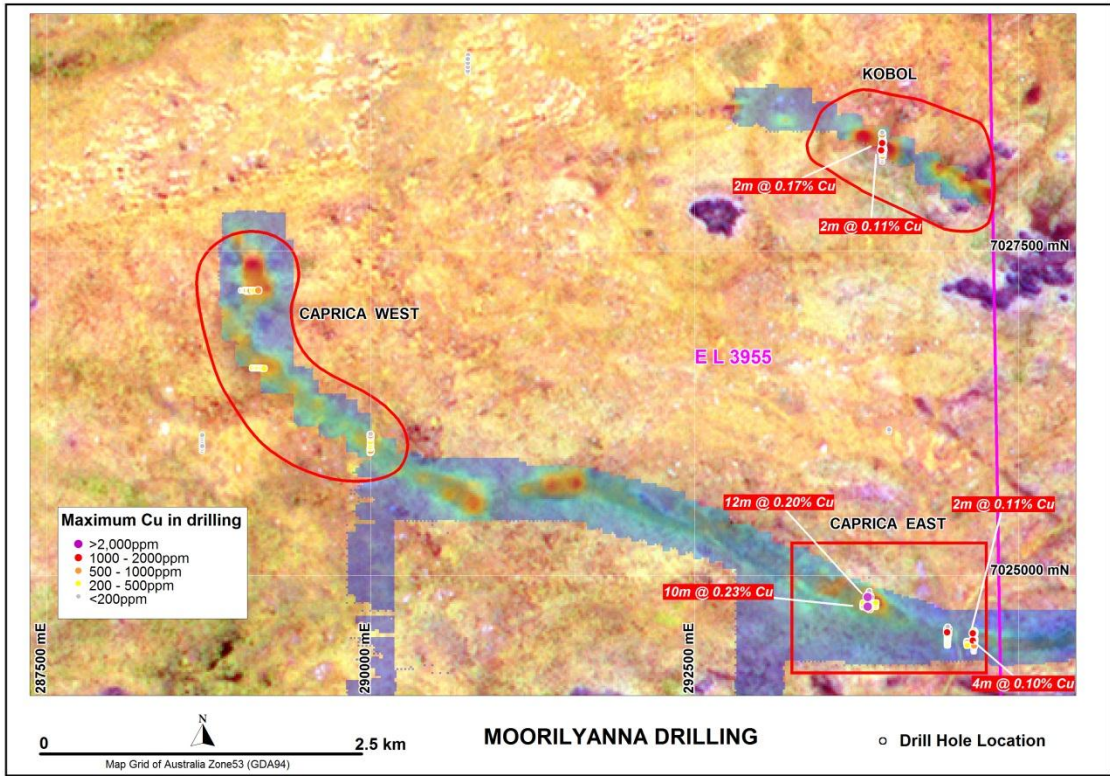
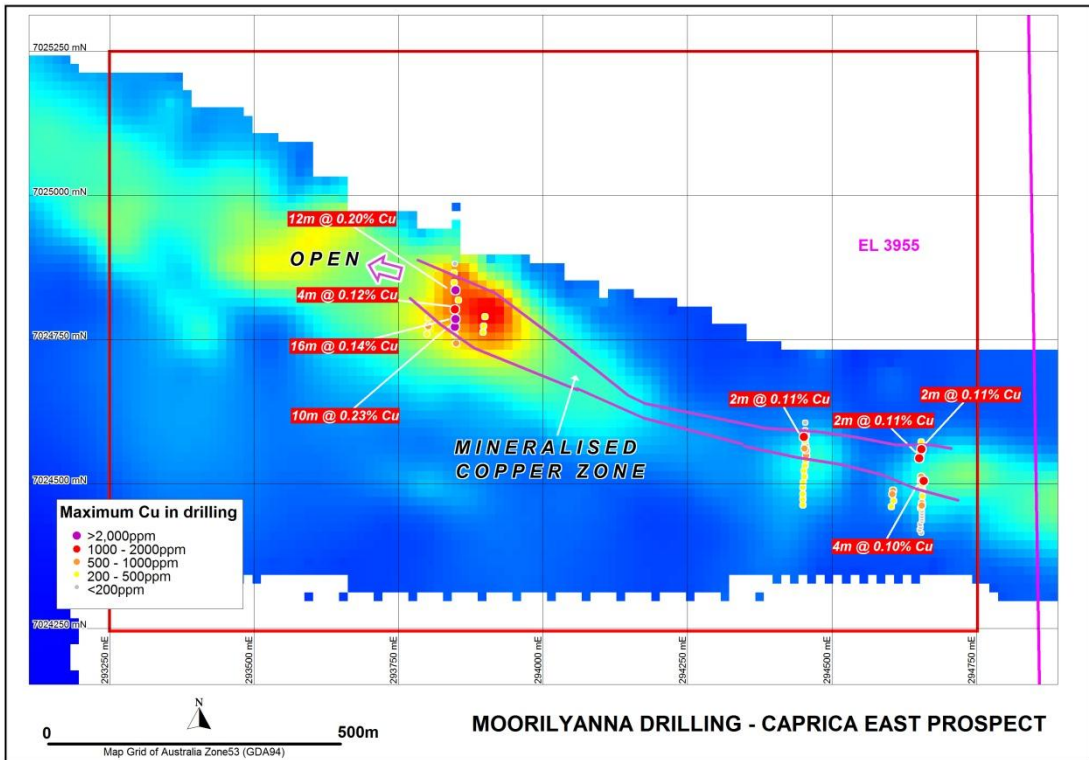


Figure 3: Location of Caprica East Drill Results on Geochemical Cu Grid



Appendix 1: Summary of best RAB / aircore drill results

Drill hole ID	Easting (m)	Northing (m)	From (m)	To (m)	Width (m)	Azimuth	Dip	Cu ppm	Cu %
MOORB 057	293848	7024774	4	14	10	360°	-60°	2306	0.23
MOORB 067	293849	7024837	0	12	12	360°	-60°	2005	0.20
MOORB 058	293849	7024787	2	18	16	360°	-60°	1364	0.14
MOORB 059	293849	7024804	8	12	4	360°	-60°	1233	0.12
MOORB 019	294655	7024505	4	8	4	360°	-60°	1050	0.10
MOORB 110	293952	7028287	11	13	2	360°	-60°	1730	0.17
MOORB 030	294654	7024556	2	4	2	360°	-60°	1114	0.11
MOORB 031	294655	7024562	2	4	2	360°	-60°	1100	0.11
MOORB 047	294454	7024586	0	2	2	360°	-60°	1065	0.11
MOORB 111	293949	7028299	3	5	2	360°	-60°	1136	0.11

Notes

1. Co-ordinates are in UTM grid (GDA94 Z53) and have been measured by hand-held GPS
2. Drilling was undertaken utilising a WASDRILL 400D drilling rig mounted on a 6x6 Toyota Landcruiser.
3. A combination of aircore and rotary air blast (RAB) drilling was undertaken to gain maximum regolith penetration
4. All samples are split using a cyclone splitter
5. Individual samples are either 1metre , 2 metre or 4 metre composites
6. Sample preparation and sample analysis by Intertek Genalysis, Alice Springs, Northern Territory and Wingfield, South Australia respectively
7. Sample preparation by dry pulverization and copper analysis by ICP-OES and ICP-MS to 0.5ppm
8. Drill intercepts are calculated using a 1000ppm Cu cut-off with no more than 2 metres of internal dilution at values below 1000ppm.
9. An accurate dip and strike of the mineralisation is yet to be determined and the true width of the intercepts is not yet known
10. PPM (parts per million)