



ASX RELEASE

30th August 2011

ASX : MGV

New Targets at Mt Woodroffe Project

- **New target area identified at Mt Woodroffe**
- **10 new VTEM targets identified**
- **Co-incident Cu-Ni-Pt geochemical anomalies downstream of VTEM targets**

Musgrave Minerals Limited ("Musgrave Minerals") is pleased to announce the addition of a third focus area in the Musgrave Province, known as the Mt Woodroffe Project, as part of its growing exploration program across the remote and underexplored region in the far north of South Australia

Musgrave Minerals recently conducted a versatile time-domain electromagnetic or "VTEM" survey across part of its Mt Woodroffe Project and identified 10 new priority targets.

This is the third project area to return new and exciting results from Musgrave Minerals' initial exploration program, following positive results at Moorilyanna and Deering Hills. Diamond drilling of priority targets is continuing at Deering Hills with the results of the initial drill holes expected shortly.

The Mt Woodroffe Project is situated on Musgrave Minerals' wholly owned tenement EL3940, located approximately 115km west of the Stuart Highway and Adelaide to Darwin railway line, in the eastern Musgrave Geological Province of South Australia, (Figure 1).

A number of the VTEM targets are located upstream of co-incident copper, nickel and platinum stream sediment anomalies which is extremely encouraging (Figure 2). The area has seen very little previous exploration and the targets all occur in areas of mapped sub-cropping Giles formation mafic intrusives. These are the same intrusive rocks that host BHP Billiton's Nebo-Babel deposit in the West Musgrave.

Musgrave Minerals Managing Director Rob Waugh said: "The identification of the VTEM targets in close proximity to the copper, nickel and platinum geochemistry anomalies is very positive. Metals commonly leach from enriched sources in the near surface environment and can accumulate in streams proximal to the source. Follow-up will occur in September/October to determine if the VTEM targets are the source of the copper, nickel and platinum anomalies."

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Planned Program at Mt Woodroffe

Reconnaissance anomaly checking and rockchip sampling is planned for September/October with ground electromagnetic ("EM") surveys to follow-up priority targets.

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.

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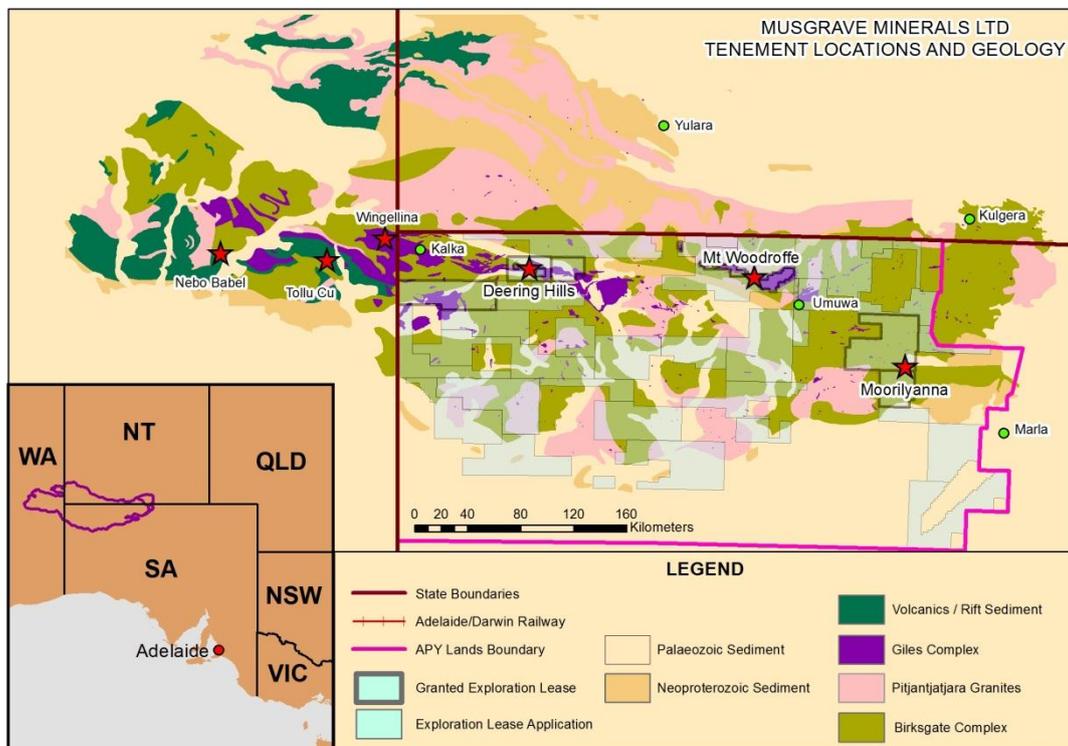


Figure 1: Location of Mt Woodroffe Project Area

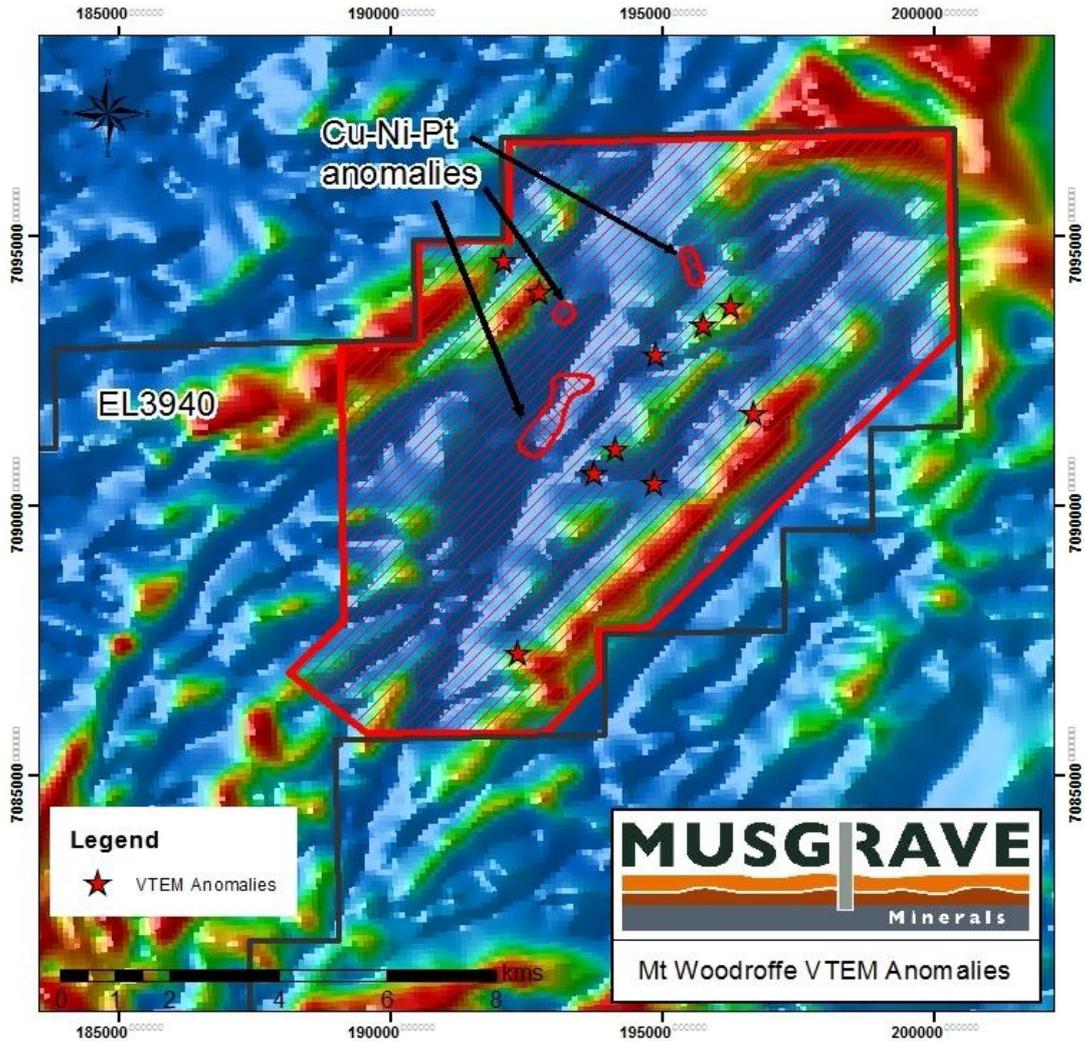


Figure 2: Location of Mt Woodroffe VTEM Targets on aeromagnetic image

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.