



ASX RELEASE

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ASX: MGV

Geophysics Confirms Copper Targets at Moorilyanna

- **Induced Polarisation (“IP”) geophysical survey has defined six basement drill targets coincident with near-surface copper mineralisation**
- **The Caprica East target at Moorilyanna extends over a strike of more than 900 metres**
- **Grades up to 12m @ 0.2% copper intersected in regolith directly above basement IP response**

Musgrave Minerals Limited (“Musgrave Minerals”) is pleased to announce that an IP geophysical survey is near completion at Moorilyanna. The survey has defined six basement targets from shallow depths. All six of the targets are coincident with existing near-surface copper mineralisation and warrant drill testing.

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

“The IP survey very clearly shows strong responses directly below existing regolith copper anomalies,” Musgrave Minerals Managing Director Rob Waugh explained.

“The intent of the IP survey is to define the best locations and target depths to focus the upcoming reverse circulation (“RC”) drilling program. The survey has been very successful in this regard defining strong clear targets that may represent accumulations of economic copper sulphides in basement rocks.”

“We are eagerly looking forward to testing these new targets with the drilling scheduled to commence in late March.”

The program of dipole-dipole IP covering approximately 20 line kilometres over eight targets is near completion. The aim of the survey is to assist in identifying potential high-grade copper targets to focus drilling at the Moorilyanna prospect.

Preliminary IP data for the Caprica East zone at Moorilyanna, where near-surface copper mineralisation extends over more than 900 metres, shows a significant anomaly dipping at approximately 75 degrees to the south-west coincident with the existing known copper mineralisation (Figures 2 and 3). The copper mineralisation at surface at

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Caprica East has been identified in weathered regolith over a 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 Caprica East IP anomaly and associated copper results are located in an area of sparse outcrop and shallow sand cover. The broad nature of the copper results and the associated IP anomalies is very positive and present compelling targets for RC drilling.

Planned Drilling Program at Moorilyanna

A 3,000-metre RC basement drilling program will be undertaken to test these new near surface targets for high grade copper mineralisation. Drilling is expected to commence in late March.

Deering Hills Update

Musgrave Minerals is also continuing to explore highly ranked nickel-copper sulphide targets at Deering Hills where the Company has recommenced geological mapping and surface geochemical surveys.

Mr Waugh said the Company looked forward to providing further updates to investors as exploration continues and 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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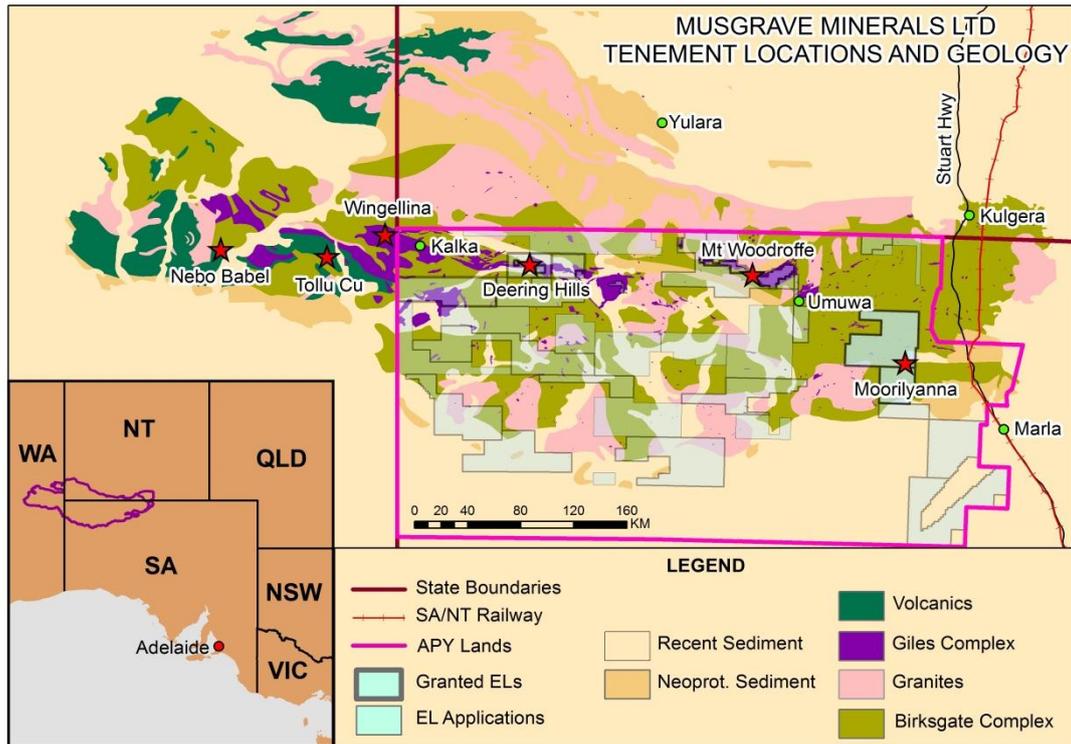


Figure 1: Location of Moorilyanna project area

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.

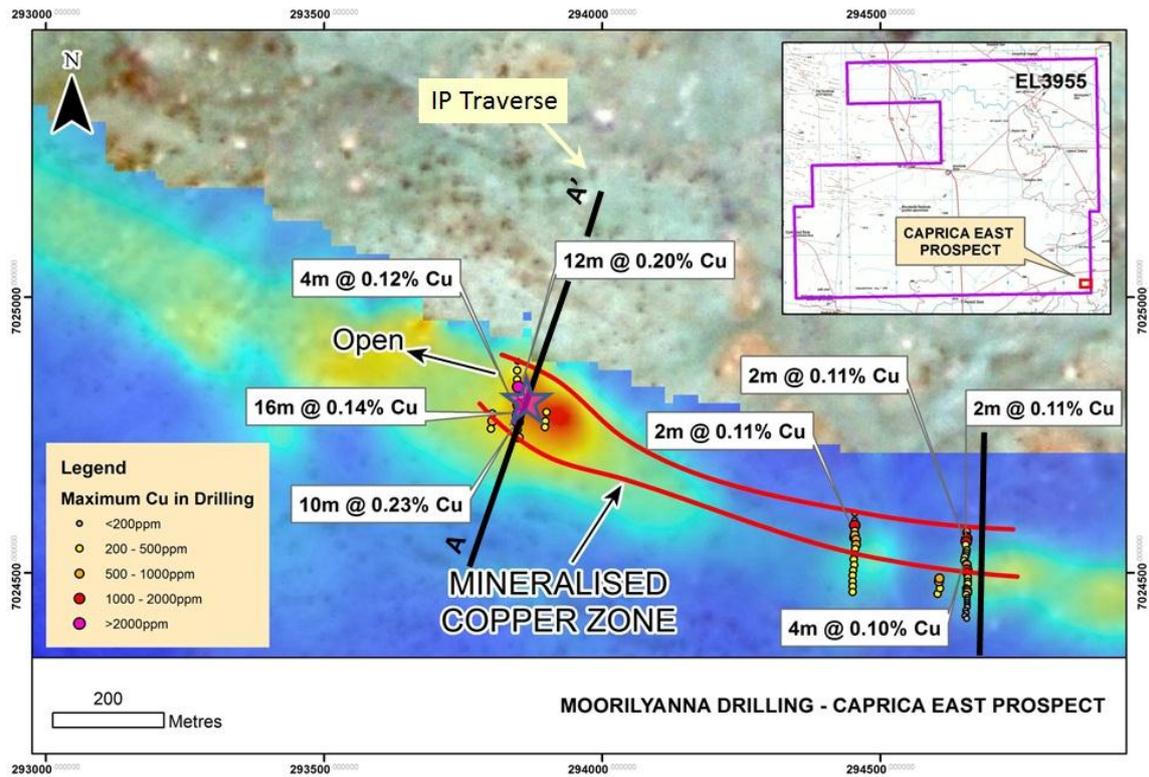


Figure 2: Location of Caprica East IP survey and regolith drill results on geochemical Cu grid and satellite image

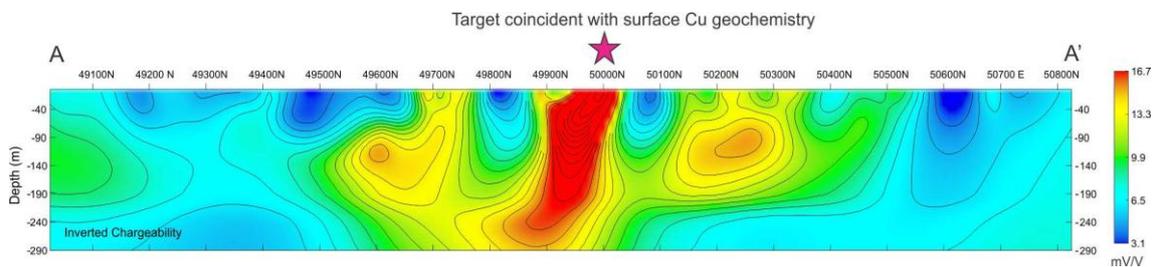


Figure 3: Caprica East modelled chargeability section A-A'