



ASX RELEASE

23rd July 2012

ASX: MGV

Musgrave Defines New Targets

- **High priority nickel-copper target identified at Mt Woodroffe**
 - **Target in area of shallow cover with coincident, VTEM, geochemical, magnetic and gravity response.**
- **New regional VTEM survey to commence**
- **Strong financial position with approximately \$13.6 million in cash**

Musgrave Minerals Limited ("Musgrave Minerals" or "the Company") (ASX: MGV) is pleased to announce the identification of a high priority nickel-copper target at its Mt Woodroffe Project, in the Musgrave Geological Province, South Australia.

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

The target, titled 'Lister' (Figures 2 and 3) is in an area of shallow cover and is a versatile time-domain electromagnetic (VTEM) target with coincident geochemical, magnetic and gravity responses.

Musgrave Minerals will commence a regional VTEM survey of 11 blocks over five tenements covering new priority exploration areas. This survey will include a block at Mt Woodroffe to the west of the current exploration in an area dominated by a coincident regional gravity and magnetic high. The regional survey is due to commence this week and will take approximately three weeks to complete.

The Musgrave geological province is considered very prospective for magmatic nickel-copper sulphide deposits with the region host to the large Nebo-Babel nickel-copper sulphide deposit in the West Musgrave currently held by BHP Billiton.

In addition, Musgrave's regional vacuum drilling program at Deering Hills will re-continue in August.

The Company is in a very strong financial position with approximately \$13.6 million in cash, and has a comprehensive exploration program planned across all of its tenements for the next 12 months. Musgrave Minerals is actively looking and evaluating potential opportunities as they arise.

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Musgrave Minerals' unique knowledge of the region, use of new technologies, its systematic and efficient approach to exploration and strong cash position means it is well placed to successfully explore the region.

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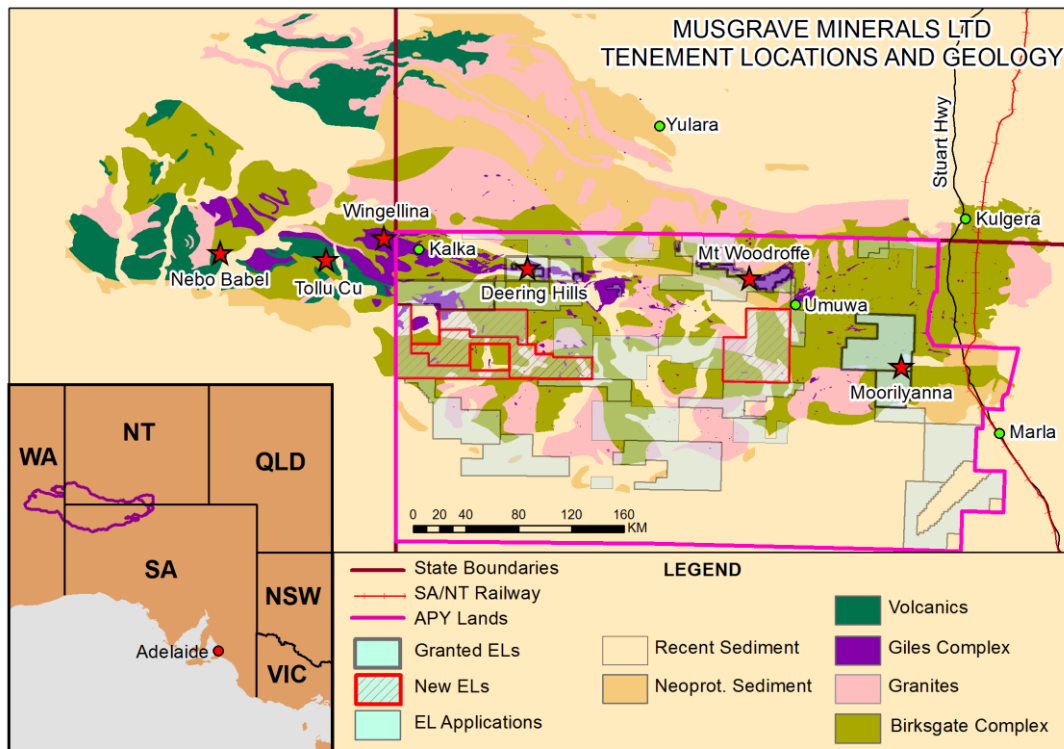


Figure 1: Location of Musgrave Minerals' exploration licences

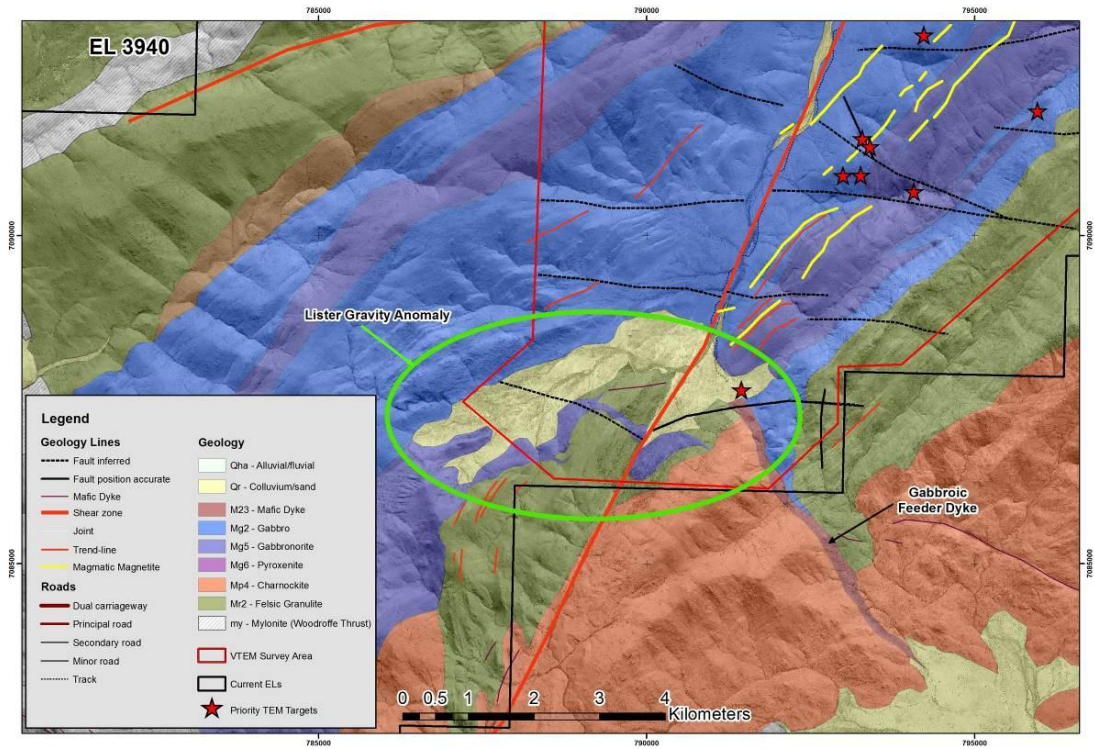


Figure 2: Mt Woodroffe Project showing 'Lister' target

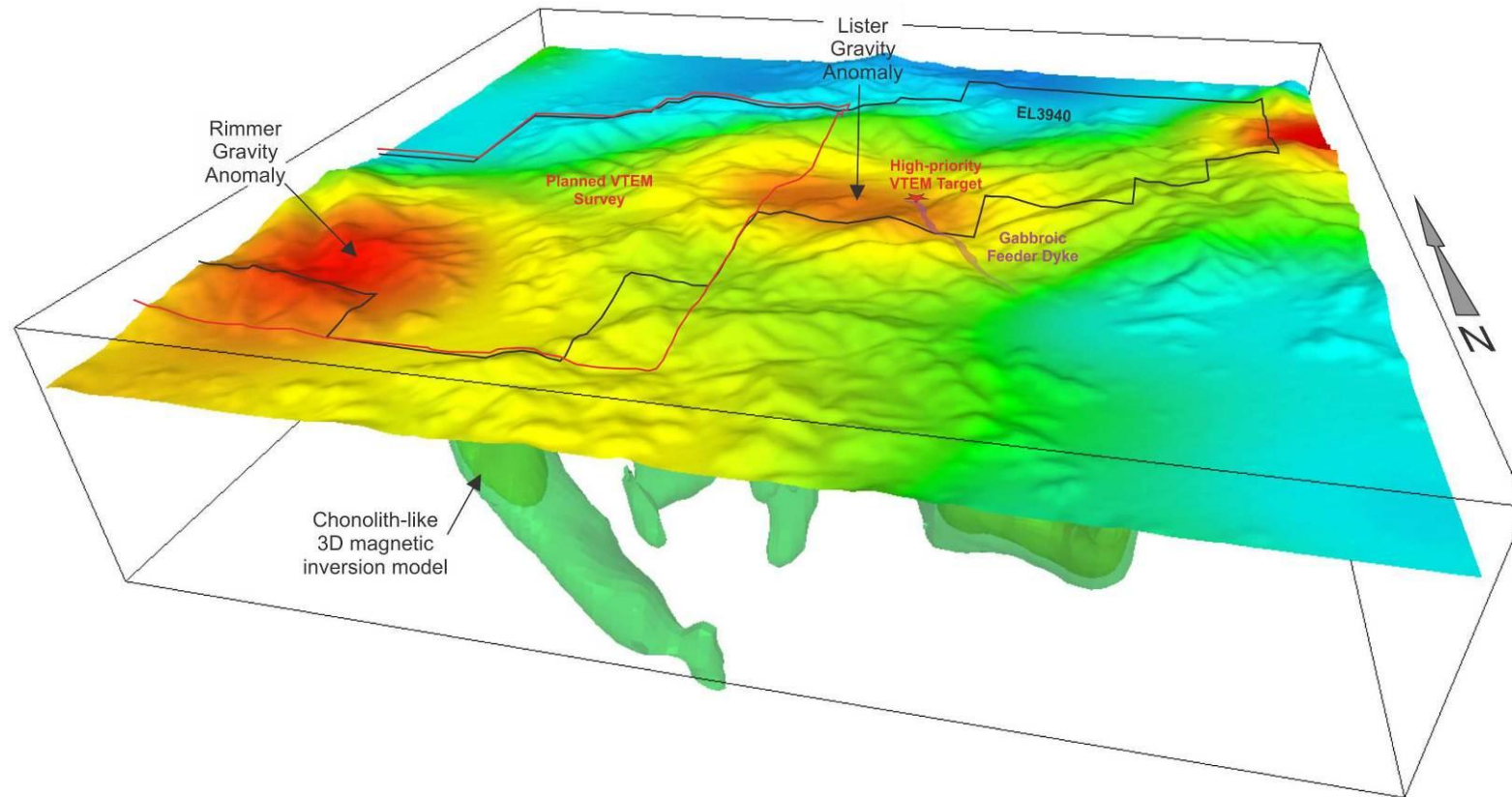


Figure 3: Mt Woodroffe project showing 'Lister' target, 3D magnetic image, regional gravity regional and new VTEM survey area

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.

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.