



ASX RELEASE

14th November 2012

ASX: MGV

Menninnie Dam Joint Venture Update

- **Musgrave to commence exploration on Menninnie Dam Joint Venture**
- **Statutory work approvals received**
- **RC drilling program to commence this month**
- **Project has a well-defined existing resource with potential to extend and upgrade through testing of Ag-Zn-Pb targets in close proximity**
- **Project has untested high-quality drill targets outlined outside the existing resource area including significant untested silver potential**

Further to its ASX announcement dated 2nd October 2012, Musgrave Minerals Ltd (**ASX: MGV**) advises that it will commence exploration on the Menninnie Dam silver-zinc-lead Project immediately. Musgrave Minerals Ltd entered a Heads of Agreement with Menninnie Metals Pty Ltd, a wholly owned subsidiary of **Terramin Australia Limited (ASX:TZN)** to earn a 51% interest in Menninnie Dam in the first stage and up to 75% thereafter.

The Menninnie Dam Project comprises five Exploration Licences ("EL's") covering a contiguous area of 2,471km² in the highly sought after and prospective Gawler Craton region of South Australia (Figure 1), approximately 100km west of Port Augusta. The Company has now received statutory approval to commence exploration activities including drilling.

A substantial Reverse Circulation ("RC") drilling program on the Menninnie Dam prospects and regional targets is expected to start in November 2012. This exploration drilling program will target high priority co-incident soil geochemical/induced polarisation ("IP") anomalies at Mannequin, Phone Hill, and Tank Hill, as well as testing possible extensions to the shallow mineralisation near Menninnie Central.

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A wide-angle landscape photograph showing a flat, arid plain with sparse, low-lying vegetation under a clear sky. The terrain extends to a distant horizon line.

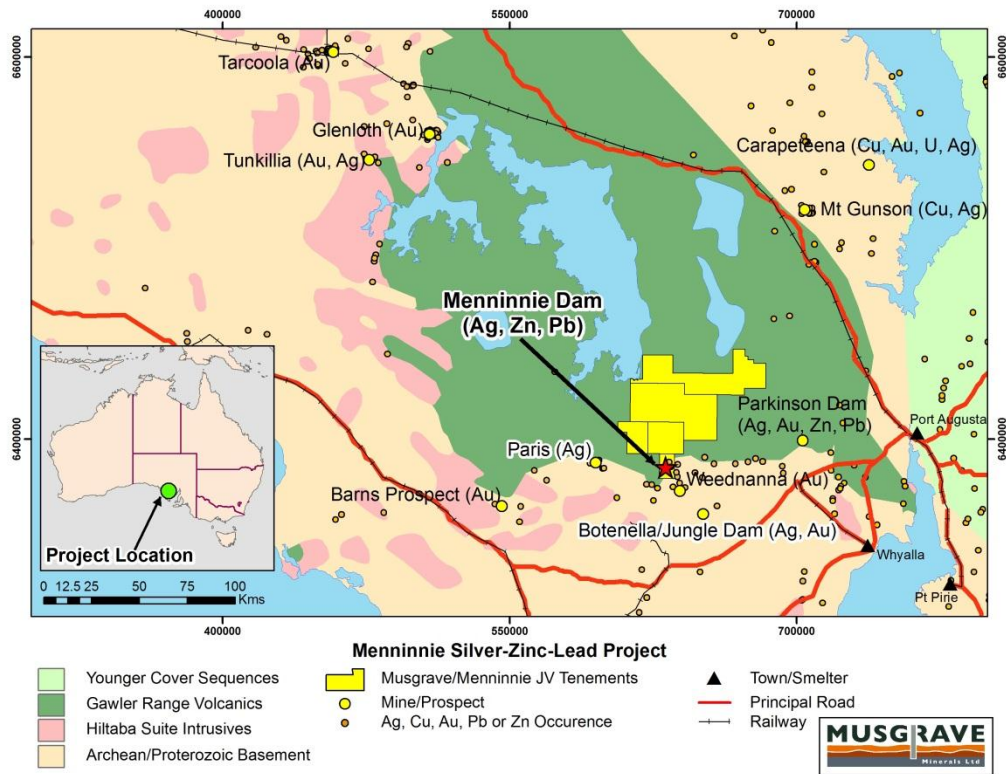


Figure 1: Location of the Menninnie Dam Project

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled and thoroughly reviewed by Mr Robert Waugh. Mr Waugh is a fellow 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.

About Musgrave Minerals

Musgrave Minerals Ltd is an active Australian base metals explorer with a massive exploration footprint in the Musgrave Province in South Australia, with tenements covering an area of approximately 50,000km². The Company also has an active advanced stage exploration project, Menninnie Dam in the prospective silver and base metals province of the southern Gawler Craton. Musgrave has a powerful shareholder base with six mining and exploration companies participating as cornerstone investors.

