

Drilling Operations Commence at Mamba, Fraser Range

- Musgrave has commenced drilling operations at the M8 Ni-Cu target in the Fraser Range
- The M8 target is a high conductance discrete basement EM anomaly in an area of no previous drilling

Musgrave Minerals Ltd (“Musgrave” or “the Company”) (ASX:MGV) is pleased to announce the commencement of reverse circulation (“RC”) drilling operations at the M8 high conductance basement electromagnetic (“EM”) target on the wholly owned Mamba Exploration Licence (E28/2405) in the Fraser Range of Western Australia (Figure 1).

The M8 conductor is a late time basement response with a modelled conductance of ~10,000 siemens. This is significant as it is consistent with the expected response from a massive sulphide source. The M8 conductor is in an area of no previous drilling and interpreted shallow sedimentary cover making surface geochemistry ineffective.

The conductor is at a depth of approximately 200m with a strike extent of 100m (see ASX announcement dated 22nd May 2015). It is located adjacent to a magnetic high (Figure 2) within what is interpreted to be a mafic intrusive body, the prospective host for nickel-copper sulphide mineralisation in the district.

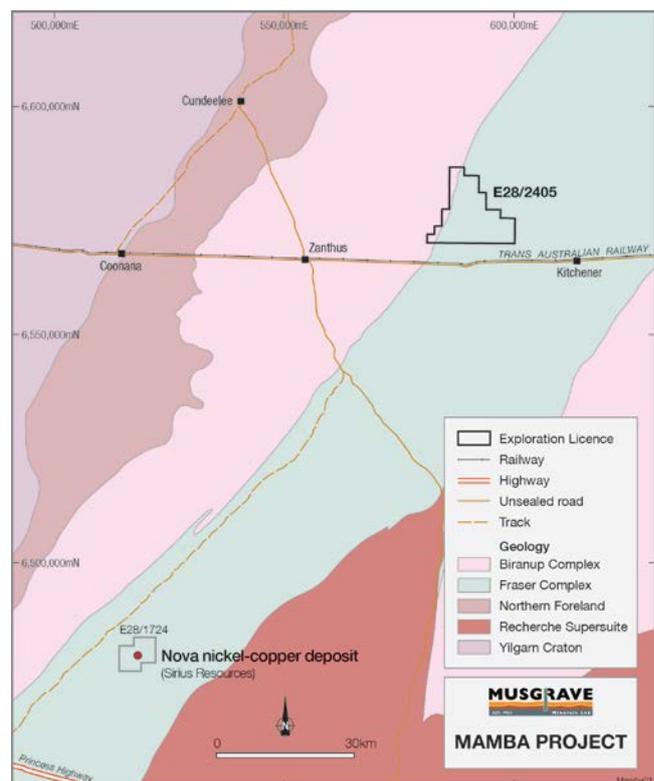


Figure 1: Mamba Project Location

The RC drill program will consist of a minimum of two holes for 700m and take approximately one week to complete. Analytical results are expected in late July.

The Mamba nickel-copper project is in the same belt as the world class Nova-Bollinger nickel-copper sulphide discoveries of Sirius Resources NL in south-eastern Western Australia's Fraser Range. The tenement is located only 5km from the Trans Australian rail line access corridor (Figure 1).

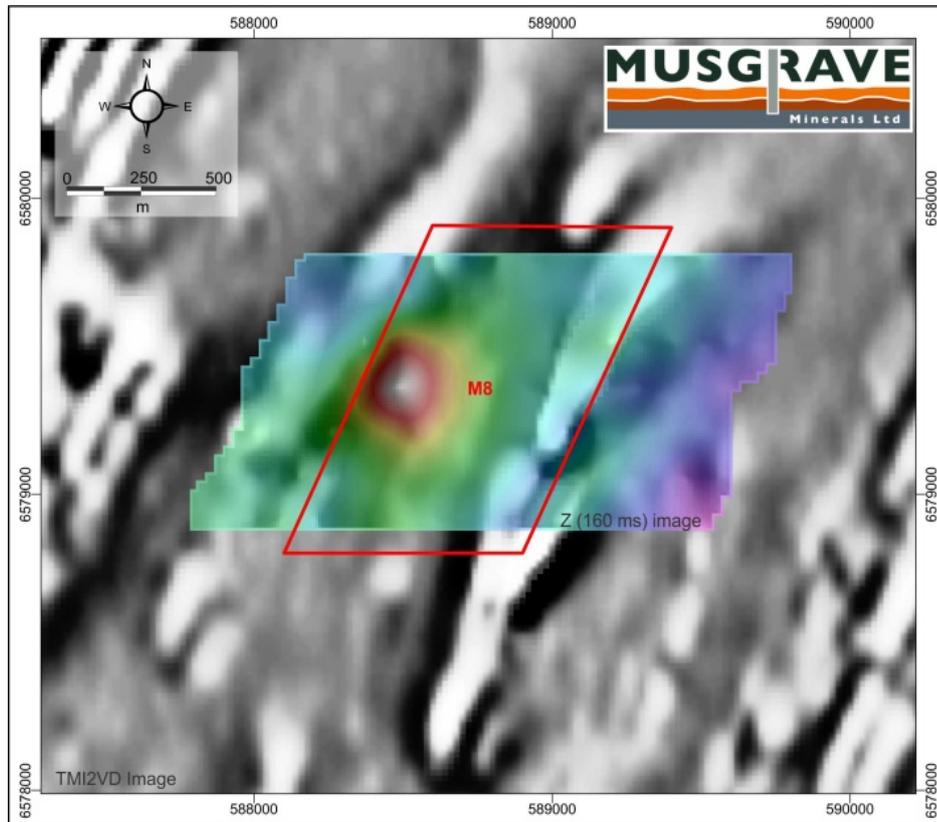


Figure 2: Gridded Z Component EM Amplitude Data on Detailed Aeromagnetic Image showing the M8 Target.

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About Musgrave Minerals

Musgrave Minerals Ltd is an active Australian base metals explorer with a large exploration footprint in the Musgrave Province in South Australia, with tenements covering an area of approximately 40,000km². The Company also has a new Ni-Cu sulphide project in the highly prospective Fraser Range of Western Australia and an active epithermal Ag-Pb-Zn-Cu project in the prospective silver and base metals province of the southern Gawler Craton of South Australia. Musgrave has a powerful shareholder base with four mining and exploration companies currently participating as cornerstone investors.

Competent Person's Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled and/or thoroughly reviewed by Mr Robert Waugh, a Competent Person who 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 and a full-time employee of Musgrave Minerals Ltd. Mr Waugh has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 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 his information in the form and context in which it appears.