



ASX RELEASE

21 July 2015

ASX: MGV

Termination of Menninnie Dam JV

Musgrave Minerals Ltd ("Musgrave") (ASX: MGV) wishes to advise that it has (with its wholly owned subsidiary Musgrave Exploration Pty Ltd) agreed with Menninnie Metals Pty Ltd ("MMPL"), a wholly owned subsidiary of Terramin Australia Ltd (ASX: TZN), to terminate the Menninnie Dam Mining Farm-In and Joint Venture Agreement, subject to the satisfaction of the conditions precedent referred to below.

As part of the termination, MMPL agrees to pay Musgrave an amount equal to 1% of net smelter returns ("NSR") in respect of all minerals produced from each of EL 5039 (Menninnie Dam) and EL 4813 (Nonning). MMPL has the right (but not the obligation) to buy back 50% of the NSR (being 0.5%) for \$1,250,000 within 60 days of first receiving product sales proceeds from any of these tenements.

Completion of the termination is conditional upon the execution of a Deed of Release and a Royalty Agreement.

The decision to terminate the joint venture was made following a strategic review performed by the Company. Musgrave maintains focused on its wholly owned Mamba project in the Fraser Range region of Western Australia and the Corunna project in the Southern Gawler Craton region of South Australia. Musgrave also holds a significant landholding in the Musgrave region of South Australia.

Musgrave is also continuing to assess new project opportunities within Australia.

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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 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.

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