



ASX RELEASE

4 December 2015

ASX: MGV

Projects Update

Cue Project

Musgrave Minerals Ltd ("Musgrave" or "the Company") (ASX: MGV) is pleased to advise that all the Conditions Precedent have been satisfied in regard to the Farm-In and Joint Venture Agreement with Silver Lake Resources Limited ("Silver Lake") (ASX: SLR) on the Cue Project as outlined in the MGV ASX announcement 25 November 2015: "Musgrave Secures Advanced Gold and Copper Project".

Musgrave can earn up to an 80% interest in the Cue Project (previously part of SLR's Murchison Operation) consisting of the Moyagee Gold and Hollandaire Copper Projects in the highly prospective Murchison province of Western Australia. Under the terms of the agreement Musgrave will issue Silver Lake \$75,000 in ordinary shares at an issue price based on Musgrave's 5-day volume weighted average share price within 5 days of commencement. The shares are subject to a 12 month voluntary escrow period.

Musgrave is currently assessing the available project data and has identified key targets at Hollandaire, Lena and Leviticus for follow-up, with field work to commence in mid-December and drilling to commence in late January.

Musgrave Managing Director Rob Waugh said, "The satisfaction of the conditions precedent will allow Musgrave to commence exploration immediately at Cue with a focus on advancing new and extensional targets to define sufficient resources to underpin a profitable near-term development scenario."

Mamba Project

Assay results have been received for the Mamba aircore drilling program completed in early November 2015 (refer MGV ASX announcement 30 October 2015: "Drilling Commences at Mamba"). The drilling was focused on eight discrete target areas and was designed to penetrate the shallow cover and extend through the weathered zone into fresh bedrock with the objective of providing insights into the subsurface geology. The drilling intersected favourable mafic host rocks for nickel-copper sulphide mineralisation but did not return any assay results of significance.

The Company is currently assessing the next steps for the Mamba project and will focus on advancing targets at the Cue project to drill stage in the near term.

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About Musgrave Minerals

Musgrave Minerals Limited is an active Australian gold and base metals explorer. The Cue Project in the Murchison region of Western Australia is an advanced gold and copper project. Musgrave's focus is to increase gold and copper resources through discovery and extensional drilling to underpin studies that will demonstrate a viable path to development in the near term. Musgrave also holds the highly prospective Mamba Ni-Cu sulphide project in the 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 and a large exploration footprint in the Musgrave Province in South Australia. Musgrave has a powerful shareholder base with four mining and exploration companies currently participating as cornerstone investors.

Competent Person's Statement

Exploration Results

The information in this report that relates to Exploration Targets and Exploration Results 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.