



ASX RELEASE

9 August 2016

ASX: MGV

SHARE PURCHASE PLAN CLOSED HEAVILY OVERSUBSCRIBED

- **\$1,984,000 raised via oversubscribed Share Purchase Plan**
- **Funds raised to be used to accelerate exploration and drilling at the Company's Cue Project**

Share Purchase Plan

Musgrave Minerals Limited (the Company) (ASX: MGV) is pleased to advise that the Company's Share Purchase Plan (SPP) announced to ASX on 4 July 2016 closed oversubscribed on 5 August 2016.

The SPP was strongly supported by Shareholders and was heavily oversubscribed with the Company receiving applications totalling \$1,984,000. In light of this strong demand from Shareholders, the Company's Board of Directors has elected to increase the original target which was set at \$1,250,000 and accept all valid applications received to allow all eligible Shareholders who submitted valid applications to fully participate in the Offer.

Use of Funds

The funds raised from the SPP will be used to accelerate drilling and exploration activities at the Company's Break of Day gold project, Mt Eelya copper-gold massive sulphide discovery, other targets and for additional working capital. The additional funding will enable the Company to progress the drilling of the high grade gold mineralisation at Break of Day through to resource status and enable the Company to meet its expenditure requirements under the Stage 1 Earn-In to acquire 60% of the Cue Project.

Managing Director Robert Waugh said "We are delighted with the strong support from our long term shareholders. The funds raised have strengthened the Company's cash position ahead of further drilling and exploration activities at the Cue Project. We are very encouraged by the high grade gold results at Break of Day and look forward to continuing to update shareholders with further results as drilling continues."

Issue of Shares

The Company expects the shares under the SPP to be issued on 11 August 2016, with trading to commence on 12 August 2016 with any refund and allotment advice to be despatched to Shareholders on 12 August 2016.

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Patersons Securities Limited (Patersons) underwrote the SPP and received no shortfall. Patersons may now elect to participate in a Top-Up Placement raising up to \$500,000 at an issue price of 5.9 cents per Share, the same price as the SPP. Details of the Top-Up Placement are set out in the Share Purchase Plan Terms and Conditions as announced to ASX on 8 July 2016.

The issue of any Top-Up Placement Shares remains subject to Shareholder approval being granted at the General Meeting of Shareholders to be held on 15 August 2016 and the Company's issue capacity under Listing Rule 7.1 being restored.

The Board of Directors wish to thank all Shareholders for their ongoing support as the Company continues to further advance the Cue Project.

For further information, please contact the Company.

Enquiries:

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