

Musgrave Minerals uncovers bonanza intercept at Starlight gold discovery

By [Danica Cullinane](#) - June 3, 2020



Drilling at Musgrave Minerals' Cue gold project in WA has recovered high-grade, near surface mineralisation grading up to 143 grams per tonne of gold.

[Musgrave Minerals \(ASX: MGV\)](#) has unearthed a bonanza-grade intersection of gold while drilling at the new Starlight discovery in the company's flagship Cue project in Western Australia.

The explorer emerged from a trading halt this morning to report assay results for the first holes in a new reverse circulation (RC) drilling campaign, revealing a 12m intercept grading at 112.9 grams per tonne of gold from 36m, including 6m at 143g/t gold from 42m.

The results also show the mineralisation is high-grade where it approaches the surface, which is positive news for a potential open cut development.

Other assay highlights include: 48m at 4.4g/t gold from 30m including 4m at 41.8g/t; 7m at 13.7g/t gold from 114m including 4m at 22.9g/t gold; 6m at 5.7g/t gold from 81m; and 6m at 5.2g/t gold from 176m.

Musgrave managing director Rob Waugh described the assay results as a "great start" to the drilling program and said it confirms the current model extending the mineralisation both up dip, where it approaches the surface, and down dip, where it remains open.

“The bonanza high-grade, near surface mineralisation will enhance the open cut development potential of the deposit while the deeper mineralisation will enhance the underground potential,” he said.

Current drilling program

The current RC drilling campaign is focused on infilling and extending the [newly discovered high-grade Starlight link-lode at the Break of Day deposit](#) within Musgrave’s broader Cue project in WA’s Murchison district.

The broader Break of Day drilling program consists of at least 36 holes for about 7,000m and according to Musgrave, it is currently about 60% complete.

The Break of Day deposit contains an estimated resource of 868,000 tonnes at 7.2g/t gold for 199,000 ounces of contained gold. It forms part of the Cue project’s total resources of 6.45 million tonnes at 3g/t gold for 613,000oz contained gold, which also includes the larger 325,000oz Lena deposit.

Mineralisation at the new Starlight lode is confirmed over a strike length of more than 115m and remains open at depth. The mineralisation is currently interpreted to lie close to the existing Break of Day resource, but all intersections returned from the new discovery so far sit outside the current resource.

Ongoing work

Musgrave said follow-up drilling at Starlight is currently underway with further assays from the initial RC campaign expected within two weeks.

In addition, the company has been approved under the WA government’s Exploration Incentive Scheme to receive \$150,000, which it said will aid the ongoing assessment of Starlight and go towards diamond drilling deep extensions to the mineralisation.

This diamond drilling program is due to commence at Starlight next week, Musgrave reported.

The company is also planning to announce a resource update for Break of Day, which will incorporate Starlight, late in the third quarter of 2020.

By early afternoon trade, Musgrave shares were up 60% at \$0.24.