



Musgrave snares discovery hat-trick

by Michael Washbourne

Every good story needs a beginning, a middle and an end – a script Musgrave Minerals Ltd could not have followed any better in 2020.

Musgrave started the year in the best possible fashion with the discovery of the Starlight lode at its Cue gold project in Western Australia's Murchison region. A string of impressive drill hits followed before the company's share price soared in June on the back of several bonanza-grade strikes.

By the end of that month the company had unveiled the beginnings of a second new discovery, White Light, just 75m away from the Starlight lode. Both finds were incorporated into a resource upgrade for the Break of Day deposit in early November.

Capping off what managing director Rob Waugh said was "without a doubt" the biggest year in the company's history, Musgrave then announced the discovery of White Heat, 400m to the south of Starlight.



Musgrave managing director Rob Waugh inspecting core from recent drilling at his company's Lake Austin JV with Evolution Mining Ltd

Best hits to date at White Heat include 6m @ 11.6 g/t gold from 24m and 6m @ 8.3 g/t gold from 36m.

"We're not there yet but obviously these discoveries are a fantastic stepping-stone to get to where we finally want to be as a producer," Waugh told **GMJ**.

"It's great to have a number [of discoveries] in the one year and I think the whole industry has definitely benefited over the last 12 months from the huge amount of exploration success that we've seen across the board."

Waugh said high-grade, near-surface gold has now been intersected at White Heat over a 70m strike in three adjacent

traverses where it remains open to the east, west and down-dip.

Two large regolith gold anomalies covering more than 2km of strike have also been identified in an unexplored area west of the existing Lena and Break of Day deposits which now host a combined 5.1mt @ 3.6 g/t for 587,000oz.

"There's definitely a lot of opportunity still within the belt and hopefully White Heat is just the start of that," Waugh said.

"We've already had a number of aircore holes with higher grade gold hits in the top 40-50m which is pretty exciting. We're following that up with further aircore...we'll test down to the regolith boundary at 40-50m and at least 150m to see if we can get continuity and maintain that continuity of grade and strike and look to develop a resource from there."

The addition of maiden resources for Starlight and White Light have boosted the inventory at Break of Day to 797,000t @ 10.2 g/t gold for 262,000oz, representing a 42% increase in grade, 58% increase in indicated resources and 31% increase in total contained ounces.

Waugh said the deposit was highly amendable to future open-pit mining given the top 175m averages over 1,100oz per vertical metre.

"You're talking about 85% of that [resource] being in the top 200m, but also a fantastic grade of over 10 g/t in the top 200m, so all that bodes very well for the economics of development," he said.

"It really changes the whole scope of the operation we think we can have here at Cue."

Musgrave is set to begin development studies in 2021, but Waugh insisted the drill rigs would not stop turning at the Cue project which the company picked up five years ago from then-major shareholder Silver Lake Resources Ltd.

Waugh praised his exploration team for having the courage to change the orientation of the drill rigs at the start of 2020, ultimately leading to the discovery of Starlight and putting Musgrave on course for a memorable year.

"It really has brought a whole new mindset and a whole new search space for us to explore and make these new discoveries," he said.

"Without a doubt this is definitely the biggest year in our history. In some areas we've met expectations, in other areas we think we've exceeded expectations. When the first holes at Starlight intersected 50-60m down, we didn't have enormous hopes that we would come right up to surface. We were hopeful that it would but we weren't positive that it would, so the fact that it does come right the way back up to surface at very high grade has been exceptional and above expectations."