



ASX RELEASE

15 June 2016

ASX: MGV

EIS Drilling Grant for Cue

- **The WA Government awards co-funded drilling grant**
- **Funds to be used to drill new targets**

Musgrave Minerals Ltd ("Musgrave" or "the Company") (ASX: MGV) is pleased to advise that it has been successful in securing a Western Australian Government Exploration Incentive Scheme (EIS) grant to co-fund drilling of new copper-gold and zinc-lead-silver Volcanic Massive Sulphide (VMS) targets at the Cue Project in the Murchison region of Western Australia.

The Company has been awarded funding of \$150,000 to co-fund drilling on the Project.

Musgrave Managing Director Rob Waugh said, *"This is an excellent result and I'd like to take this opportunity to thank the WA Government for its ongoing support for greenfields exploration through the EIS initiative. We look forward to drilling a number of our high priority targets over the next 12 months through this scheme."*

BACKGROUND

Musgrave has identified a number of high priority electromagnetic (EM) bedrock conductors through the recent Versatile Time-Domain Electromagnetic (VTEM) geophysical survey within the Eelya Complex at Cue (see ASX announcement 25 February 2016; "Drilling Discovers Massive Sulphide at Mt Eelya"). The project is prospective for both copper-gold and zinc-lead-silver VMS mineralisation. Bedrock EM conductors are associated with copper-gold mineralisation at Hollandaire, Hollandaire West and the recent Mt Eelya discovery.

ABOUT THE CUE PROJECT

The Cue Project ("The Project") is a Farm-In and Joint Venture Agreement with Silver Lake Resources Limited ("Silver Lake") (ASX: SLR) where Musgrave can earn up to an 80% interest. The Project consists of the Moyagee Gold and Hollandaire Copper Resources (see ASX announcement "25 November 2015, "Musgrave Secures Advanced Gold and Copper Project") and surrounding tenure in the highly prospective Murchison province of Western Australia. There is significant potential to extend existing mineralisation and also discover new mineralisation within the Project area.

Enquiries:

Rob Waugh
Managing Director
Musgrave Minerals Limited
+61 8 9324 1061

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.

