ASX RELEASE 10 October 2016

ASX: MGV

Strong Gold Results Continue at Break of Day

- **RC drilling has intersected the thickest high grade gold interval to date at Break of Day**
- **Significant results from the latest assays received include:**
  - **Further assays from hole 16MORC026:**
    - **13m @ 15.6g/t Au from 165m down hole, including;**
      - **1m @ 32.6g/t Au from 166m down hole, and**
      - **3m @ 51.8g/t Au from 170m down hole**
  - **These results extend the high grade interval in 16MORC026 to:**
    - **21m @ 21.5g/t Au from 157m down hole**
  - **Other significant assays include;**
    - **3m @ 38.6g/t Au from 274m down hole in 16MORC039, including;**
      - **1m @ 100.5g/t Au from 275m down hole**
    - **2m @ 16.2g/t Au from 196m down hole in an extension to drill hole 16MORC010**
- **The mineralisation is open along strike to the north and down plunge**
- **The drilling program has been extended by a further 2,000m**
- **5,600m of drilling has been completed to date and further assays are expected in the coming weeks**

Musgrave Minerals Ltd ("Musgrave" or "the Company") (ASX: MGV) is pleased to report further strong assay results from the current reverse circulation ("RC") drilling program at Break of Day on the Cue Project in the Murchison region of Western Australia.

Complete one metre assays from drill hole 16MORC026 have been received and have returned the thickest high grade gold intersection yet recorded at Break of Day. The new results returned **13m @ 15.6g/t Au** from 165m down hole to create a combined interval assaying **21m @ 21.5g/t Au** from 157 to 178 metres down hole (*Figures 1 & 2*). Included in this broad intersection are higher grade zones including **1m @ 32.6g/t Au**

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from 166m, **3m** @ **51.8g/t Au** from 170m and **6m** @ **41.4g/t Au** from 157m down hole (previously reported, see *ASX announcement 23 September 2016, "Highest Gold Grade to date at Break of Day*"). These intersections are in the Velvet Lode (previously referred to as the Hanging-wall vein). The mineralisation is steeply dipping to the west at depth. This thick high grade gold mineralisation in drill hole 16MORC026 is open down plunge to the north where it is yet to be drill tested (*Figure 3*).

Drill hole 16MORC039 intersected **3m** @ **38.6g/t Au** from 274m down hole including **1m** @ **100.5g/t Au** from 275m down hole. This is the deepest intersection drilled to date and indicates the high gold grades are continuing at depth. The hole was drilled approximately 70 metres down plunge of 16MORC012 (6m @ 12.3g/t Au, *see ASX announcement 12 August 2016, "Gold Mineralisation Extended at Break of Day"*) and extends the high grade mineralisation further down plunge (*Figure 3*). The high grade in drill hole 16MORC039 is at a vertical depth of 235m and is open at depth.

Drill hole 16MORC010 was extended and intersected **2m** @ **16.2g/t Au** from 196m down hole in the projected position of the Twilight Lode (previously referred to as the Footwall vein). The mineralisation was intersected approximately 100 metres further down plunge from 16MORC006 (2m @ 36.8g/t Au, *see ASX announcement 2 August 2016, "More High Grade Gold at Break of Day"*) and is open at depth (*Figure 4*).

As noted above the hanging-wall vein has been renamed the Velvet Lode and the footwall vein has been renamed the Twilight Lode. The renaming was required to prevent confusion as the veins roll, diverge and become more westerly dipping at depth.

The strong results to date have encouraged the Company to extend the program for a further 2,000m.

This program is designed to define the strike, dip and plunge of the high grade gold mineralisation in both the Velvet and Twilight Lodes and will provide the basis for ongoing drill planning. As the program is designed to determine the limits of mineralisation it is not expected that all drill holes will intersect high grade gold and a summary of results are presented in Figures 3 and 4 along with table 1. A diamond drilling program is currently being planned to commence later this quarter.

Musgrave Managing Director Rob Waugh said, *"Drilling is progressing well and these results add to the story as we continue to delineate the high grade gold mineralisation at Break of Day. This is another very strong set of results and continues to build our understanding of the gold lodes. We have extended the RC program and look forward to continuing to update the market as more results come to hand."*

BREAK OF DAY

RC drilling is continuing at the Break of Day Prospect. Assay results have now been received for the first 15 drill holes of the current RC program. To date the Company has now completed 24 drill holes for over 5,600 metres. Assay results will be received in batches over the next four weeks and will be reported as they become available. New assay results are shown in Table 1.

The mineralisation is interpreted to occur in vertical to steep westerly dipping twin semi-parallel quartz lodes hosting high grade gold mineralisation with minor (1-2%) pyrite, within a basaltic stratigraphic sequence. The westerly dip of the mineralisation at depth has meant that further deep drilling will be undertaken in the opposite direction (drilling from west back to the east) to ensure efficient drill testing of the lodes at depth.

The separation of the Velvet and Twilight gold lodes is varying along strike from 15 to 60 metres. The gold mineralisation is currently open along strike (*Figure 1*) and down plunge (*Figure 3 & 4)*.

Sampling was undertaken on one metre intervals in visible quartz lodes and four metre composites outside these zones.

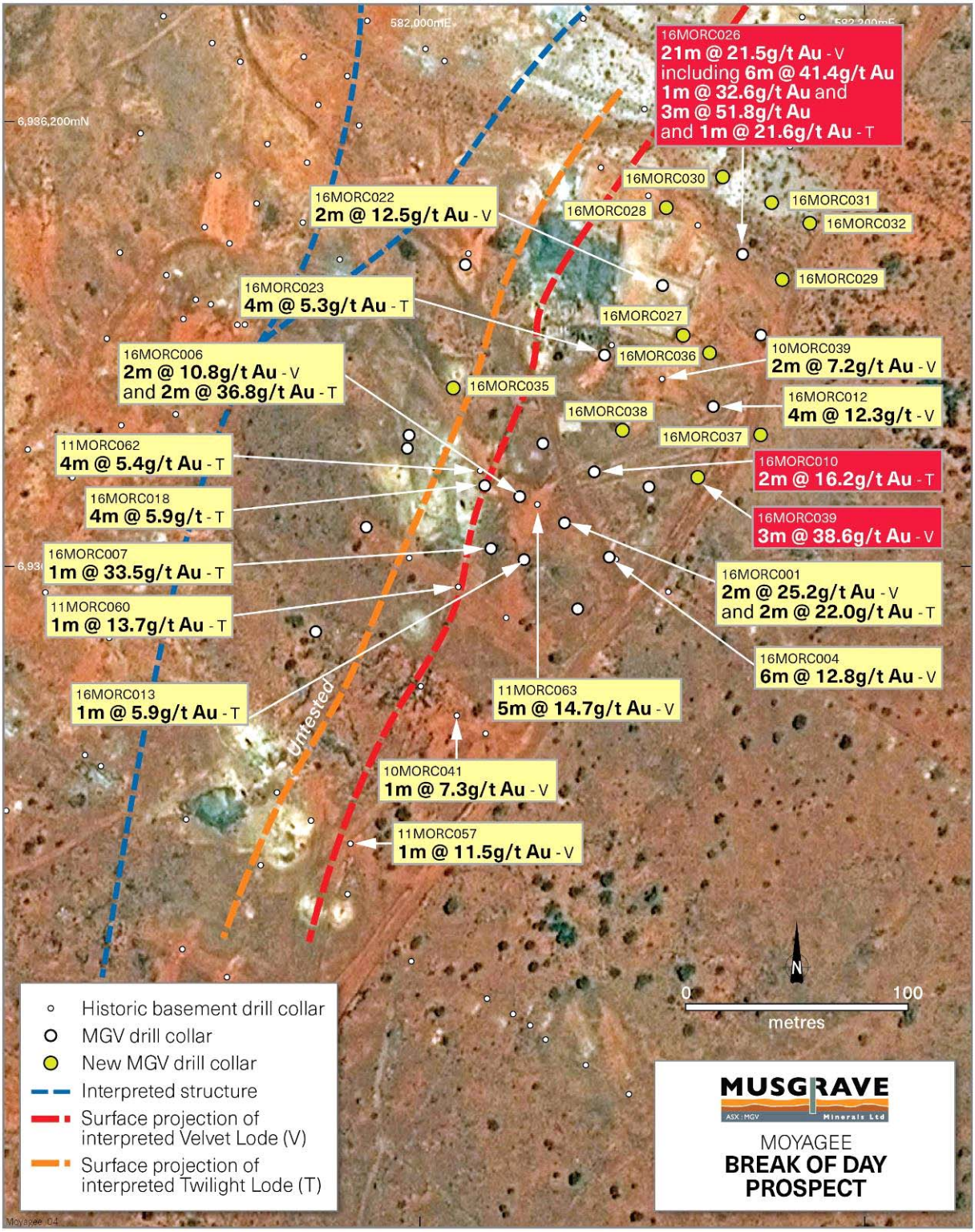

Figure 1: Plan of Break of Day drill hole collar locations showing projected surface trace of mineralisation, interpreted fault offsets and high grade intersections

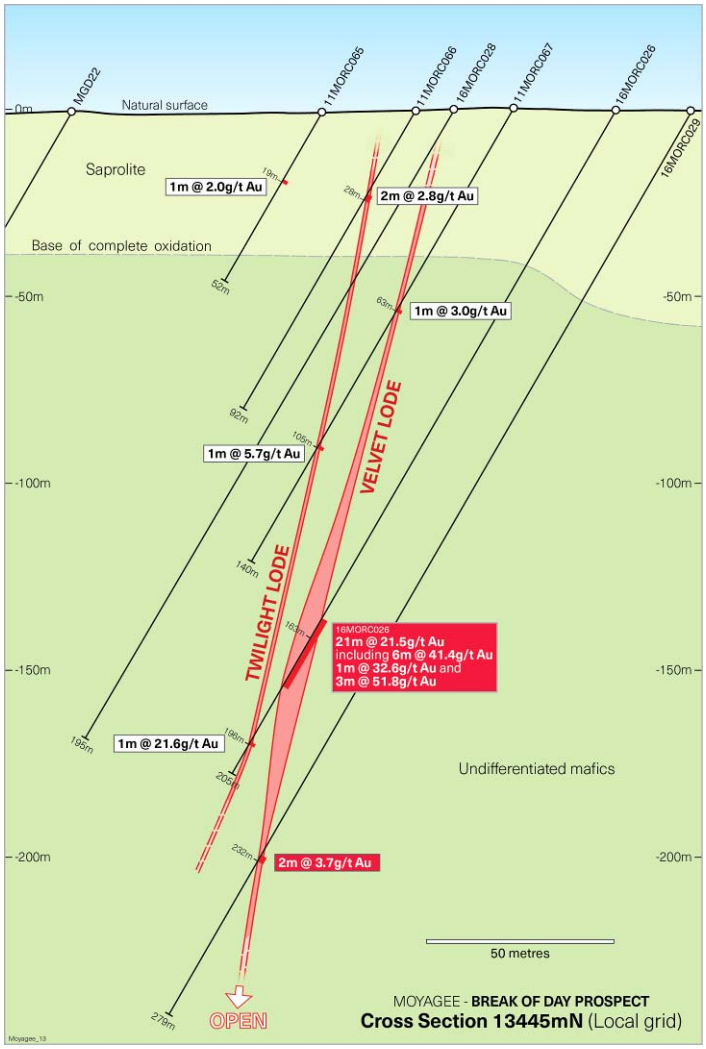

Figure 2: Break of Day cross section 13445mN - local grid (vertical section through mineralisation)

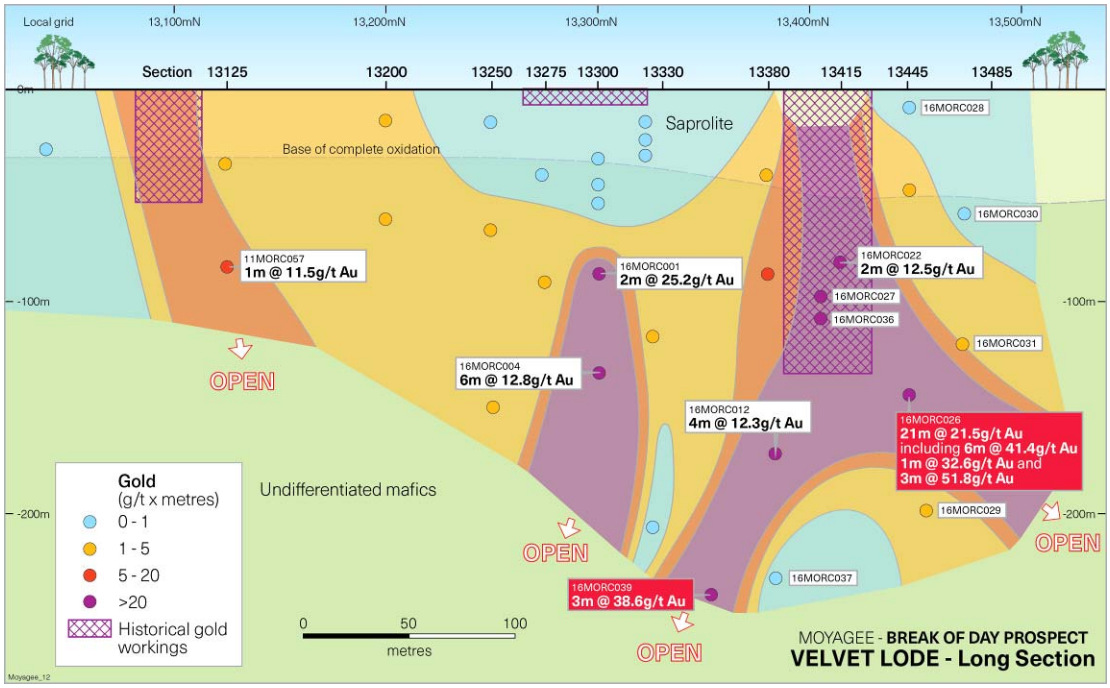

Figure 3: Break of Day long section of Velvet gold lode (hanging-wall) (a long section or longitudinal section is a section along the plane of the lode and in this instance shows gold grade x thickness variability with depth of the Velvet Lode)

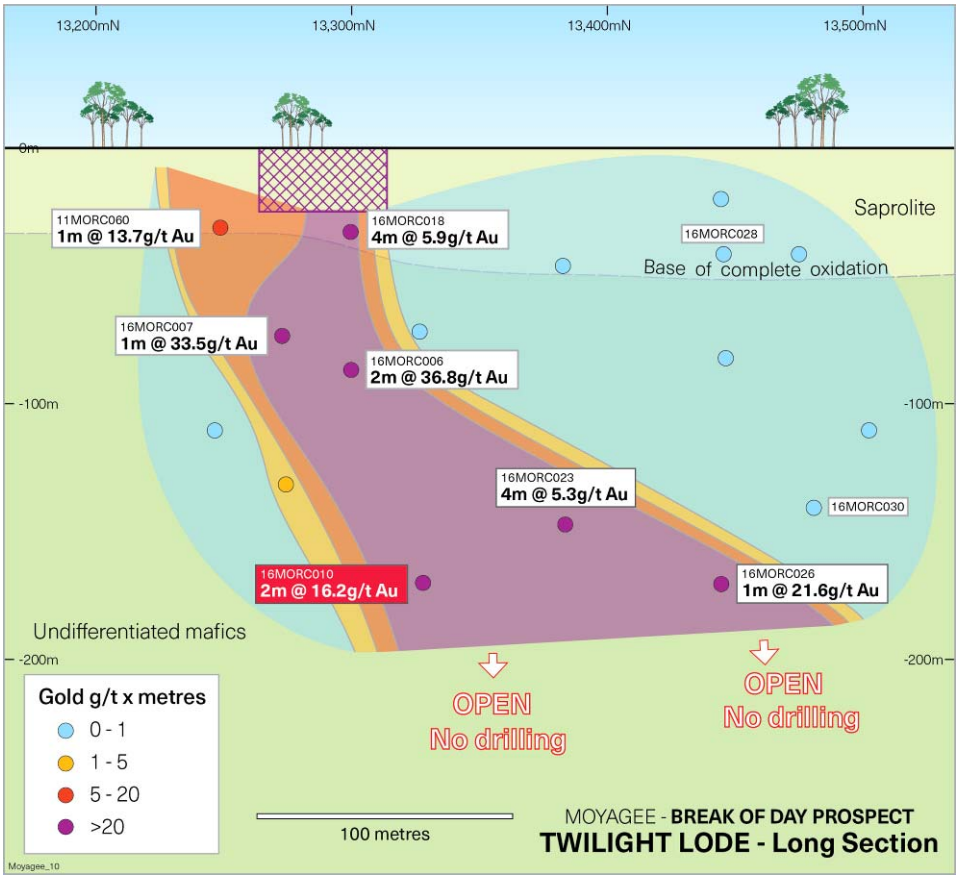

Figure 4: Break of Day long section of the Twilight gold lode (footwall)

OTHER TARGETS

A down hole electromagnetic ("EM") survey has been completed on drill holes at Mt Eelya, Hollandaire East and Hunky Dory (*Figure 5*) to identify any off-hole conductive response that may reflect base metal massive sulphide mineralisation. The data is currently being interpreted.

A surface EM survey will commence in mid-October on the Cue Project to identify basement conductors that may reflect massive copper-gold sulphide mineralisation. The planned ground survey will cover up to 15 separate targets identified from the airborne versatile time-domain electromagnetic ("VTEM") survey flown earlier in 2016.

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. The Company has met its minimum expenditure commitment for the Cue Project and has commenced the Stage 1 Earn-In to acquire a 60% Joint Venture interest in the Project.

There is significant potential to extend existing mineralisation and also discover new mineralisation within the Project area shown by the recent success at Break of Day.

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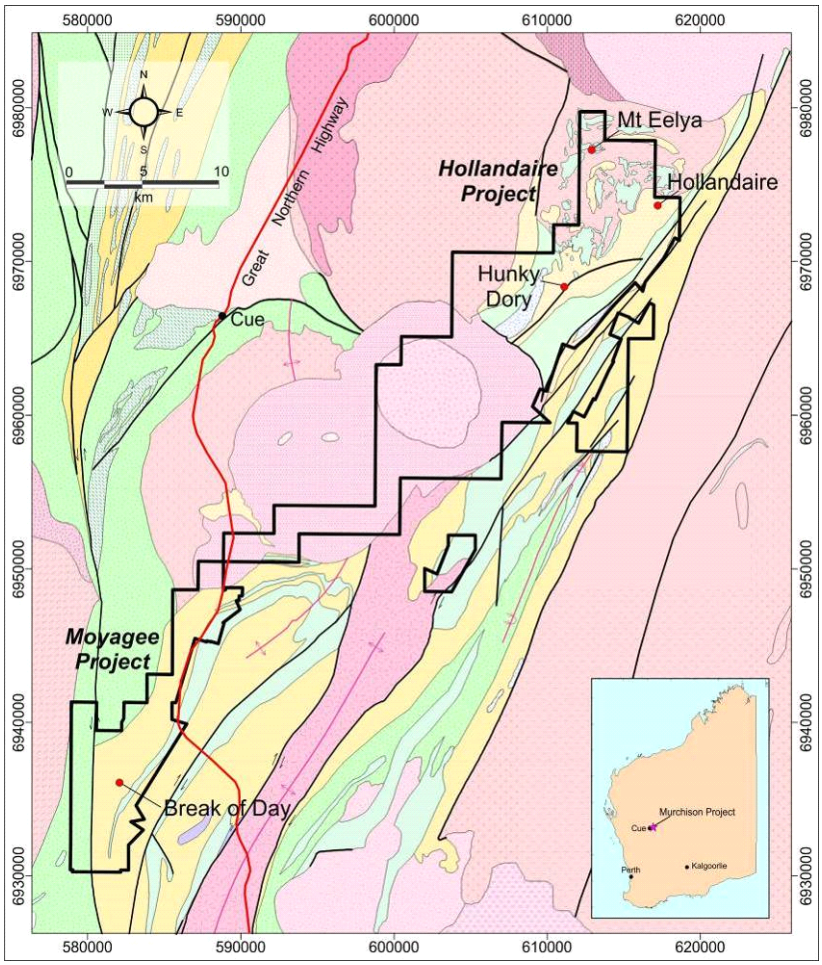

Figure 5: Cue Project location plan

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.

Table 1(a): ***Summary of Drill Hole Locations and Significant Assay Intervals***

Drill Hole ID	Drill Type	Prospect	Easting (m)	Northing (m)	Azimuth (degrees)	Dip (degrees)	RL (m)	Total Depth (m)	Sample Type	From (m)	Interval (m)	Au (g/t)	Lode
16MORC010	**RC**	**Break of Day**	**582078**	**6936043**	**300**	**-60**	**418**	**261**	**Individual 1m**	**196**	**2**	**16.2**	**Twilight**
16MORC026	**RC**	**Break of Day**	**582146**	**6936141**	**300**	**-60**	**418**	**207**	**Individual 1m**	**157**	**21**	**21.5**	**Velvet**
									including	**157**	***6**	**41.4**	**Velvet**
									including	**159**	***3**	**79.4**	**Velvet**
									including	**166**	**1**	**32.6**	**Velvet**
									including	**170**	**3**	**51.8**	**Velvet**
									Individual 1m	**195**	***1**	**21.6**	**Twilight**
16MORC027	RC	Break of Day	582118	6936104	**300**	**-60**	418	165	NSA (Historical stope intersected)				
16MORC028	RC	Break of Day	582111	6936161	**300**	**-60**	418	195	Composite 4m	44	4	1.1	Twilight
16MORC029	RC	Break of Day	582163	6936129	**300**	**-60**	418	279	Individual 1m	230	2	3.7	Velvet
16MORC030	RC	Break of Day	582136	6936175	**300**	**-60**	418	171	NSA (Velvet)				
16MORC031	RC	Break of Day	582158	6936163	**300**	**-60**	418	201	Individual 1m	140	1	5.4	Velvet
16MORC032	RC	Break of Day	582175	6936154	**300**	**-60**	418	219	NSA (Velvet Lode further west of drill hole)				
16MORC035	RC	Break of Day	582015	6936080	**300**	**-60**	418	135	NSA (Drilled to the west of both lodes)				
16MORC036	RC	Break of Day	582130	6936096	**300**	**-60**	418	147	NSA (Historical stope intersected)				
16MORC037	RC	Break of Day	582153	6936059	**300**	**-60**	418	309	NSA (Velvet) (Twilight Lode not intersected)				
16MORC038	RC	Break of Day	582091	6936061	**300**	**-60**	418	**225**	**Assays awaited**				
16MORC039	**RC**	**Break of Day**	582125	6936040	**300**	**-60**	**418**	**297**	**Individual 1m**	**274**	**3**	**38.6**	**Velvet**
									including	**275**	**1**	**100.5**	**Velvet**

Notes to Table 1(a)

1. *An accurate dip and strike and the controls on mineralisation are only interpreted and the true width of mineralisation is not yet confirmed although it is likely be 30-70% of the intersection width*
2. *At Break of Day composite 4 metre samples outside the gold lode systems and one metre individual samples within the lodes were submitted for analysis. Composites samples are analysed using a 50g fire assay with ICP-MS (inductively coupled plasma - mass spectrometry) finish gold analysis (0.005ppm detection limit) by Genalysis-Intertek. Individual one metre samples were analysed using 50g fire assay with ICP-MS finish (0.005ppm detection limit)*
3. *g/t (grams per tonne), ppm (parts per million), ppb (parts per billion), X = below detection limit*
4. *NSA (No Significant Assay) – No gold assay above 1g/t*
5. *Velvet = Interpreted Velvet Lode*
6. *Twilight = Interpreted Twilight Lode*
7. *Assay intersection are continuous zones with less than 1 metre of internal dilution (16MORC026 is the exception with two 2m zones of <1g/t within the broader 21m intersection reported. Individual one metre assays values for this interval are recorded in Table 1 (b)*
8. *No high grade cut-off has been applied to individual assays*
9. ** denotes intersection previously reported*

Table 1(b): ***Individual Assay Data for Drill Hole 16MORC026***

Drill Hole ID	Sample Number	From (m)	To (m)	Interval (m)	Au (g/t)	Including Intersection	Total Intersection
16MORC026	MGV103307	156	157	1	0.0		
	MGV103308	157	158	1	2.1	***6m @ 41.4g/t Au**	**21m @ 21.5g/t Au**
	MGV103309	158	159	1	4.3		
	MGV103310	159	160	1	98.0		
	MGV103311	160	161	1	39.8		
	MGV103312	161	162	1	100.4		
	MGV103313	162	163	1	3.6		
	MGV103314	163	164	1	0.3		
	MGV103315	164	165	1	0.1		
	MGV103316	165	166	1	2.8		
	MGV103317	166	167	1	32.6	**1m @ 32.6g/t Au**	
	MGV103318	167	168	1	1.4		
	MGV103319	168	169	1	0.7		
	MGV103320	169	170	1	0.1		
	MGV103321	170	171	1	43.4	**3m @ 51.8g/t Au**	
	MGV103322	171	172	1	106.5		
	MGV103323	172	173	1	5.7		
	MGV103324	173	174	1	2.7		
	MGV103325	174	175	1	0.9		
	MGV103326	175	176	1	1.0		
	MGV103327	176	177	1	1.1		
	MGV103328	177	178	1	3.6		

Notes to Table 1(b)

1. *An accurate dip and strike and the controls on mineralisation are only interpreted and the true width of mineralisation is not yet confirmed although it is likely be 30-70% of the intersection width.*
2. *Individual one metre samples were analysed using 50g fire assay with ICP-MS finish (0.005ppm detection limit) by Genalysis-Intertek.*
3. *g/t (grams per tonne)*
4. *Velvet = Interpreted Velvet Lode*
5. *Twilight = Interpreted Twilight Lode*
6. ** denotes intersection previously reported*
7. *Au is the chemical symbol for gold*

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JORC TABLE 1
Section 1 Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Sampling is undertaken using standard industry practices including the use of duplicates and standards at regular intervals. All Reverse circulation (RC) samples are split to 1-3kg in weight through a cyclone splitter. A Thermo Scientific Niton GoldD XL3+ 950 Analyser is available on site to aid geological interpretation. No XRF results are reported.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	All co-ordinates are in UTM grid (GDA94 Z50) and have been either surveyed or measured by hand-held GPS with an accuracy of >±5 metres.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	RC samples were collected as 4m composites for all drill holes. One metre individual samples are immediately submitted for analysis where a high probability of mineralisation occurs (e.g. quartz vein lode or massive sulphide). All one metre samples are split to 1-3kg in weight through a cyclone splitter which is air blasted clean at the end of each 6m rod. Individual samples normally weigh less than 3kg to ensure total preparation at the laboratory pulverization stage. The sample size is deemed appropriate for the grain size of the material being sampled. Samples are sent to the Genalysis – Intertek laboratory in Maddington. Samples are pulverized to 85% passing -75um and four metre composite samples are analysed using a 50g fire assay with ICP-MS (inductively coupled plasma - mass spectrometry) finish gold analysis (0.005ppm detection limit). Individual one metre gold samples are analysed using a 50g fire assay with ICP-MS finish for gold.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	An RC drilling program was undertaken by Ausdrill with a 5 5/8 inch hammer. A total of 16 RC holes have to date been drilled in this program at Break of Day. A total of 41 RC holes have been drilled by MGV at Break of Day to date. Historically Silver Lake Resources Ltd (SLR) undertook RC drilling at Break of Day with a number of companies intermittently drilling prior to 2008. A combination of historical RAB, aircore, RC and diamond drilling has been utilised by multiple companies over a thirty year period across the broader project area.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	RC bulk sample weights are observed and noted in a field Toughbook computer by MGV field staff.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Drillers use industry appropriate methods to maximise sample recovery and minimise downhole contamination. A cyclone splitter was utilised to split 1-3kg of sample by weight. The splitter is air blasted clean at the end of each 6m rod.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No significant sample loss or bias has been noted. Where voids or historical stopes have been intersected in drilling these have been logged and recorded.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All geological, structural and alteration related observations are stored in the database.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of lithology, structure, alteration, mineralisation, colour and other features of core or RC chips is undertaken on a routine 1m basis. Photography of diamond core is undertaken prior to cutting and sampling.
	The total length and percentage of the relevant intersections logged.	All drill holes are logged in full on completion.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No diamond drilling was undertaken during this program.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples are routinely cyclone split and kept dry by the use of pressurised air. No wet sampling occurred.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Drill sample preparation and base metal and precious metal analysis is undertaken by a registered laboratory (Genalysis – Intertek). Sample preparation by dry pulverisation to 85% passing 75 micron.

	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field QC procedures involve the use of certified reference standards (1:50), duplicates (~1:30) and blanks (1:50) at appropriate intervals for early stage exploration programs. High, medium and low gold standards are used.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Sampling is carried out using standard protocols and QAQC procedures as per industry practice. Duplicate samples are inserted (~1:30) and more frequently when in high grade gold lodes, and routinely checked against originals.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate for grain size of sample material to give an accurate indication of gold mineralisation at Break of Day. Sample is collected from full width of sample interval to ensure it is representative of samples lithology.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	One metre individual samples are analysed through potential gold mineralised zones. Analysis is by 50g fire assay with ICP-MS finish for gold. On four metre composite samples, analysis is undertaken by Intertek-Genalysis (a registered laboratory), with 50g fire assay with ICP-MS finish undertaken for gold. Internal certified laboratory QAQC is undertaken including check samples, blanks and internal standards. This methodology is considered appropriate for base metal mineralisation and gold at the exploration phase.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to estimate mineral or element percentages. Musgrave utilise a Thermo Scientific Niton GoldD XL3+ 950 Analyser to aid geological interpretation.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Standards, duplicates, blanks, and repeats are utilised as standard procedure. Certified reference materials that are relevant to the type and style of mineralisation targeted are inserted at regular intervals.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Samples are verified by the geologist before importing into the main database (Datashed).
	The use of twinned holes.	No twin holes have been drilled by Musgrave Minerals Ltd.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data is collected using a standard set of templates. Geological sample logging is undertaken on one metre intervals for all RC drilling with colour, structure, alteration and lithology recorded for each interval. Data is verified before loading to the database. Geological logging of all samples is undertaken.
	Discuss any adjustment to assay data.	No adjustments or calibrations are made to any assay data reported.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All maps and locations are in UTM grid (GDA94 Z50) and have been surveyed or measured by hand-held GPS with an accuracy of >±5 metres. Down hole surveys are undertaken using the axis digital clinometer down hole tool in either continuous reading mode or at regular 20m intervals.
	Specification of the grid system used.	Drill hole and sample site co-ordinates are in UTM grid (GDA94 Z50) and converted from local grid references.
	Quality and adequacy of topographic control.	Historical drill hole collars and RL's are surveyed by qualified surveyors in most instances in the resource areas. Hand held GPS is used for exploration drill holes including at Break of Day and Mt Eelya with an accuracy of +-5 metres.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Variable drill hole spacings are used to adequately test targets and are determined from geochemical, geophysical and geological data together with historical drilling information. At present at Break of Day a general pattern of 20-40m drill spacings on 25m-50m spaced sections is underway. Historical drill hole spacings at Break of Day are variable although SLR drilled a number of holes at approximately 20m on 50m sections in 2011-12.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	There is a current JORC 2004 mineral resource at Break of Day defined by Silver Lake Resources. The Mineral Resources and Ore Reserve estimate at Break of Day was first prepared and disclosed in accordance with the 2004 Edition of the Australian Code of Reporting of Mineral Resources and Ore Reserves (JORC 2004) and have not have not been updated since to comply with JORC 2012 on the basis that the information had not materially changed since it was last reported. For further details refer to SLR ASX announcement 28 August 2015: "Mineral Resources-Ore Reserves - August 2015".

	Whether sample compositing has been applied.	One metre individual samples routinely split by the drill rig cyclone are undertaken for all RC drill holes but only submitted for analysis where there is a high probability of mineralisation from geological interpretation of the drill samples. Four metre sample compositing has also been undertaken for all drill holes. Composite sampling is undertaken using a stainless steel spear (trowel) at one metre samples and combined in a calico bag.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drilling is designed to cross the mineralisation as close to perpendicular as possible. Most drill holes are designed at a dip of approximately -60 degrees. The mineralisation at Break of Day is interpreted to dip sub-vertically between 80 degrees to the east and 75 degrees to the west. Drill intersections at Break of Day are interpreted to be between 50-90% of the drill intersection width.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias is known at this time.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by internal staff. Drill samples are stored on site and transported by a licenced reputable transport company to a registered laboratory in Perth (Genalysis-Intertek at Maddington). When at the laboratory samples are stored in a locked yard before being processed and tracked through preparation and analysis (Lab-Trak system).
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No external audits or reviews of modelling techniques and data have been undertaken.

Section 2 Reporting of Exploration Results

Criteria	***Explanation***	**Commentary**
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Break of Day prospect is located on granted mining lease M21/106 and the primary tenement holder is Silver Lake Resources Ltd. Musgrave minerals commenced a Farm-In and Joint Venture on the project on 24 November 2015 (see MGV ASX announcement 25 November 2015: "Musgrave Secures Advanced Gold and Copper Project". The Mt Eelya prospect is located on granted exploration licence E20/608 and the primary tenement holder is Silver Lake Resources Ltd. The Hollandaire and Hollandaire West deposits are located on E20/699 and the primary tenement holder is Cue Minerals Pty Ltd a 100% subsidiary of Silver Lake Resources Ltd. The Hunky Dory prospect is located on granted mining leases M20/225, M20,245, M20/277 and the primary tenement holder is Silver Lake Resources Ltd. Purple Rain is located on M58/224 and the primary tenement holder is Silver Lake Resources Ltd. The Cue project tenements consist of 39 licences (Lena and Break of Day is M21/106 and Hollandaire E20/699) as outlined in the Farm-In and Joint Venture Agreement. The tenements are subject to standard Native Title heritage agreements and state royalties. Third party royalties are present on some individual tenements.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing and no known impediments exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Historical drilling, soil sampling and geophysical surveys have been undertaken in different areas on the tenements intermittently by multiple third parties over a period of more than 30 years. At Break of Day historical exploration and drilling has been undertaken by a number of companies and most recently by Silver Lake Resources Ltd in 2010-11.
Geology	*Deposit type, geological setting and style of mineralisation.*	Geology comprises typical Archaean Yilgarn greenstone belt lithologies and granitic intrusives. Two main styles of mineralisation are present, typical Yilgarn Archaean lode gold and volcanic massive sulphide (VMS) base metal and gold mineralisation within the Eelya Felsic Complex.

Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.*	All relevant historical drill hole information has previously been reported by SLR. All new drill holes completed by MGV are referenced in this release.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	All significant new drill hole assay data are reported in this release. No cut-off has been applied to any sampling.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	All significant new drill hole assay data are reported in this release. No cut-off has been applied to any sampling.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values have been reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	All significant new drill hole assay data are reported in this release. True widths are not known but all drilling is planned close to perpendicular to interpreted targets.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Diagrams referencing new data can be found in the body of this release. Some diagrams referencing historical data can also be found in the body of this report.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All assays received from Musgrave's drilling are reported in this release.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All new meaningful data is reported in this release. All material results from geochemical and geophysical surveys and drilling related to these prospects has been reported or disclosed previously.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	A range of exploration techniques will be considered to progress exploration including additional surface sampling and drilling.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to figures in the body of this announcement.