ASX RELEASE 5th February 2014

ASX: MGV

Musgrave intersects high grade silver (10m @ 990g/t Ag) at Menninnie Dam

- **Significant intercepts from the Frakes Prospect include:**
  - **10m @ 990g/t Ag, 0.3 g/t Au, 0.2% Cu, 0.4% Pb and 0.3% Zn from 43m**
    - **Including 2m @ 3,942g/t Ag, 1.0g/t Au, 0.9% Cu, 0.7% Pb, 0.8% Zn from 44m**
- **Mineralisation remains open along strike and down dip**
- **Additional lead and zinc mineralization in further drilling results from Spare Rib**
- **Follow-up drilling planned to commence as soon as possible**
- **Strong cash position of $7.4m to continue exploration**

Musgrave Minerals Ltd ("Musgrave Minerals" or "the Company") (ASX:MGV) is pleased to announce that it has intersected high grade silver mineralisation at the new **Frakes** target on the Menninnie Dam Project in the southern Gawler Craton region of South Australia (Figure 1). Musgrave Minerals has entered into a Joint Venture Agreement with Menninnie Metals Pty Ltd, a wholly-owned subsidiary of Terramin Australia Limited (ASX:TZN) to earn a 51% interest in the Menninnie Dam Project in the first stage, and up to a 75% interest thereafter.

Near surface aircore and slimline reverse circulation (RC) drilling has intersected **10m @ 990g/t Ag,** 0.3 g/t Au, 0.4% Pb, 0.3% Zn and 0.2% Cu from 43m down hole including **2m @ 3,942g/t Ag, 1.0g/t Au, 0.7% Pb, 0.8% Zn and 0.9% Cu** from 44m down hole in MDAC375 at the Frakes prospect (Figure 3 and 4).

Musgrave considers these results from Frakes to be significant. Drill holes to the north encountered hard, altered silicified volcanic rocks close to surface and deep weathering to the south and will require further drilling to penetrate to the target depth. Consequently there remains significant upside potential for further mineralisation along strike to both the north and south. The magnetic interpretation suggests that the mineralisation may be structurally

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controlled. The Frakes surface geochemical silver anomaly is more than 1.5km wide (Figure 3 and 4). Multiple structures are present in the Frakes area and many are not yet drill tested.

Additional lead and zinc mineralization has been highlighted in further drilling results received from **Spare Rib**, located 7km northeast of Frakes and less than 2km east of the Menninnie Central and Viper deposits. These include 10m @ 0.7% Zn, 0.3% Pb from 21m down hole in MDAC319 and 6m @ 0.4% Zn, 0.2% Pb from 21m and 8m @ 0.5% Zn, 0.3% Pb from 36m down hole in MDAC320.

Musgrave drilled a total of 87 aircore holes for 3,417 metres on five separate targets in late November 2013 (Figure 3). The shallow drilling program penetrated the weathered zone to a maximum depth of 103m but stopped near the interface with fresh rock. Assay results have now been received for all 87 drill holes. A full list of drill hole locations and assays can be found in Appendix 1.

The mineralisation at both Frakes and Spare Rib is associated with silicified epithermal breccias consistent with the latest porphyry-epithermal model Musgrave has for Menninnie Dam. Musgrave is targeting silver-lead-zinc and copper-gold-molybdenum mineralisation in this highly prospective, yet underexplored porphyry-epithermal field.

Commenting on the Menninnie Dam results the Company's Managing Director Rob Waugh said "This is a completely new target, never before drilled, making this a fantastic result which continues to validate our targeting methodology. The high grade mineralisation intersected at Frakes is extremely encouraging and is open along strike and down dip."

"The other positives from Frakes are the high gold and copper values which suggest we could have multiple mineralizing events in a well preserved epithermal field. Follow up drilling at Frakes and Spare Rib is a priority to determine the extent and grade of the mineralisation along strike and in fresh rock below these intersections and to continue to test parallel structures and targets in the area. We expect to commence follow up drilling as soon as possible."

Musgrave Minerals' is in a very strong financial position to successfully follow-up these encouraging results identified at **Frakes** and at **Spare Rib** with $7.4M in cash.

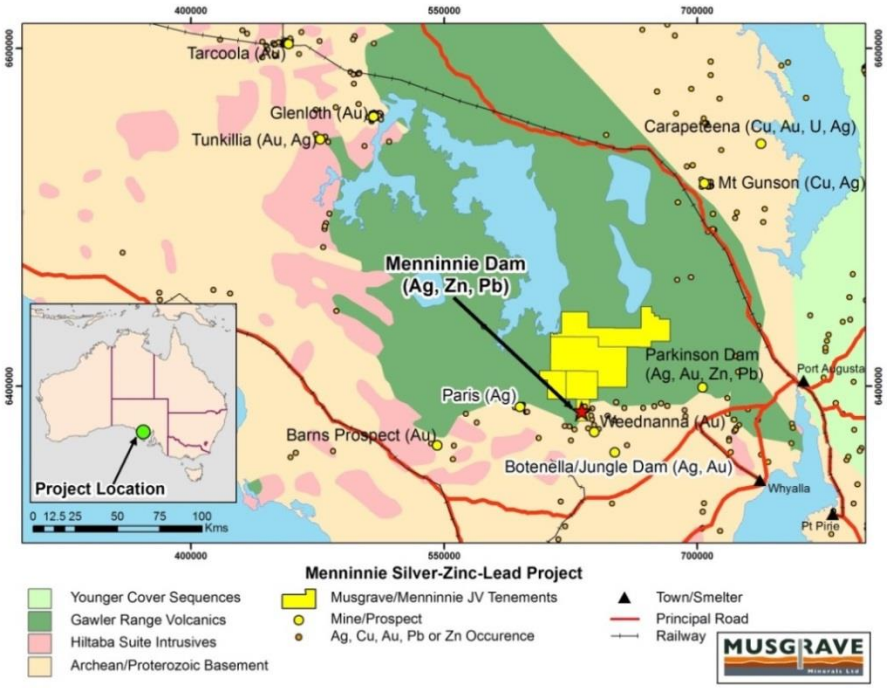

Figure 1: ***Location of the Menninnie Dam Project, South Australia***

About Menninnie Dam

The Menninnie Dam Project comprises five Exploration Licences covering a contiguous area of 2,471km^2 in the highly sought after and prospective Gawler Craton region of South Australia (Figure 1). Menninnie Dam is located approximately 100km west of Port Augusta and is well positioned in regards to infrastructure and proximity to the coast.

The Project hosts the Menninnie Central and Viper deposits with a combined inferred mineral resource of 7.7Mt @ 27g/t Ag, 3.1% Zn, 2.6% Pb (*estimated by Terramin Australia Limited in 2011 in accordance with the 2004 JORC code).

The Menninnie Dam Project is located in a new and very prospective silver province, only 20km east of Investigator Resources' recent Paris silver discovery.

** JORC (2004 Edition)-compliant inferred resource for the Menninnie Central and Viper deposits was reported by Terramin Australia Limited (ASX: TZN) on 1st March 2011*

Deposit	Tonnes x10^3	Zn (%)	Pb (%)	Ag (g/t)	Pb+Zn (%)
Total Menninnie Central	5,240	3.5	2.7	28	6.1
Total Viper	2,460	2.3	2.4	24	4.8
Total Menninnie Central and Viper	7,700	3.1	2.6	27	5.7

Inferred Resource (at 2.5% Pb+Zn cut-off) as at 15 February 2011
MGV is not aware of any new information that would affect the material nature of this resource calculation.

Competent Person's Statement
The information in this report that relates to Mineral Resources or Ore Reserves is based on information 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 2004 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.

Figure 2: ***Photo of aircore drilling at Frakes prospect, Menninnie Dam.***

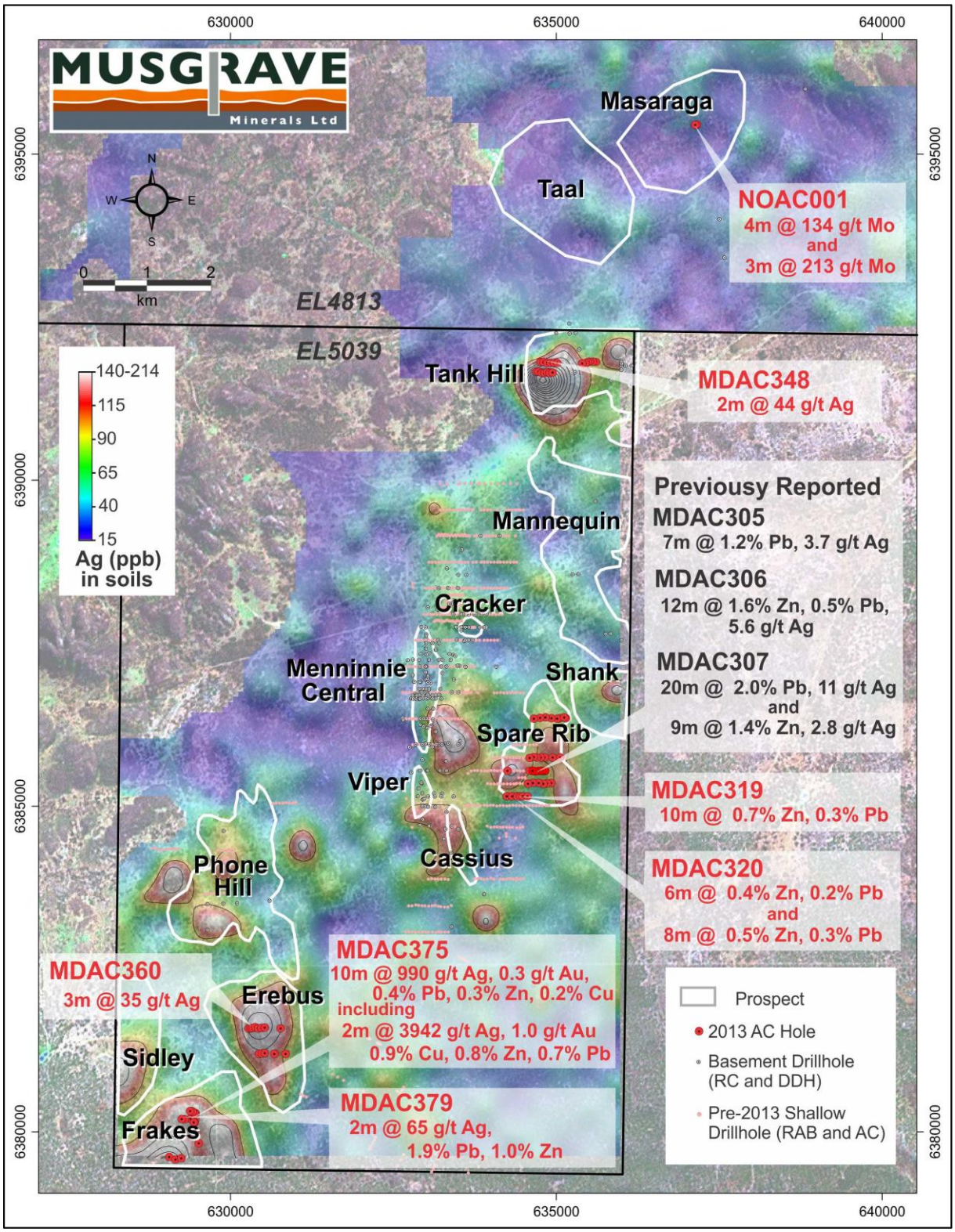

Figure 3: ***Location of Menninnie Dam prospects with drill hole collars and significant recent aircore drilling assay results on silver geochemical and landsat image.***

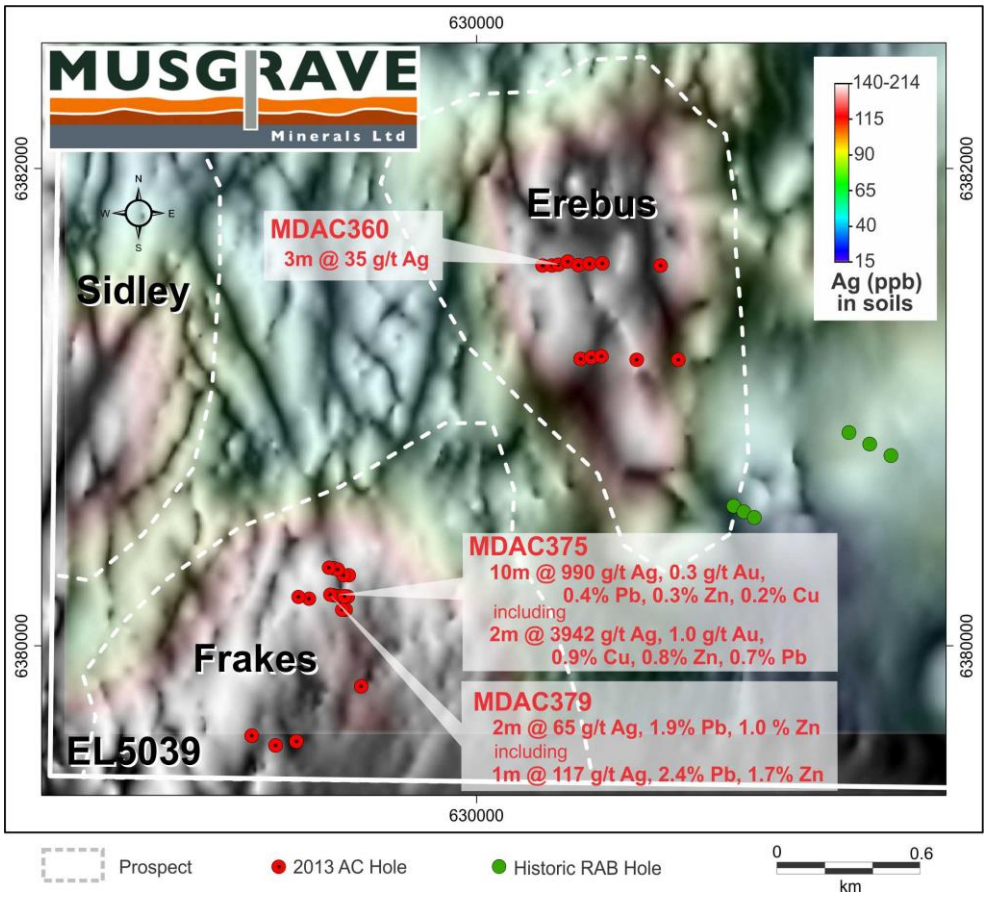

Figure 4: ***Location of drill hole collars at Frakes prospect showing significant recent aircore drilling assay results on aeromagnetics and colour draped surface silver geochemical image.***

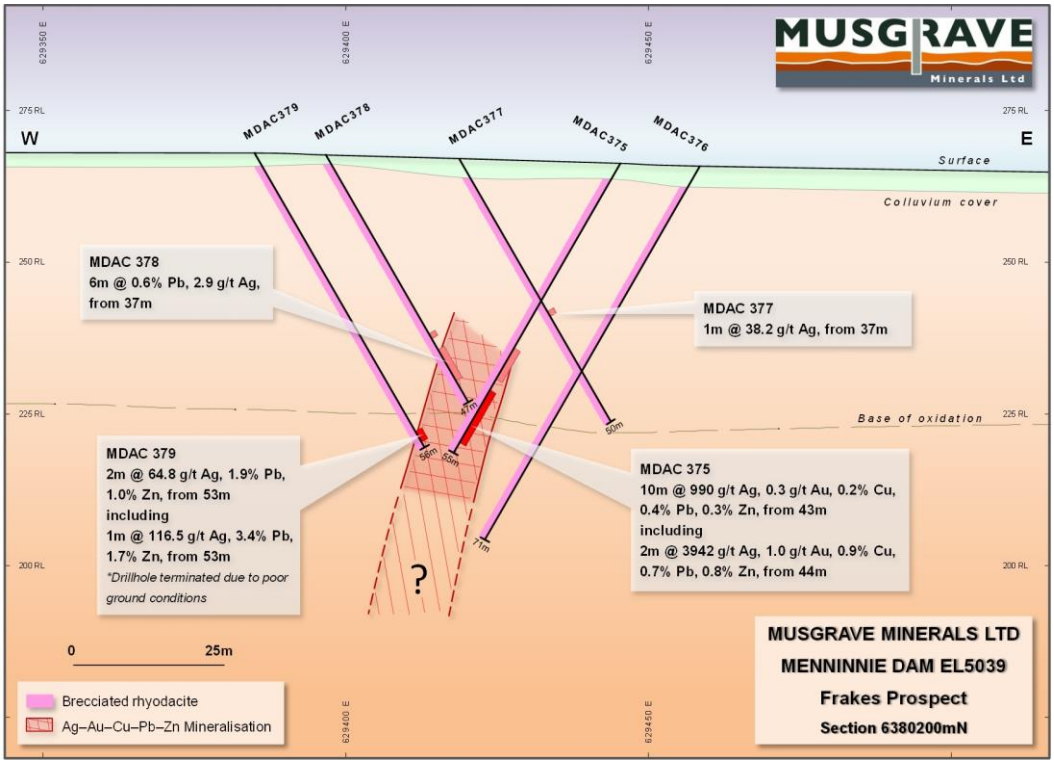

Figure 5: ***Cross section at 6380200mN at Frakes showing significant drill results.***

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Competent Person's Statement
The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves 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.

About Musgrave Minerals
Musgrave Minerals Ltd is an active Australian base metals explorer with a large exploration footprint in the Musgrave Province in South Australia, with tenements covering an area of approximately 50,000km^2. The Company also has an active advanced stage exploration project, Menninnie Dam in the prospective silver and base metals province of the southern Gawler Craton of South Australia. Musgrave has a powerful shareholder base with six mining and exploration companies participating as cornerstone investors.

Appendix 1: ***Summary of Menninnie Dam Aircore Drill Hole Locations and Significant Results***

Drill Hole ID	Drill Type	Prospect	Easting (m)	Northing (m)	Az	Dip (degrees)	RL	Total Depth (m)	From (m)	Interval (m)	Pb (%)	Zn (%)	Cu (%)	Ag (ppm)
*MDAC305	AC	Spare Rib	634825	6385544	90.0	-60.0	295	35	14	**7**	**1.21**	0.02	0.01	3.7
							including		17	**4**	**1.74**	0.03	0.02	5.8
*MDAC306	AC	Spare Rib	634784	6385546	90.0	-60.0	295	76	53	1	0.43	0.34	0.05	X
*MDAC306	AC	Spare Rib	634784	6385546	90.0	-60.0	295	76	54	**12**	0.54	**1.64**	0.02	5.6
							including		54	**3**	0.35	**3.11**	0.04	10.2
							including		58	**3**	0.22	**1.30**	0.01	3.5
							including		63	**2**	**1.61**	**1.79**	0.05	8.5
*MDAC307	AC	Spare Rib	634740	6385545	90.0	-60.0	296	103	56	1	0.53	0.01	0.01	1.0
*MDAC307	AC	Spare Rib	634740	6385545	90.0	-60.0	296	103	67	**20**	**2.04**	0.11	0.12	11.0
							including		71	**1**	**1.04**	0.05	0.03	**26.7**
							including		76	**4**	**2.83**	0.18	0.16	**21.3**
							including		82	**5**	**4.29**	0.08	0.25	18.4
*MDAC307	AC	Spare Rib	634740	6385545	90.0	-60.0	296	103	88	**9**	0.34	**1.42**	0.004	2.8
*MDAC308	AC	Spare Rib	634677	6385537	90.0	-60.0	296	75	38	1	0.45	0.15	0.03	1.0
									49	1	0.42	0.07	0.01	1.2
									55	1	0.01	0.46	0.01	1.9
MDAC309	*AC*	*Spare Rib*	*634633*	*6385541*	90.0	-60.0	296	52	42	1	0.44	0.22	0.02	2.0
MDAC310	AC	Spare Rib	634590	6385545	90.0	-60.0	297	40	3	1	0.73	0.01	0.00	0.6
MDAC311	AC	Spare Rib	634920	6385355	90.0	-60.0	295	12	NSA					
MDAC312	AC	Spare Rib	634862	6385348	90.0	-60.0	293	5	NSA					
MDAC313	AC	Spare Rib	634804	6385346	90.0	-60.0	293	6	NSA					
MDAC314	AC	Spare Rib	634728	6385355	90.0	-60.0	295	12	NSA					
MDAC315	AC	Spare Rib	634641	6385355	90.0	-60.0	298	6	NSA					
MDAC316	AC	Spare Rib	634565	6385347	90.0	-60.0	299	43	31	1	0.65	0.43	0.17	9.0
MDAC317	AC	Spare Rib	634240	6385150	270.0	-60.0	308	14	NSA					
MDAC318	AC	Spare Rib	634320	6385150	270.0	-60.0	304	12	NSA					
MDAC319	AC	Spare Rib	634400	6385150	270.0	-60.0	303	46	21	10	0.28	0.71	0.02	1.6
							including		25	2	0.23	**1.25**	0.02	2.0
MDAC319	AC	Spare Rib	634400	6385150	270.0	-60.0	303	46	36	2	0.65	0.34	0.02	1.5
MDAC320	AC	Spare Rib	634440	6385150	270.0	-60.0	302	67	8	1	0.50	0.14	0.02	1.6
									14	1	0.07	0.42	0.01	X
									21	6	0.22	0.41	0.00	0.9
									33	8	0.25	0.51	0.01	1.8
									41	1	0.52	0.36	0.01	1.4
MDAC321	AC	Spare Rib	634480	6385150	270.0	-60.0	302	22	NSA					
MDAC322	AC	Spare Rib	634560	6385150	270.0	-60.0	300	9	NSA					
MDAC323	AC	Spare Rib	634248	6385545	270.0	-60.0	307	92	73	1	0.84	0.12	0.00	2.4
MDAC324	AC	Spare Rib	635060	6385745	90.0	-60.0	296	30	NSA					
MDAC325	AC	Spare Rib	634940	6385745	90.0	-60.0	292	11	NSA					
MDAC326	AC	Spare Rib	634820	6385745	90.0	-60.0	292	5	NSA					
MDAC327	AC	Spare Rib	634760	6385745	90.0	-60.0	294	13	NSA					
MDAC328	AC	Spare Rib	634700	6385745	90.0	-60.0	295	31	NSA					
MDAC329	AC	Spare Rib	634654	6385753	90.0	-60.0	295	37	NSA					
MDAC330	AC	Spare Rib	634592	6385740	90.0	-60.0	297	33	NSA					
MDAC331	AC	Spare Rib	635056	6386349	90.0	-60.0	286	65	64	1	**1.52**	0.31	0.01	8.4

Drill Hole ID	Drill Type	Prospect	Easting (m)	Northing (m)	Az	Dip (degrees)	RL	Total Depth (m)	From (m)	Interval (m)	Pb (%)	Zn (%)	Cu (%)	Ag (ppm)
MDAC332	AC	Spare Rib	635012	6386346	90.0	-60.0	288	59	NSA					
MDAC333	AC	Spare Rib	634923	6386351	90.0	-60.0	291	51	NSA					
MDAC334	AC	Spare Rib	634831	6386360	90.0	-60.0	292	63	NSA					
MDAC335	AC	Spare Rib	634750	6386353	90.0	-60.0	295	43	NSA					
MDAC336	AC	Spare Rib	634655	6386343	90.0	-60.0	298	51	NSA					
MDAC337	AC	Spare Rib	635147	6386350	270.0	-60.0	284	58	NSA					
MDAC338	AC	Spare Rib	635119	6386362	270.0	-60.0	285	66	45	1	0.06	0.44	0.02	1.1
MDAC339	AC	Tank Hill	634690	6391664	270.0	-60.0	274	12	NSA					
MDAC340	AC	Tank Hill	634727	6391664	270.0	-60.0	274	27	NSA					
MDAC341	AC	Tank Hill	634774	6391647	270.0	-60.0	274	27	NSA					
MDAC342	AC	Tank Hill	634813	6391647	270.0	-60.0	275	16	NSA					
MDAC343	AC	Tank Hill	634856	6391655	270.0	-60.0	276	24	NSA					
MDAC344	AC	Tank Hill	634896	6391645	270.0	-60.0	276	16	NSA					
MDAC345	AC	Tank Hill	634940	6391650	270.0	-60.0	277	3	NSA					
MDAC346	AC	Tank Hill	634755	6391810	270.0	-60.0	274	27	NSA					
MDAC347	AC	Tank Hill	634804	6391811	270.0	-60.0	274	9	NSA					
MDAC348	AC	Tank Hill	634862	6391800	270.0	-60.0	275	40	24	4	0.07	0.02	0.00	10.6
									32	2	0.13	0.06	0.01	**43.6**
MDAC349	AC	Tank Hill	634909	6391800	270.0	-60.0	275	49	NSA					
MDAC350	AC	Tank Hill	634963	6391798	270.0	-60.0	275	18	NSA					
MDAC351	AC	Tank Hill	635010	6391800	270.0	-60.0	276	37	NSA					
MDAC352	AC	Tank Hill	635610	6391812	90.0	-60.0	267	27	NSA					
MDAC353	AC	Tank Hill	635561	6391817	90.0	-60.0	268	18	NSA					
MDAC354	AC	Tank Hill	635515	6391818	90.0	-60.0	269	28	NSA					
MDAC355	AC	Tank Hill	635479	6391808	90.0	-60.0	270	57	NSA					
MDAC356	AC	Tank Hill	635446	6391789	90.0	-60.0	272	61	NSA					
MDAC357	AC	Tank Hill	635398	6391789	90.0	-60.0	273	60	14	5	0.04	0.00	0.00	14.9
MDAC358	AC	Erebus	630275	6381595	270.0	-60.0	276	31	NSA					
MDAC359	AC	Erebus	630315	6381594	270.0	-60.0	277	59	NSA					
MDAC360	AC	Erebus	630342	6381598	270.0	-60.0	278	74	70	3	0.11	0.05	0.00	**35.3**
MDAC361	AC	Erebus	630381	6381611	270.0	-60.0	279	66	53	1	0.05	0.01	0.05	18.3
									54	1	0.41	0.04	0.01	2.2
MDAC362	AC	Erebus	630425	6381596	270.0	-60.0	280	39	NSA					
MDAC363	AC	Erebus	630472	6381601	270.0	-60.0	282	42	NSA					
MDAC364	AC	Erebus	630525	6381603	270.0	-60.0	282	79	NSA					
MDAC365	AC	Erebus	630770	6381595	270.0	-60.0	279	59	NSA					
MDAC366	AC	Erebus	630435	6381203	270.0	-60.0	273	48	21	1	0.47	0.01	0.00	4.5
MDAC367	AC	Erebus	630479	6381208	270.0	-60.0	274	28	NSA					
MDAC368	AC	Erebus	630523	6381214	270.0	-60.0	274	26	NSA					
MDAC369	AC	Erebus	630670	6381200	270.0	-60.0	272	21	NSA					
MDAC370	AC	Erebus	630845	6381200	270.0	-60.0	273	42	NSA					

Drill Hole ID	Drill Type	Prospect	Easting (m)	Northing (m)	Az	Dip (degrees)	RL	Total Depth (m)	From (m)	Interval (m)	Pb (%)	Zn (%)	Cu (%)	Ag ppm	Au ppm
MDAC371	AC	Frakes	629056	6379623	270	-60.0	254	6	NSA						
MDAC372	AC	Frakes	629155	6379582	270	-60.0	254	14	NSA						
MDAC373	AC	Frakes	629243	6379600	270	-60.0	253	28	NSA						

MDAC374	AC	Frakes	629516	6379830	90	-60.0	255	27	NSA						
MDAC375	AC	Frakes	629445	6380207	270	-60.0	266	55	35	1	0.02	0.01	0.18	**75.6**	0.15
MDAC375	AC	Frakes	629445	6380207	270	-60.0	266	55	36	1	0.79	0.05	0.05	4.5	X
MDAC375	AC	Frakes	629445	6380207	270	-60.0	266	55	37	2	0.18	0.02	0.10	**34.1**	X
MDAC375	AC	Frakes	629445	6380207	270	-60.0	266	55	39	2	0.62	0.22	0.02	3.6	X
MDAC375	**AC**	**Frakes**	**629445**	**6380207**	**270**	**-60.0**	**266**	**55**	**43**	**10**	**0.40**	**0.29**	**0.24**	**989.8**	**0.28**
MDAC375	**AC**	**Frakes**	**629445**	**6380207**	**270**	**-60.0**	**including**		**44**	**2**	**0.66**	**0.76**	**0.89**	**3942**	**0.97**
							including		46	1	**1.56**	0.75	0.27	**710**	0.30
MDAC376	AC	Frakes	629458	6380205	270	-60.0	266	71	NSA						
MDAC377	AC	Frakes	629419	6380207	90	-60.0	267	50	29	1	0.04	0.00	0.00	**38.2**	X
MDAC378	AC	Frakes	629397	6380211	90	-60.0	268	47	34	1	0.03	0.01	0.00	13.1	X
									37	6	0.58	0.02	0.01	2.9	X
MDAC379	AC	Frakes	629385	6380213	90	-60.0	268	56	53	2	**1.91**	0.97	0.01	**64.8**	0.07
							including		53	1	**3.41**	**1.69**	0.02	**116.5**	0.11
MDAC380	AC	Frakes	629450	6380150	90.0	-60.0	265	59	NSA						
MDAC381	AC	Frakes	629435	6380150	90.0	-60.0	265	72	NSA						
MDAC382	AC	Frakes	629297	6380197	90.0	-60.0	268	59	NSA						
MDAC383	AC	Frakes	629253	6380204	90.0	-60.0	268	60	NSA						
MDAC384	AC	Frakes	629397	6380325	90.0	-60.0	269	54	NSA						
MDAC385	AC	Frakes	629464	6380294	90.0	-60.0	267	30	NSA						
MDAC386	AC	Frakes	629442	6380295	90.0	-60.0	268	21	NSA						
MDAC387	AC	Frakes	629417	6380318	90.0	-60.0	269	31	NSA						
MDAC388	AC	Frakes	629381	6380326	90.0	-60.0	270	38	NSA						

Drill Hole ID	Drill Type	Prospect	Easting (m)	Northing (m)	Az	Dip (degrees)	RL	Total Depth (m)	From (m)	Interval (m)	Cu (%)	Ag ppm	Au ppm	Mo ppm
NOAC001	AC	Masaraga	637142	6395447	270	-60.0	248	47	18	4	0.01	X	X	134
									25	1	0.01	X	X	238
									37	3	0.01	X	X	213
NOAC002	AC	Masaraga	637160	6395452	90	-60	248	37	25	1	0.11	14.9	X	6
NOAC003	AC	Masaraga	637133	6395446	90	-60	247	42	15	1	0.02	X	0.03	181
									26	1	0.04	X	0.01	118

Notes

1. *An accurate dip and strike and the controls on mineralisation are yet to be determined and the true width of the intercepts is not yet known*
2. *All intervals recorded in Appendix 1 above are >10ppm Ag or 0.4% Pb, or 0.4% Zn, or 0.4% Cu or 100ppm Mo and contain no more than 1m of internal dilution*
3. *All higher grade intervals are also separated reported in Appendix 1 with assays above 1.0% Pb, or 1.0% Zn and contain no more than 1m of internal dilution*
4. *NSA (no significant assay) – No assay above 10ppm Ag or 0.4% Pb or 0.4% Zn or 0.4% Cu or 100ppm Mo*
5. *No high grade cut was used*
6. *g/t (grams per tonne)*
7. *ppm (parts per million)*
8. *ppb (parts per billion)*
9. *X = below detection limit*
10. ** denotes intersections previously reported*

Musgrave Project
JORC TABLE 1
Section 1 Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg 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. Aircore sample intervals are selected on geological criteria and sampled on site, before being transported and analysed in Adelaide. A handheld XRF device is utilized to determine composite sample intervals.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Drill hole co-ordinates are in UTM grid (GDA94 Z53) and have been measured by hand-held GPS with an accuracy of ±4 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.	Aircore drilling was used to obtain samples which were analysed at geological intervals of between 1m and 5m. Samples were pulverized and analysed using MS/ICP for base metals and precious metals. Individual samples 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.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	Aircore drilling was used with a blade and RC was used to penetrate hard zones within the regolith.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Only visual sample recovery methods were used
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	An effort was undertaken to ensure samples stayed dry. Dry samples were split using a riffle splitter and composites collected using a PVC tube.
	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 bias has been observed between sample recovery and grade.
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 drill samples are undertaken on a routine basis.
	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 core sampling has been undertaken.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Dry samples are riffle split and composites tube sampled.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation and base metal and precious metal analysis is undertaken by Intertek Genalysis, in Wingfield, South Australia. Sample preparation by dry pulverisation to 90% 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, duplicates and blanks at appropriate intervals.
	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 was carried out using MGV protocols and QAQC procedures as per industry best practice. Duplicate samples are routinely checked against originals.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate for the commodities and elements explored and analysed for.
Quality of assay	*The nature, quality and appropriateness of the assaying and*	Drill sample analysis is undertaken by Intertek Genalysis, in Wingfield, South Australia, multi element

data and laboratory tests	*laboratory procedures used and whether the technique is considered partial or total.*	analysis by four acid total digest (hydrochloric, nitric, perchloric and hydrofluoric acid) and ICP-OES and ICP-MS to acceptable detection limits and Au, Pt & Pd by FA25/MS. Analysis for a total of 34 elements is recorded.
	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.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	In addition to MGV standards, duplicates and blanks, Genalysis incorporate laboratory QAQC including standards, blanks and repeats as a 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.*	At least two company representatives verify significant intersections including either, the Managing Director, Exploration Manager, Principal Geologist or Senior Geologist.
	The use of twinned holes.	No twin holes have yet been drilled by MGV.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data is collected using a standard set of Excel templates on a Toughbook laptop computer using lookup codes. Geological sample logging was undertaken on one metre intervals for aircore drilling with colour, structure, alteration and lithology recorded for each interval. Data is verified before loading to a CSA Global database. Geological logging of all samples was undertaken.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data reported by MGV.
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 Z53) and have been measured by hand-held GPS with an accuracy of ±4 metres. No down hole survey data was collected. All holes dip at 60 degrees
	Specification of the grid system used.	Drill hole co-ordinates are in UTM grid (GDA94 Z53)
	Quality and adequacy of topographic control.	Drill hole RL's are approximate using hand held GPS.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Variable drill hole spacings are used to adequately test targets.
	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.	The mineralisation has not yet been demonstrated to have sufficient continuity to support the definition of Mineral Resource and Reserves under the classification applied under the 2012 JORC Code.
	Whether sample compositing has been applied.	Composite samples on 5m intervals were undertaken outside visually mineralised zones to determine background responses.
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.*	The precise dip and strike of the mineralisation is not yet known and it is unclear at this stage whether any sampling has a set bias.
	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 MGV. Samples are stored on site and transported to Intertek Genalysis in Wingfield, South Australia by a licenced reputable transport company. When at Genalysis samples are stored in a locked yard before being processed and tracked through preparation and analysis using the Lab Track system.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No external audits or reviews of modeling 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.*	All aircore drilling has been within joint venture tenement EL5039 and EL4813 within the Menninnie Dam Project area. MGV is earning an initial 51% interest in the project with TZN.
	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.*	Some historical drilling has been undertaken in different areas on the tenements by MGV and third parties but none is directly relevant to the current targets.
Geology	*Deposit type, geological setting and style of mineralisation.*	Musgrave is exploring for multi commodity style deposits consistent with an interpreted porphyry-epithermal type model.
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.*	A summary of drill collars and other drill hole information is presented in appendix 1.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	Cut off grades used for the reported intervals in Appendix 1 are: >10ppm Ag or 0.4% Pb or 0.4% Zn or 0.4% Cu or 0.2ppm Au or 100ppm Mo
	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 intervals recorded in Appendix 1 are >10ppm Ag or 0.4% Pb or 0.4% Zn or 0.4% Cu or 0.2ppm Au or 100ppm Mo and contain no more than 1m of internal dilution.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are currently used for reporting of exploration results.
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 (eg 'down hole length, true width not known').*	An accurate dip and strike and the controls on mineralisation are yet to be determined and the true width of the intercepts is not yet known.
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.*	Refer to figures and Appendix 1 in body of this announcement.
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 drill holes are shown in Appendix 1 and all significant results are reported.
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 material results from geochemical and geophysical surveys and drilling related to these prospects have previously been reported.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	A range of exploration techniques are being considered to progress exploration including additional drilling.
	Diagrams clearly highlighting the areas of possible extensions,	Refer to figures in the body of this announcement.

	including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.