



December 2020 Quarterly Activities Report

Musgrave Minerals Ltd is an Australian focused gold and base metal exploration company with plans to grow through the discovery and development of gold and base metal resources.

ASX Code: MGV
Issued Shares: 523M
Cash Balance: \$22M
ABN: 12 143 890 671

Directors

Graham Ascough
Robert Waugh
Kelly Ross
John Percival

Top Shareholders

HSBC Nominees (Australia) Ltd
Westminex Group
Jetosea Pty Ltd
Citicorp Nominees Pty Ltd
Evolution Mining Ltd

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Highlights

Cue Gold Project

- A prefeasibility study has commenced on the Break of Day and Lena gold deposits

Break of Day (100% MGV)

- The Mineral Resource (Indicated and Inferred) update at Break of Day has estimated the Starlight and White Light lodes to host: 360kt @ 13.9g/t gold for 161,000oz of contained gold
- The Mineral Resource (Indicated and Inferred) estimate at Break of Day, including Starlight and White Light is: 797kt @ 10.2g/t gold for 262,000oz of contained gold
- The updated Break of Day resource delivers:
 - 42% increase in gold grade to 10.2g/t Au
 - 58% increase in Indicated Resources to 175,900 oz gold
 - 31% increase in total contained gold oz
- When combined, the Break of Day and Lena deposits, located within 130m of each other, host Inferred and Indicated Resources of: 5.1Mt @ 3.6g/t gold for 587,000oz of contained gold, of which a significant component will be amenable to open pit mining
- Excellent total gold recovery confirmed by metallurgical test work on composite samples from the Starlight lode
- 98-99% recoverable gold from conventional gravity and cyanide leach tests
- Exceptional gravity-only recoveries were achieved, >80% in fresh rock and transitional zones and >50% in oxide zones in test work

Regional Exploration Drilling (100% MGV)

- Regional drilling program targeting Starlight analogues at Cue intersected high-grade gold across multiple targets including Targets 2 (White Heat), 5, and 17:
Target 2 (White Heat)
 - 5m @ 13.4g/t Au from 28m (20MUAC008, White Heat)
 - 8m @ 8.4g/t Au from 41m (20MUAC009, White Heat)
 - 6m @ 10.6g/t Au from 30m (20MUAC397, Target 5) and
 - 1m @ 31.1g/t Au from 22m (20MUAC259, Target 17)

Evolution JV

- Aircore drilling results from Lake Austin have defined new gold regolith anomalies at West Island and extended the gold anomalism at Lake Austin North

Corporate

- Successful Capital Raising in December together with Share Purchase Plan completed in January raised \$19.5M (before costs)



Quarterly Activities Report for the period ended 31 December 2020

Introduction

Musgrave Minerals Ltd (ASX: MGV) ("Musgrave" or "the Company") is an Australian resources company focused on gold exploration and development at the Cue Project in the Murchison Province of Western Australia (Figures 1 and 2).

At the Cue Project, the total project gold resources (Indicated and Inferred) have increased to 6.59Mt @ 3.2g/t Au for 659koz Au following a Mineral Resource update for the Break of Day deposit announced in November 2020 that included the new Starlight discovery (see MGV ASX announcement 11 November 2020, "Break of Day High-Grade Mineral Resource Estimate").

Other recent exploration on the Company's wholly owned tenure at Cue has included a large regional drilling program to test 25 new gold targets. A total of 445 holes for 25,298m of drilling was completed across 25 targets with 20 showing anomalous gold in the regolith with high-grade gold identified across multiple targets.

Regional aircore drilling on the Evolution JV over Lake Austin also continued.

Corporate

At the end of the December 2020 quarter, the Company held \$22 million in cash which does not include the proceeds of the Share Purchase Plan ("SPP") completed in January.

Musgrave successfully completed a capital raising in December 2020 to raise \$16.0M (before costs) through a share placement to institutional, corporate and sophisticated investors. The Company also undertook a SPP which raised an additional \$3.5M (before costs).

There have been a number of changes to the Company's unlisted options with 3.5 million unlisted options exercised during the quarter raising \$462,600. At 31 December 2020 the Company's capital structure comprised:

- 523,036,730 fully paid ordinary shares (ASX: MGV); and
- 16,680,000 unlisted options at various exercise prices and expiry dates

The Quarterly Cashflow Report (Appendix 5B) for the period ending 31 December 2020 provides an overview of the Company's financial activities. Cash exploration expenditure for the reporting period was \$1.1M. Corporate and other expenditure amounted to \$159k. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$120k and includes salary, directors' fees, and superannuation.

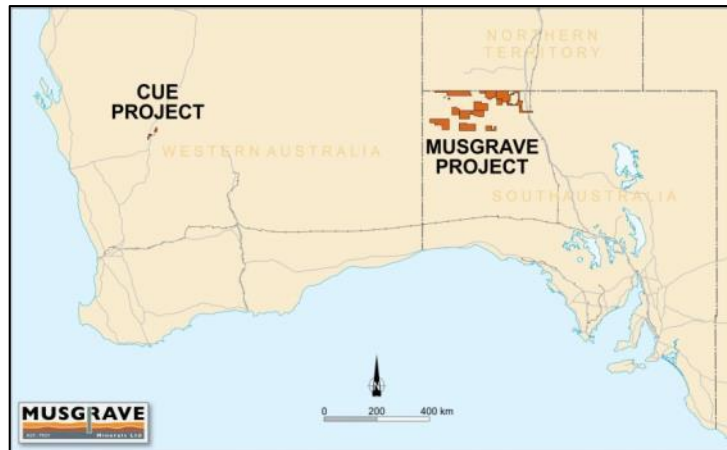


Figure 1: Musgrave Minerals' project location map

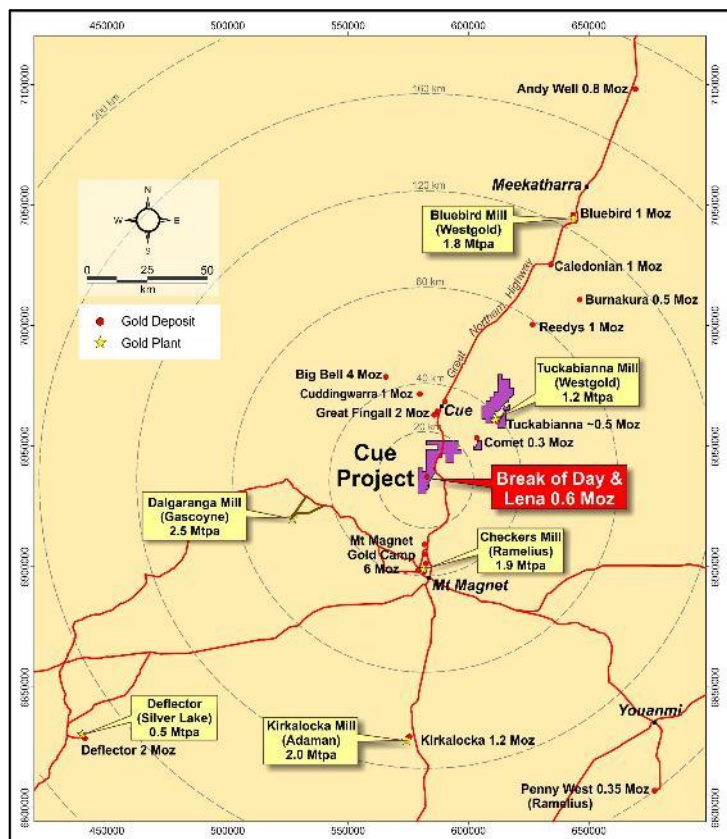


Figure 2: Cue Project location plan

Quarterly Activities Report for the period ended 31 December 2020

Investments

The Company holds 12.5 million shares in Legend Mining Limited ("Legend") currently valued at approximately \$1.75M based on a Legend share price of \$0.14/share.

Musgrave also holds 1,308,750 ordinary shares in Cyprium Metals Limited ("Cyprium") currently valued at approximately \$340,000 based on a Cyprium share price of \$0.26/share.

Response to COVID-19

Musgrave is continuing to review the ongoing situation relating to the COVID-19 pandemic and the implications for the health and wellbeing of our employees, contractors and stakeholders.

The Company has been pro-active with respect to its response to COVID-19 and has implemented operational procedures and guidelines in-line with official health advice and government directives. Musgrave will continue to operate within these guidelines and will adapt its procedures as required.

The Company remains an active explorer and will continue to advance the Cue Gold Project.

Exploration Activities

Cue Project

During the quarter the key focus of the Company was the resource update at Break of Day and new regional drilling programs on the Company's 100% tenure to test for analogues to the Starlight mineralisation within the belt. The Phase 2 regional aircore drilling program continued on Lake Austin, under the Evolution Joint Venture.

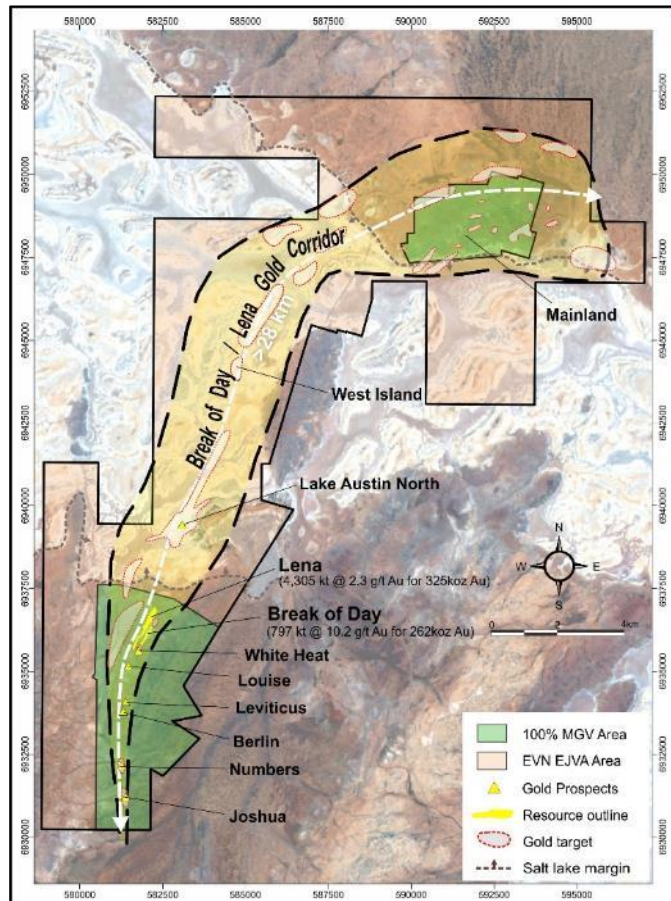


Figure 3: Plan showing Cue prospect locations

Break of Day

At the Cue Project, the total project gold resources (Indicated and Inferred) have increased to 6.59Mt @ 3.2g/t Au for 659koz Au following a Mineral Resource update for the Break of Day deposit, that included the Starlight and White Light discoveries (see MGVA ASX announcement 11 November 2020, "Break of Day High-Grade Mineral Resource Estimate"). The Break of Day Mineral Resource has increased to 797kt @ 10.2g/t Au for 262koz contained gold and delivered a:

- 31% increase in total contained ounces (up from the previous July 2017 Mineral Resource);
- 58% increase in Indicated Resources to 175,900 ounces gold; and
- 42% increase in gold grade to 10.2g/t Au.

When combined with the nearby Lena Mineral Resource located only 130m to the west (Figure 4), the two deposits host a combined **5.1Mt @ 3.6g/t gold for 587,000 ounces of contained gold**, of which a significant component will be amenable to open pit mining methods.

Quarterly Activities Report for the period ended 31 December 2020

Table 1(a): Break of Day Gold Deposit November 2020 Mineral Resource
(0.5g/t Au cut-off above 260mRL, 3.0g/t Au cut-off below 260mRL)

Cut-off Grade	Indicated			Inferred			Total		
	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
	Mt	g/t	kOz	Mt	g/t	kOz	Mt	g/t	kOz
Surface-260mRL 0.5g/t Au cut-off	0.38	12.1	150	0.15	6.6	33	0.54	10.6	182
Below 260mRL 3.0g/t Au cut-off	0.07	12.2	26	0.19	8.6	54	0.26	9.5	80
Total	0.45	12.1	176	0.35	7.7	86	0.80	10.2	262

*Rounding discrepancies may occur

Table 1(b): Starlight and White Light lodes November 2020 Mineral Resource
(0.5g/t Au cut-off above 260mRL, 3.0g/t Au cut-off below 260mRL)

Lode	Indicated			Inferred			Total		
	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
	Mt	g/t	kOz	Mt	g/t	kOz	Mt	g/t	kOz
Starlight lode	0.22	17.1	119	0.02	16.3	12	0.24	17.0	131
Starlight FW lode	0.02	2.4	1				0.02	2.4	1
White Light lode	0.07	11.3	23	0.03	5.7	6	0.10	8.7	29
Total	0.30	14.6	143	0.05	10.4	18	0.36	13.9	161

*Rounding discrepancies may occur

The Mineral Resource at Break of Day is one of the highest grade, undeveloped near surface gold resources in Australia. The improved confidence and the very high-grade nature of the near surface Indicated Resource is a significant step towards future development and will enhance the open pit development economics.

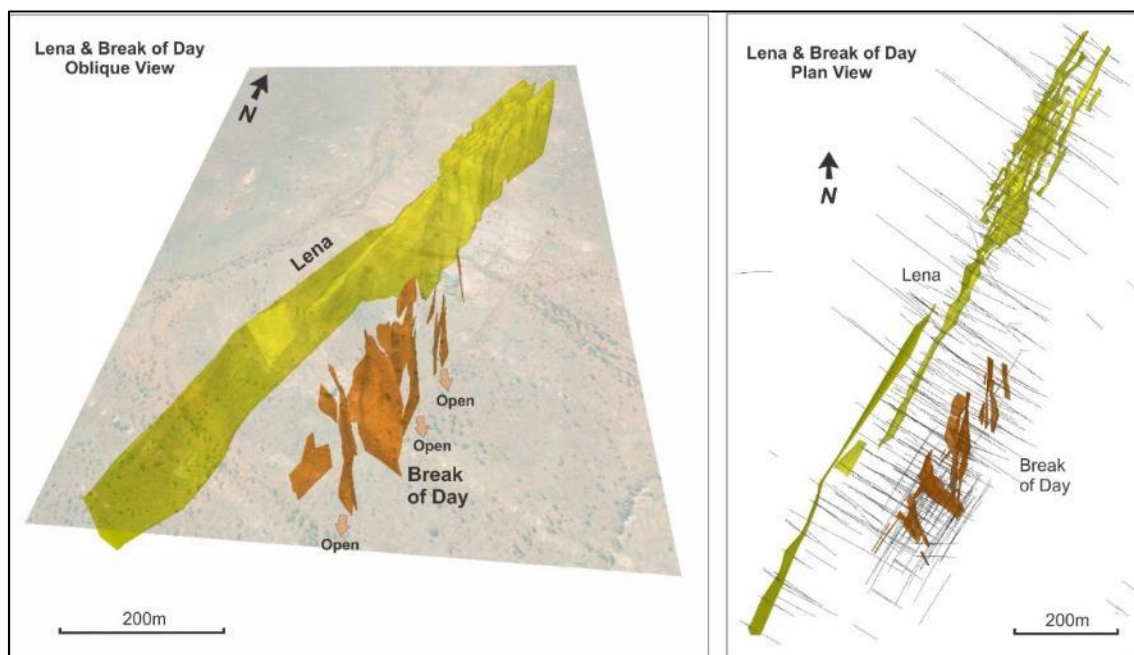


Figure 4: Break of Day and Lena Schematic image of combined 3D model

Quarterly Activities Report for the period ended 31 December 2020

The Mineral Resource at Break of Day extends over a strike length of more than 500m with individual gold lodes drill tested to varying depths but most to 250m vertical depth with a few partially tested to 350m depth. The mineralisation remains open down dip in several areas where further exploration drilling is warranted. The Break of Day resource update incorporates the results of highly successful reverse circulation (“RC”) and diamond drilling programs completed throughout 2020. A number of the gold lodes at Break of Day remain open down dip and there is scope to further grow the resource.

Exploration has suggested there is potential to grow the resource through further discoveries following recent drill results to the south of Break of Day where the Company is currently drill testing the White Heat target.

This Mineral Resource update builds confidence in the geological model which is showing good continuity of the mineralisation near surface and at depth on the main lodes. The significant increase in Indicated Mineral Resources supports the Company’s increasing confidence in the project and the commencement of the prefeasibility study (“PFS”). The Indicated and Inferred portions of the resource are shown in Figure 5.

Initial metallurgical test work on the Starlight lode at Break of Day returned exceptional gold recoveries with 98-99% gold recovered from conventional gravity and cyanide leach tests. Very good gravity-only recoveries were also achieved; >80% in fresh rock and transitional zones and >50% in oxide zone tests (see MGV announcement 2 November 2020, “Exceptional gold recoveries achieved from metallurgical test work at Starlight”).

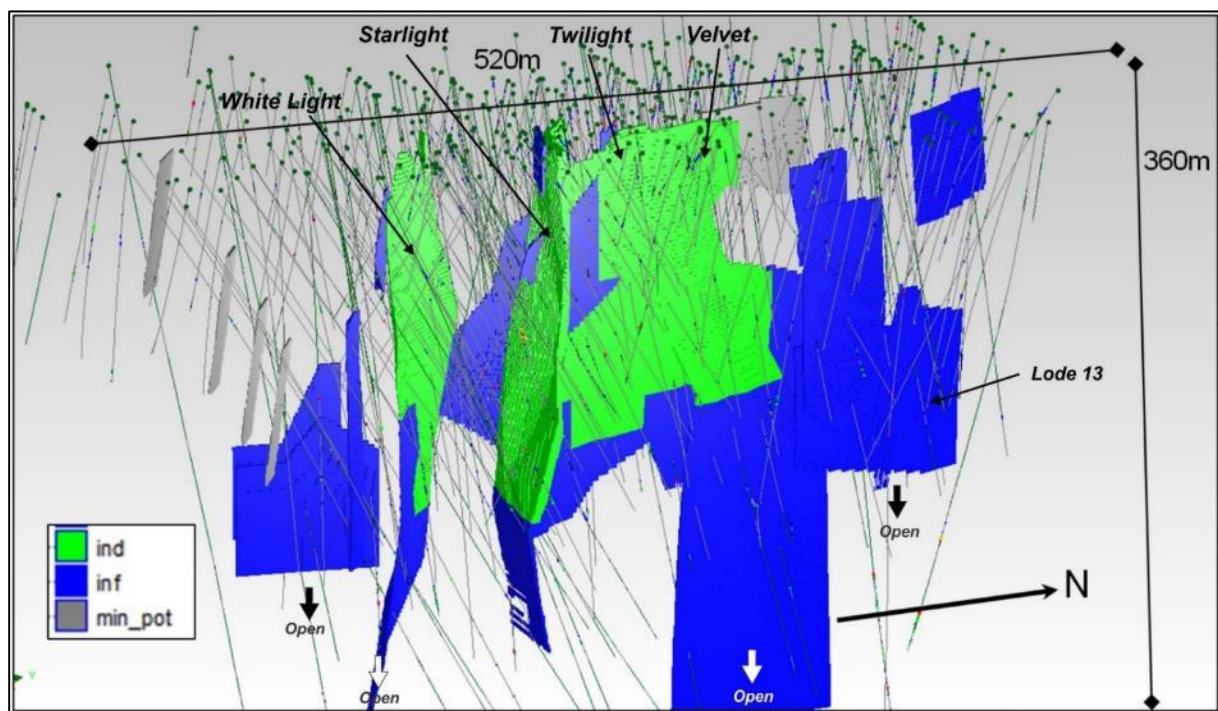


Figure 5: Break of Day long section block model showing Mineral Resource Classifications (Indicated Resources in green and Inferred Resources in blue)

Regional Exploration Drilling (100% MGCV)

Recent exploration on the Company’s wholly owned tenure at Cue has included a large regional drilling program to test 25 new gold targets. A total of 445 drill holes for 25,298m were completed across 25 targets (Figure 6) with 20 showing anomalous gold in the regolith. Significant results include:

Target 2 (White Heat) (Figure 7)

- 5m @ 13.4g/t Au from 28m (20MUAC008)
- 8m @ 8.4g/t Au from 41m (20MUAC009)
- 2m @ 30.3g/t Au from 41m (20MUAC233)
- 5m @ 8.3g/t Au from 23m (20MUAC236); and
- 1m @ 12.0g/t Au from 28m (20MUAC332) (see MGV ASX announcements dated 8 October 2020 and 9 December 2020).

Quarterly Activities Report for the period ended 31 December 2020

Target 5

- 6m @ 10.6g/t Au from 30m (20MUAC397)
- 6m @ 5.2g/t Au from 24m (20MUAC412)
- 6m @ 4.6g/t Au from 36m to EOH (20MUAC407)
- 6m @ 3.2g/t Au from 36m to EOH (20MUAC396)
- 4m @ 3.5g/t Au from 43m to EOH (20MUAC10); and
- 30m @ 1.1g/t Au from 12m to EOH (20MUAC402) (see MGVSX announcements dated 23 November 2020 and 19 January 2021).

Target 9 (Leviticus)

- 4m @ 13.1g/t Au from 1m (20MUAC058); and
- 2m @ 10.3g/t Au from 33m (20MUAC058) (see MGVSX announcement dated 4 November 2020)

Target 14

- 12m @ 1.7g/t Au from 65m (20MUAC143); and
- 2m @ 10.3g/t Au from 33m (20MUAC058); (see MGVSX announcements dated 23 November 2020 and 19 January 2021).

Target 15

- 6m @ 2.1g/t Au from 54m (20MUAC140)
- 1m @ 9.4g/t Au from 17m (20MUAC180); and
- 1m @ 11.5g/t Au from 51m (20MUAC166); (see MGVSX announcement dated 23 November 2020).

There is little to no historical basement drilling in these target areas which are concealed by 1-3m of transported hardpan clays. These new results highlight the potential for Starlight repeats along strike and follow-up drilling has commenced.

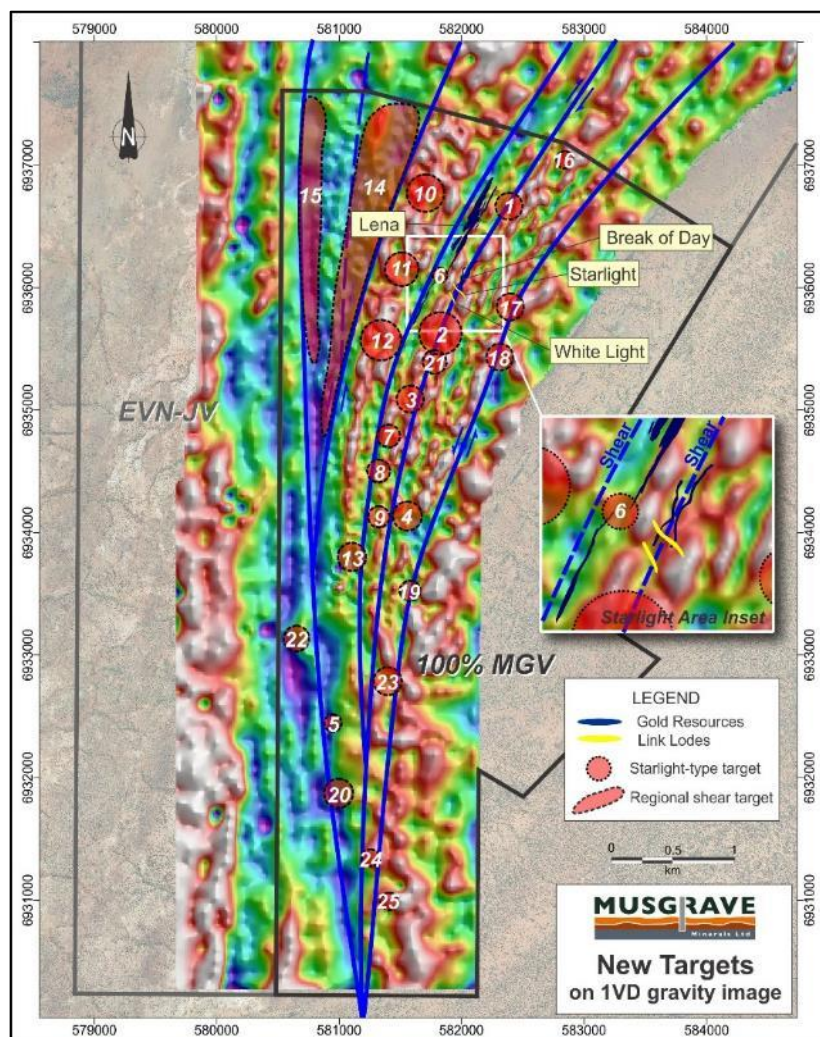


Figure 6: Plan showing regional targets on 1VD gravity image

Quarterly Activities Report for the period ended 31 December 2020

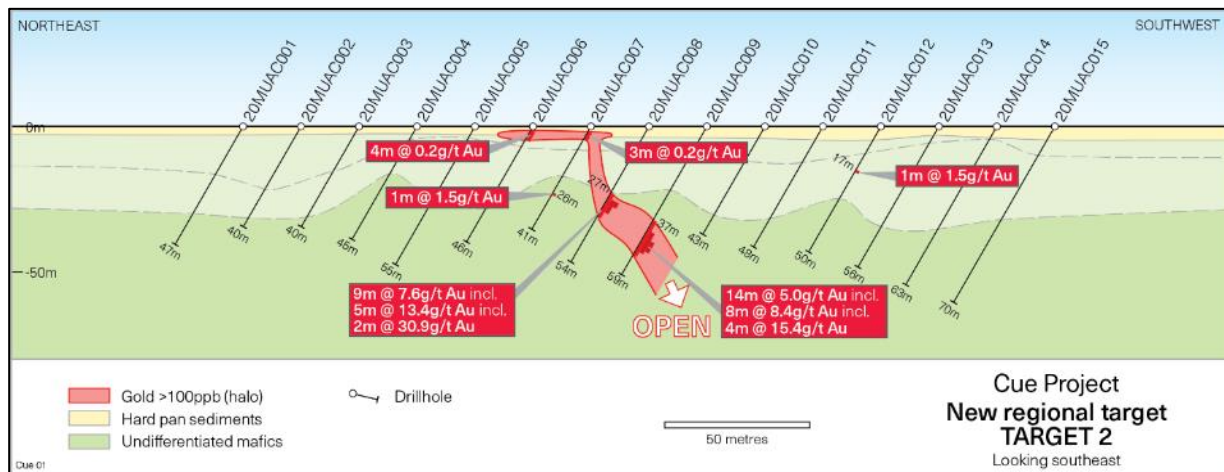


Figure 7: Cross section showing location of the White Heat prospect (Target 2) drill collars and assays

Lake Austin Region (EVN JV)

The Lake Austin area, part of the Evolution Earn-in and Exploration Joint Venture Agreement executed in September 2019, is highly prospective for gold and is significantly underexplored. Evolution has committed to a minimum exploration spend of \$4 million over the first two years and can earn a 75% interest in the JV area by sole funding \$18M in exploration over a five-year period. If Evolution does not spend the entire \$18 million within five years, Musgrave will retain 100% ownership (see MGVSX announcement dated 17 September 2019).

Musgrave is managing the exploration in the first two years. The existing gold resources including Lena and Break of Day and the Mainland option area, are excluded from the Evolution Agreement (Figures 8 and 9).

The Phase 2 follow-up aircore drill program which consisted of 187 holes for 26,016m of drilling on Lake Austin concluded in early December. The results have defined large, strong regolith gold anomalies at the Lake Austin North and West Island prospects with follow-up diamond drilling planned for February 2021.

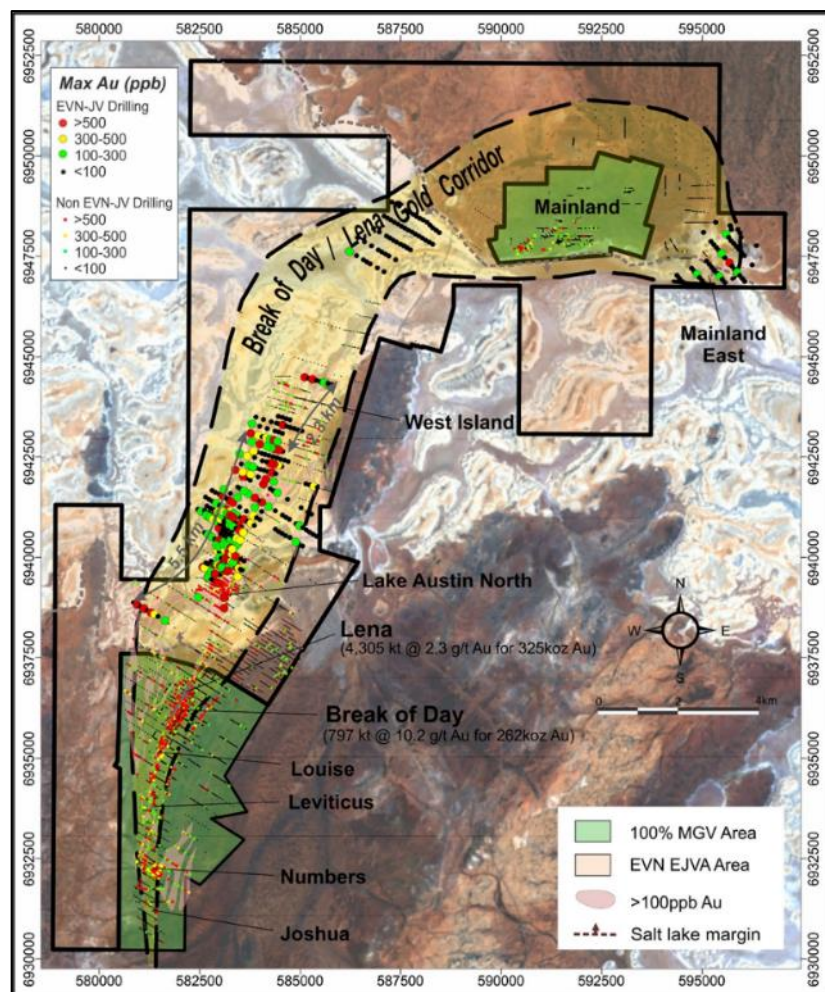


Figure 8: Location plan showing 2020 EVN JV aircore drill hole locations and includes historical drill holes. Maximum gold in hole is coloured

Quarterly Activities Report for the period ended 31 December 2020

Significant results include:

West Island

- 50m @ 1.17g/t Au from 70m to EOH (20MOAC420) including;
 - 4m @ 7.57g/t Au from 114m

Lake Austin North

- 69m @ 0.8g/t Au from 126m to EOH (20MOAC282) including;
 - 23m @ 1.3g/t Au from 159m

(see MGV ASX announcements dated 3 December 2020 and 27 January 2021).

Base Metal Exploration

On 1 May 2020, Musgrave entered into a joint venture with Cyprium Australia Pty Ltd ("Cyprium") on the non-gold rights over the northern Cue tenure (Figure 9) including the Hollandaire copper deposit. Cyprium (ASX: CYM) has earned an 80% interest in the non-gold rights over the area with Musgrave free carried to the completion of a definitive feasibility study. Musgrave also retains 100% of the gold rights for gold dominant deposits.

Other Projects

The Company currently holds tenement applications in the Musgrave region of South Australia. There was no significant exploration on these non-core tenements during the quarter.

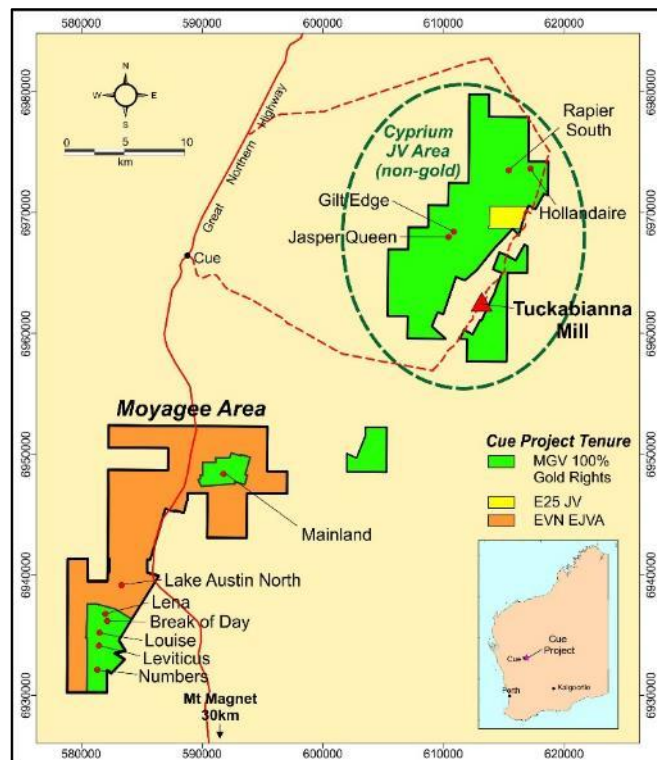


Figure 9: Cue Project location plan and tenure

Ongoing Activities

Musgrave 100% tenements

- Reverse circulation ("RC") drilling at the White Heat target is underway to follow-up previous high-grade aircore results. First assay results are expected in Early February.
- RC follow-up drilling to define the basement source of gold anomalies at targets 14 and 15 has commenced with results expected in early March.
- RC drilling at Targets 5, 17 and 20 is planned to commence in 2 weeks.
- Further regional aircore drilling of new structural and geological targets at Cue is currently being planned and will commence late in Q1.
- Work for the prefeasibility studies at Break of Day and Lena is underway

Evolution JV

- Diamond drilling to follow-up the extensive regolith gold anomalies identified in the regional aircore drilling program is scheduled to commence in early February 2021.

Notes Specific – December 2020 Quarter ASX Releases

Additional details including JORC 2012 reporting tables, where applicable, can be found in the ASX announcements referenced in this report and in the following announcements lodged with the ASX during the quarter:

- 27 January 2021, “New basement gold targets defined on Evolution JV”
- 19 January 2021, “High-grade near-surface gold extended at target 5, Cue”
- 18 January 2021, “Results of SPP Offer”
- 12 January 2021, “Share Purchase Plan closes early”
- 18 December 2020, “Share Purchase Plan Offer Document”
- 14 December 2020, “Investor Update Presentation”
- 14 December 2020, “\$18M raising to fund resource growth and commence PFS”
- 9 December 2020, “High-grade near surface gold at Target 17, Cue”
- 3 December 2020, “Scout drilling intersects high-grade gold and defines large gold zones under Lake Austin, Evolution JV”
- 23 November 2020, “New White Heat discovery and further regional drilling success”
- 19 November 2020, “AGM Presentation”
- 11 November 2020, “Break of Day High-Grade Mineral Resource Estimate”
- 4 November 2020, “Regional drilling hits more high-grade gold”
- 2 November 2020, “Exceptional metallurgical gold recoveries at Starlight”
- 27 October 2020, “Quarterly Activities and Cashflow Report”
- 16 October 2020, “Annual Report to Shareholders”
- 13 October 2020, “Starlight Shines – Diggers and Dealers Company Presentation”
- 8 October 2020, “Drilling hits high-grade gold at new target, 400m south of Starlight”
- 1 October 2020, “Release of shares from voluntary escrow”

Approved by for release by the Board of Musgrave Minerals Ltd.

Enquiries:

Rob Waugh

Managing Director

Musgrave Minerals Limited

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About Musgrave Minerals

Musgrave Minerals Limited is an active Australian gold explorer. The Cue Project in the Murchison region of Western Australia is an advanced gold project. Musgrave has had significant exploration success at Cue with the ongoing focus on increasing the gold resources through discovery and extensional drilling to underpin studies that will demonstrate a viable path to near-term development. Musgrave also holds a large exploration tenement package in the Ni-Cu-Co prospective Musgrave Province in South Australia.

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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.

Mineral Resources

The Information in this report that relates to Mineral Resources at Break of Day and Lena is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Musgrave Minerals Ltd (MGV) entitled "Lena Mineral Resource more than doubles and gold grade increases" released on 17 February 2020 and "Break of Day High-Grade Mineral Resource Estimate" released on 11 November 2020 and in the case of estimates of Minerals Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Rapier South, Jasper Queen, Gilt Edge, Leviticus and Numbers Mineral Resource is extracted from the report created by Silver Lake Resources Limited entitled "Mineral Resources and Ore Reserves Update", 26 August 2016 and is available to view on the ASX (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially effects the information included in the original market announcement and, in the case of estimates of Minerals Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented, have not been materially modified from the original market announcement.

The information in this report that relates to Mineral Resources for the Hollandaire deposit is an accurate representation of the available data and is based on information compiled by external consultants and Mr Peter van Luyt a competent person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" who is a member of the Australian Institute of Geoscientists (2582). Mr van Luyt is the Chief Geologist of Cyprum Metals Limited. Mr van Luyt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person (CP). Mr van Luyt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcement by Cyprum Metals Limited (CYM) entitled "Hollandaire Copper-Gold Mineral Resource Estimate" released on 29 September 2020 and in the case of estimates of Minerals Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Musgrave Minerals Limited's (Musgrave's) current expectations, estimates and projections about the industry in which Musgrave operates, and beliefs and assumptions regarding Musgrave's future performance. When used in this document, words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Musgrave believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Musgrave and no assurance can be given that actual results will be consistent with these forward-looking statements.



Quarterly Activities Report for the period ended 31 December 2020

Tenement information in accordance with Listing Rule 5.3.3

As at 31 December 2020

Tenement ID	Project	State	Status	MGV Interest at start of quarter	MGV Interest at end of quarter
E21/129	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/177	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/194	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/200	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/204	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/207	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/208	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
M21/106	Cue	WA	Granted	100% (EVN JV in part)	100% (EVN JV in part)
M21/107	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E21/144	Cue	WA	Granted	100%	100%
P21/757	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
E58/335	Cue	WA	Granted	100%	100%
E58/507	Cue	WA	Granted	100% (EVN JV)	100% (EVN JV)
M58/224	Cue	WA	Granted	100%	100%
M58/225	Cue	WA	Granted	100%	100%
P58/1709	Cue	WA	Granted	100%	100%
P58/1710	Cue	WA	Granted	100%	100%
E20/606	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/608	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/616	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/629	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/630	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/659	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/836	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/698	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/699	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
E20/700	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
M20/225	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
M20/245	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
M20/277	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
M20/526	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
P20/2279	Cue	WA	Granted	20% (100% gold only rights)	20% (100% gold only rights)
L20/57	Cue	WA	Granted	20%	20%
L58/42	Cue	WA	Granted	0%	100%
P21/731	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/732	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/735	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/736	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/737	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/739	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/741	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MUSGRAVE MINERALS LIMITED

ABN

12 143 890 671

Quarter ended ("current quarter")

31 DECEMBER 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	75	147
1.2	Payments for	-	-
	(a) exploration & evaluation		
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(144)	(311)
	(e) administration and corporate costs	(15)	(223)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	17	22
1.5	Interest and other costs of finance paid	(6)	(13)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	12	50
1.8	Other – Net advances from JV partner	(414)	375
1.9	Net cash from / (used in) operating activities	(475)	47
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(100)
	(c) property, plant and equipment	(12)	(71)
	(d) exploration & evaluation	(1,109)	(3,379)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,121)	(3,550)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	16,000	16,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	427	1,474
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,006)	(1,019)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – ROU lease payments	(23)	(46)
3.10	Net cash from / (used in) financing activities	15,398	16,409

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,227	9,123
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(475)	47
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,121)	(3,550)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	15,398	16,409

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	22,029	22,029

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,953	2,001
5.2	Call deposits	19,096	6,226
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	22,029	8,227

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	120
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(475)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,109)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,584)
8.4	Cash and cash equivalents at quarter end (item 4.6)	22,029
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	22,029
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	14
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2021

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.