ASX RELEASE 31 March 2022

ASX: MGV

Musgrave consolidates its position in the Murchison

- **Musgrave to acquire a 100% interest in the Mt Magnet South Project located 40km south of the Company's flagship Cue Gold Project in the Murchison district of Western Australia**
- **The Project covers the southern extension of the Hill 50 and Latecomer fault zones that are associated with the Hill 50, Galaxy and Morning Star gold deposits at Mt Magnet**
- **Acquisition complements the Cue Gold Project and consolidates Musgrave's position in the region**
- **Musgrave aims to utilise its regional base and exploration strengths to deliver further success through exploration and discovery**
- **Drill planning to begin after consolidation of historical exploration data and completion of a regional gravity survey**

Musgrave Minerals Ltd ("Musgrave" or "the Company") (ASX: MGV) is pleased to announce that via its wholly owned subsidiary Musgrave Exploration Pty Ltd it has entered into a Sale and Purchase Agreement ("Agreement") with proprietary company Eastern Goldfields Exploration Pty Ltd ("Vendor") to acquire a 100% interest in a number of tenements that comprise the Mt Magnet South Project ("Mt Magnet South" or "the Project"). The Project is located within trucking distance of the Company's Cue Gold Project (*Figure 1*) in Western Australia's Murchison goldfields and just 5km south of the township of Mt Magnet.

Commenting on the transaction, Musgrave Managing Director Rob Waugh said, "*This opportunity grows Musgrave's landholding by adding further prospective ground in the region. The new Project area is directly along strike from Ramelius' Mt Magnet operations and provides the opportunity for Musgrave to continue to utilise its exploration expertise to make further discoveries in the region. The acquisition maintains our alignment with the strategy to grow the resource base at Cue in the near-term while generating a pipeline of longer-term projects and opportunities.*"

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Overview of Mt Magnet South Project

The Mt Magnet South Project comprises a group of 19 semi-contiguous prospecting and exploration licences covering an area of approximately 294km^2 almost doubling Musgrave's landholding in the Murchison. The Project is an early stage, under-explored greenfield opportunity, in a good location with excellent nearby infrastructure.

The project provides an additional opportunity for Musgrave to apply the significant exploration learnings from its discovery success 40km to the north at the Cue Project and make further discoveries in the Murchison. Future discoveries have the potential to add to the Company's growing resource base in the region thus enhancing the value of the Cue Gold Project.

Very limited historical drilling has been undertaken on the area and only limited intermittent exploration was conducted under prior companies' ownership from 1960 to 2020. A full compilation and digitisation of historical data has commenced.

A number of initial structural and surface geochemical targets have been identified for drill testing in areas of limited previous exploration.

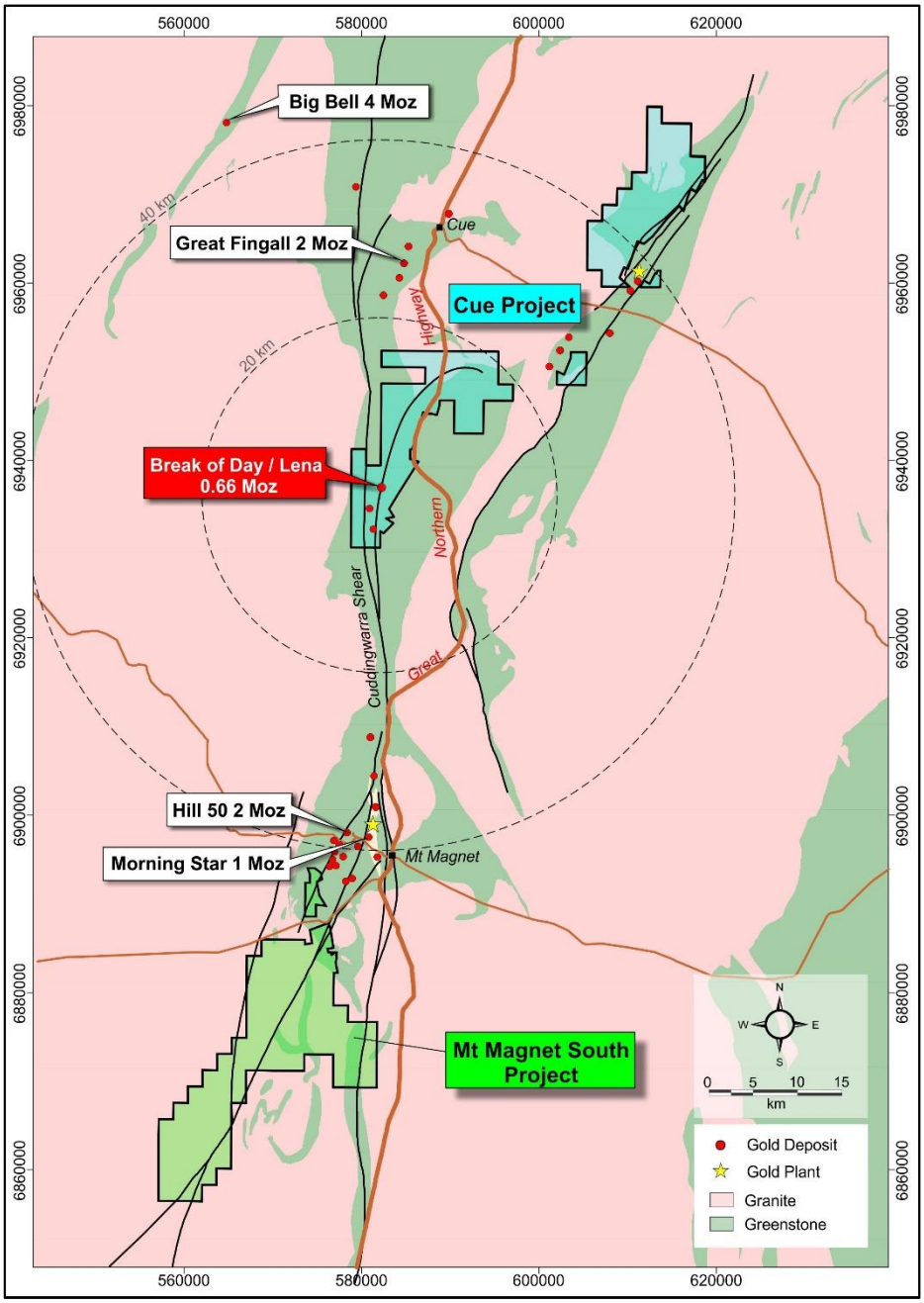

Figure 1: Mt Magnet South project location plan and Cue tenure

Next Steps

Historical data is being compiled, digitised, plotted and reviewed in detail to enhance targeting. A regional gravity survey will be undertaken and integrated with existing aeromagnetic data, and geological and geochemical datasets. This will enhance drill planning to test high-priority basement gold targets.

Musgrave's objective at Mt Magnet South is to define, through discovery, a pipeline of additional high-grade gold resources that that can be economically trucked the 40km north to a potential future operations hub at Musgrave's mainstay Cue Gold Project. Musgrave's strategy is to identify and secure additional early-stage exploration ground in the region to build on the Company's success at Cue and maintain a long-term pipeline of opportunities.

Summary of Commercial Terms

The key commercial terms for the Agreement are outlined below:

- The Vendor shall sell its 100% interest in the Tenements to Musgrave for the following consideration:
  - $100,000 payable on Completion;
  - On the second anniversary of Completion Musgrave must pay $150,000 or, at Musgrave's election, cause the issue of $150,000 worth of shares to the Vendor (subject to Musgrave obtaining shareholder approval) at an issue price equal to the volume weighted average price of Musgrave shares over the last five days on which sales in Musgrave shares were recorded prior to the second anniversary of Completion, if at least one of the Tenements is then still held by Musgrave;
  - On the third anniversary of Completion Musgrave must pay $125,000 or, at Musgrave's election, cause the issue of $125,000 worth of shares to the Vendor (subject to Musgrave obtaining shareholder approval) at an issue price equal to the volume weighted average price of Musgrave shares over the last five days on which sales in Musgrave shares were recorded prior to the third anniversary of Completion, if at least one of the Tenements is then still held by Musgrave; and
  - On the fourth anniversary of Completion Musgrave must pay $125,000 or, at Musgrave's election, cause the issue of $125,000 worth of shares to the Vendor (subject to Musgrave obtaining shareholder approval) at an issue price equal to the volume weighted average price of Musgrave shares over the last five days on which sales in Musgrave shares were recorded prior to the fourth anniversary of Completion, if at least one of the Tenements is then still held by Musgrave.
- Following Completion the Vendor will be entitled to receive a 1.0% NSR royalty in respect of any gold and rare earth elements produced from the Tenements.
- The Agreement is subject to Musgrave conducting due diligence in respect of the Tenements. This condition precedent has been satisfied and as the Vendor does not have any obligations under the Agreement following Completion, it was not necessary for Musgrave to undertake due diligence on the Vendor's financial and other capacity to perform its obligations in relation to the transaction. Completion occurred yesterday 30 March 2022.

Entering the Agreement did not result in the Company making a significant change to the nature or scale of its activities.

Cue Project

The Cue Gold Project is located approximately 30km south of the township of Cue and 40km north of the new Mt Magnet South Project in the Murchison district of Western Australia. The Lena and Break of Day deposits are only 5km from the Great Northern Highway, approximately 600km north of Perth.

The current resource estimate for the Cue Gold Project totals 6.4Mt @ 3.2g/t Au for 659koz including the Break of Day deposit (797kt @ 10.2g/t Au for 262koz contained gold) and the Lena deposit (4.3Mt @ 2.3g/t Au for 325koz contained gold) located 130m to the west of Break of Day (*see MGV ASX announcements dated 17 February 2020 and 11 November 2020*). The new Cue Project, gold discoveries at White Heat-Mosaic, Big Sky and Amarillo are all outside the existing resource areas.

Authorised for release by the Board of Musgrave Minerals Limited.

For further details please contact:

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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 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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Additional JORC Information

Further details relating to the information provided in this release can be found in the following Musgrave Minerals' ASX announcements:

- *25 March 2022, "Strong drill results at Amarillo"*
- *15 March 2022, "Further near-surface high grades intersected at Mosaic"*
- *10 March 2022, "Half yearly report and accounts"*
- *17 February 2022, "Company Presentation – RIU Explorers Conference"*
- *2 February 2022, "Exceptional gold grades near-surface at new Mosaic Lode"*
- *28 January 2022, "Quarterly Activities and Cashflow Report"*
- *27 January 2022, "High-grade gold intersected at West Island, Cue JV"*
- *6 January 2022, "New high-grade gold trend identified in regional RC program"*
- *15 December 2021, "High grades continue at Big Sky"*
- *27 October 2021, "Bonanza hit highlights high-grade potential at Big Sky"*
- *15 October 2021, "Annual report to Shareholders"*
- *4 February 2021, "Appointment of Non-executive Director"*
- *27 January 2021, "New basement gold targets defined on Evolution JV"*
- *18 January 2021, "Results of SPP Offer"*
- *14 December 2020, "$18M raising to fund resource growth and commence PFS"*
- *9 December 2020, "High-grade near surface gold at Target 17, Cue"*
- *11 November 2020, "Break of Day High-Grade Mineral Resource Estimate"*
- *2 November 2020, "Exceptional metallurgical gold recoveries at Starlight"*
- *17 February 2020, "Lena Resource Update"*
- *27 November 2019, "High-grade gold intersected in drilling at Mainland, Cue Project"*
- *17 September 2019, "Musgrave and Evolution sign an $18 million Earn-In JV and $1.5M placement to accelerate exploration at Cue"*
- *16 August 2017, "Further Strong Gold Recoveries at Lena"*

-ENDS-

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.

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.

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.*	No sampling data is referenced in this report
	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 drill hole collars have been surveyed by GPS to an accuracy of 0.5m.
	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.	No mineralisation is referenced in this report
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).*	No drilling is referenced in this report
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	No drilling is referenced in this report
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling is referenced in this report
	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 drilling is referenced in this report
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.*	No drilling is referenced in this report
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	N/A
	The total length and percentage of the relevant intersections logged.	N/A
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	N/A
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	N/A
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	N/A

	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	N/A
	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.	N/A
	Whether sample sizes are appropriate to the grain size of the material being sampled.	N/A
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.*	No assay data is referenced in this report
	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.	N/A
	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.	N/A
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No assay data is referenced in this report
	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.	N/A
	Discuss any adjustment to assay data.	N/A
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)
	Specification of the grid system used.	Site co-ordinates are in UTM grid (GDA94 Z50)
	Quality and adequacy of topographic control.	All planning uses hand-held GPS (accuracy +-2m).
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	No drilling has been undertaken by Musgrave Minerals Ltd. Historical drilling is currently being evaluated.
	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.	No resources have been calculated on the project due to the early-stage nature of exploration.
	Whether sample compositing has been applied.	No sample compositing undertaken
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.*	No drilling has been undertaken by Musgrave Minerals Ltd. Historical drilling is currently being evaluated.
	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.	N/A
Sample security	*The measures taken to ensure sample security.*	N/A
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits have yet been completed on historical sampling or drilling

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.*	Musgrave Minerals has secured 100% of the Mt Magnet South Project area as announced in this release. Tenements include: P58/1683, P58/1694-1696, p58/1707, P58/1725, P58/1738, P58/1808-1812, P58/1830, P58/1853-1854, E58/473, E58/524, E59/2448, E592157.
	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.*	Very minor 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 40 years.

Geology	*Deposit type, geological setting and style of mineralisation.*	Geology comprises typical Archaean Yilgarn greenstone belt lithologies and granitic intrusives. No known mineralisation is present although the area is prospective for possible, typical Yilgarn Archaean lode gold mineralisation.
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 and hole length.*	Very minor historical drilling has been undertaken on the tenements.
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.*	N/A
	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.	N/A
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A
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').*	N/A
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.*	N/A
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 avoiding misleading reporting of Exploration Results.*	There is very limited exploration data available. What is available is currently being compiled.
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.*	There is very limited exploration data available. What is available is currently being compiled.
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 a gravity survey, 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 figure in the body of this announcement.