



ASX RELEASE

25 November 2022

ASX: MGV

\$10 million capital raising to fund resource growth and development studies at the Cue Gold Project

- **Musgrave has received firm commitments of \$8 million via a strongly supported Placement to institutional and sophisticated investors.**
- **A Share Purchase Plan (SPP) targeting \$2 million offered to eligible shareholders at the same offer price as the Placement.**
- **On completion of the Capital Raising, Musgrave will be well funded to continue exploration, resource growth efforts and development activities at its Cue Gold Project, including:**
 - **Completion of the Stage 1 Prefeasibility Study ("PFS");**
 - **Continuation of development studies and works to inform mining permitting and approvals;**
 - **Further conversion of Inferred Resources into the higher confidence, Indicated Resource category; and**
 - **~30,000m of diamond and reverse circulation ("RC") drilling to test newly identified targets and pursue resource growth (known and new deposits).**

Musgrave Minerals Ltd (ASX: MGV) ("**Musgrave**" or the "**Company**") is pleased to advise that it has received firm commitments to raise \$8 million (before costs) via a placement of 40,000,000 fully paid ordinary shares in the Company ("**New Shares**") at an issue price of \$0.20 per New Share to institutional, professional and sophisticated investors (the "**Placement**").

The Placement was underpinned by new institutional investors as well as existing shareholders. New Shares under the Placement will be issued at \$0.20 per New Share, representing a 13% discount to Musgrave's last trading price and a 14% discount to the 15-day volume weighted average market price for Musgrave shares calculated over the 15 trading days on which trades in that class were recorded immediately before the date of this announcement.

In addition to the Placement, Musgrave will offer existing eligible shareholders the opportunity to subscribe for up to a maximum of \$30,000 worth of fully paid ordinary shares in the Company each at an issue price of \$0.20 per share under a share purchase plan ("**SPP**"), to raise an additional \$2 million (before costs). Further details on the SPP are provided below.

The Placement and the SPP together comprise the "**Capital Raising**".

Use of funds

In conjunction with existing cash reserves, the funds raised through the Capital Raising are indicatively proposed to be used as follows:¹

- Completion of the Stage 1 PFS which will focus on the technical and financial viability of the initial years of the Cue Gold Project;
- Completion and submittal of a mining proposal for the Cue Gold Project;
- Further development works;
- Completion of a RC/diamond drilling program of ~30,000m to test multiple high-priority targets identified on the Cue Gold Project (including resource definition drilling of the new Waratah and Amarillo gold discoveries) in light of the results from regional exploration drilling which continues to identify new mineralised zones;
- Continue to progress resource drilling to aim to advance conversion of Inferred Resources to the higher confidence Indicated category;
- Regional exploration focused on identifying and drill testing additional high-priority targets to pursue further growth of the resource base; and
- General working capital requirements, costs relating to the Capital Raising and contingent corporate purposes.

The Placement has been undertaken using the Company's available placement capacity under ASX Listing Rule 7.1A and the Company expects to issue the New Shares, subject to settlement, on or around 1 December 2022.

Canaccord Genuity (Australia) Limited, Euroz Hartleys Limited and Veritas Securities Limited (together, the "**Joint Lead Managers**") are acting as joint lead managers to the Placement and, following completion of the Placement, will collectively receive a total lead manager fee of 6% of the gross proceeds raised under the Placement less 3% for an agreed chairman's list.

An indicative timetable for the Capital Raising is provided below.

Musgrave Managing Director Rob Waugh said: *"The progression of development studies, a systematic de-risking of the project and pursuing resource growth can ensure we unlock the inherent value of the project as a strategic asset and create value for shareholders."*

"I'd like to welcome the new investors to the Company and we are pleased to offer existing eligible shareholders an opportunity to participate through the SPP at the same price as the Placement."

Musgrave's Cue Gold Project represents a unique, high-quality asset with the cornerstone being the high-grade, near-surface Break of Day Trend deposits that will underpin our development studies. Further success in regional exploration has the potential to advance the scope of the project through further discovery and resource growth.

Following the completion of the Capital Raising, the Company will have a cash balance of approximately \$15 million. An Appendix 3B and an Appendix 2A will follow this release as appropriate.

Share Purchase Plan (SPP)

In addition to the Placement, the Company is pleased to announce an SPP targeting to raise \$2 million, under which existing Musgrave shareholders who are eligible, will be given the opportunity to acquire shares up to a maximum value of \$30,000 at the same issue price as New Shares issued under the Placement, being \$0.20 per New Share. The Company reserves the right to accept oversubscriptions and/or scale back applications. The SPP is not underwritten.

Participation in the SPP is voluntary and is available exclusively to shareholders who are registered as holders of Musgrave shares at 4:00pm (AWST) on the Record Date of 24 November 2022 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

¹ The indicative use of funds is subject to change at the Musgrave Board's discretion.



The SPP is anticipated to open on 2 December 2022 and is expected to close at 4.00pm (AWST) on 20 December 2022. The Company reserves the rights to change the SPP opening and closing dates.

The Company intends to raise \$2 million from the SPP. However, if total demand for the SPP exceeds \$2 million, the Directors may in their absolute discretion, undertake a scale back to the extent and in the manner they see fit or close the SPP early. Alternatively, the Company may elect to accept over subscriptions in excess of \$2 million, subject to the maximum permitted under the ASX Listing Rules. The Company may also alter the offer period for the SPP.

Subject to the ASX Listing Rules, to the extent that there is a shortfall in the subscription of shares under the SPP ("**Shortfall**"), the Directors reserve the right to (without limitation) issue shares that comprise the Shortfall to institutional, sophisticated and professional investors at their absolute discretion.

New shares to be issued under the SPP will rank equally with the Company's existing fully paid ordinary shares on issue.

Full details of the SPP will be provided in the Offer Booklet, scheduled to be despatched to Eligible Shareholders on or around 2 December 2022.

To avoid current postal delays, all Shareholders are encouraged to update their communication preferences to receive documentation from the Company electronically via email by visiting www.computershare.com.au/easyupdate/mqv or by contacting the Company's share registry Computershare directly by telephone on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Indicative Timetable

Set out below is the proposed indicative timetable for the SPP.

Indicative SPP Timetable

Date	Event
4:00pm (AWST) on 24 Nov 2022	Record Date for Share Purchase Plan
25 Nov 2022	Announcement of Share Purchase Plan
2 Dec 2022	Despatch of Offer Booklet to Eligible Shareholders
2 Dec 2022	Opening Date
20 Dec 2022	Closing Date
29 Dec 2022	Announcement of outcome of Share Purchase Plan
29 Dec 2022	Issue Date
30 Dec 2022	Trading of new shares commences

The timetable is indicative only and remains subject to change at Musgrave's discretion, subject to compliance with applicable laws and the ASX Listing Rules. Musgrave reserves the right to change the timetable or cancel the SPP at any time before new shares are issued, subject to regulatory requirements.

All amounts are in Australian dollars unless otherwise indicated.



Authorised for release by the Board of Musgrave Minerals Limited.

For further details please contact:

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Cue Gold Project

The Cue Gold Project is located approximately 30km south of the township of Cue in the Murchison district of Western Australia. The southern area gold deposits are only 5km from the Great Northern Highway, approximately 600km north of Perth on tenure wholly owned by Musgrave.

The current Mineral Resource Estimate for the Cue Gold Project totals 12.3Mt @ 2.3g/t Au for 927koz including the Break of Day High-Grade Trend (982kt @ 10.4g/t Au for 327koz contained gold) and including the Moyagee Western Trend (9.8Mt @ 1.7g/t Au for 541koz contained gold) both in the southern area of the project (*see MGV ASX announcement dated 31 May 2022, "Cue Mineral Resource Increases to 927,000oz"*). The new gold discoveries at Amarillo and along the Waratah trend are all outside the existing resource areas.

The Company is working towards delivery of a Stage 1 PFS in Q1 2023 with focus on the technical and financial viability of the early years of the Cue Gold Project. The study will focus on the Cue Gold Project's current Indicated Mineral Resources whilst exploration and resource conversion drilling will continue.

About Musgrave Minerals

Musgrave Minerals Limited is an active Australian gold explorer and developer. Musgrave's mission is to safely and responsibly deliver exploration success and advance development opportunities to build a profitable gold mining business at Cue for the benefit of our shareholders and the communities within which we operate

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 objectives of 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 packages near Mt Magnet in Western Australia and in the Ni-Cu-Co prospective Musgrave Province of South Australia.

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Competent Person's Statement

Exploration Results

The information in this report that relates to 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 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 Waugh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement

Mineral Resources

The information in this report that relates to Mineral Resources for the Break of Day, Lena, White Heat-Mosaic, Big Sky, Numbers, Leviticus, Jasper Queen, Gilt Edge, Rapier South and the Hollandaire Gold Cap deposits 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 information in this announcement that relates to Musgrave's Mineral Resources has been extracted from MGV's previous ASX announcements including: ASX Announcement "Cue Mineral Resource Increases to 927,000 Ounces" dated 31 May 2022. The Competent Persons were Mr Paul Payne and Mr Peter Van Luyt. A copy of that announcement is available at <https://musgraveminerals.com.au/asx-announcements/> and www.asx.com.au. Musgrave confirms that it is not aware of any new information or data that materially affects the information included in that announcement and, in relation to the estimates of Musgrave's Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed. Musgrave confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that announcement.

Forward Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning 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.

Not of an offer of securities

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

