



TSX-V: MGS
OTC: MGS GF

Musgrove Minerals Successfully renegotiates Terms of Musgrove Creek Gold Project Mining Lease

Vancouver, British Columbia – September 20, 2012 – Musgrove Minerals Corp. (“Musgrove” or the “Company”) (TSX.V: MGS) is pleased to announce that the Company has successfully renegotiated its existing mining lease of its Musgrove Creek Gold Project - the previous terms of which required the company to pay \$1 million on a feasibility study and a 2% NSR which could have been purchased for \$2,500,000. The new agreed upon terms are significantly more favorable as they reduce the feasibility study milestone payment down from \$1 million to \$350,000 (“Lump Sum Payment”) and further reduce the 2% NSR purchase price from \$2,500,000 to \$1,750,000 less all annual payments, the Lump Sum Payment, and any Production Royalty Payments paid by Musgrove to Lessor up to and including the date on which Musgrove exercises its option to purchase the Property.

“Since taking over Musgrove Minerals a few short months ago, the board and I have been re-examining everything to determine how best to re organize the Company and its commitments to more favorably benefit the Company and its shareholders” said Rana Vig, President & CEO. “The re-negotiating of the terms of this lease, which was originally negotiated some nine (9) years ago in much more favorable market conditions, is one such example.” he said.

“One of the great comforts that I have in Rana’s ability is that he’s an “out of the box” thinker. Most would not be worried about re negotiating terms which may not directly impact the company for many years to come.” said T. Greg Hawkins, P, Geo., MSc., Musgrove director, published author and Chairman of Yellowhead Mining. “This type of thinking is of great value and required to build any great company.” he said.

The company also wishes to announce that Jamie Lewin is no longer the CFO of the company. The Company wishes to thank Mr. Lewin for his service.

The incoming CFO is Mr. Larry Tsang - a Canadian Chartered Accountant who holds a Bachelor’s Degree in Technology (Accounting) from the British Columbia Institute of Technology in Canada and served as a senior accountant for four years with Ernst and Young LLP, Vancouver - one of the big four international accounting firms. His experience includes more than 11years working in auditing, accounting, taxation, and finance for both private and public companies. Previous management positions also include controller and chief financial officer of various Canadian public companies.

ON BEHALF OF THE BOARD OF DIRECTORS OF
MUSGROVE MINERALS CORP.

BY ORDER OF THE BOARD

"Rana Vig"

Rana Vig,
President and CEO
MUSGROVE MINERALS CORP.

About Musgrove Minerals Corp.

Musgrove Minerals Corp. www.musgroveminerals.com is a mineral-exploration resource company trading on the TSX Venture Exchange (Symbol:MGS). The Company is currently exploring the Musgrove Creek Gold Project, an advanced stage exploration project located in a historic Gold mining district in Idaho, USA and approximately 24 Km (15 mi) from Meridian Gold's past producing Beartrack Mine which produced approximately 600,000 oz of Gold from 1996 - 2001.

The Musgrove Creek Gold Project contains a NI 43-101 Inferred Mineral Resource estimate of 8 million tonnes at 1.22 g/t Au (0.036 oz/ton) at a gold cut-off of 0.8 g/t (0.023 oz/ton). This is equivalent to 313,822 oz (9,761 kg) of gold (Gruenwald and Makepeace, 2004).

Musgrove Minerals also has interest in three (3) other projects - The Vianey Silver Project in Mexico that it recently sold for \$325,000 to Grand Peak Capital (GPK); The Charay Gold property in Mexico that it Joint Ventured to Westridge Resources (WST); the Empire Mine project - a polymetallic skarn deposit containing copper, zinc, gold and silver located in the Alder Creek Mining District in Custer County, Idaho - that it recently joint ventured to Konnex Resources, currently a private company seeking to go public - owned 18% by Cliffs Natural Resources (CLF:NYSE).

Further information: Rana Vig at (604) 633-2442, or toll free 1-800-667-1442, or via email rana@musgroveminerals.com, or by visiting our website at www.musgroveminerals.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

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