



MEDUSA

AN EXPANDING GOLD PRODUCER IN THE PHILIPPINES

INVESTOR PRESENTATION

March 2010

SNAPSHOT OF MEDUSA



- Expanding gold producer operating solely in the Philippines
- Debt free and un-hedged, long term cash costs circa US\$190 per ounce
- Resources:
 - Co-O Mine Indicated resources: - 580,000 ounces
 - Co-O Mine Inferred resources: - 660,000 ounces
[Conceptual target size** of Co-O Mine of 3 to 7 million ounces]
 - Bananghilig Deposit Inferred resources: - 650,000 ounces
- Reserves of 500,000 ounces at 14.9 g/t gold at the Co-O Mine
- Phase 2 expansion to increase production from 60,000 to 100,000 ounces annualised on target for Q1 2010
- Pipeline of projects for potential production expansion to 300,000 to 400,000 ounces per year
- Excellent exploration upside: high grade vein and disseminated bulk gold targets, plus six porphyry copper targets

** The potential target size and grade of the Co-O Mine is conceptual in nature and there has been insufficient exploration to define a mineral resource. It is also uncertain if further exploration will result in the target being defined as a mineral resource.

CAPITAL STRUCTURE



CAPITAL STRUCTURE:

- Ordinary shares: 170,381,960
- Unlisted options: 1,340,000
- Market Cap (at 17 Feb 2010) ~A\$590M

FINANCIALS: (for the 6 months to 31 Dec 2009)

- Revenues - US\$41.3M
- EBITDA - US\$31.5M
- NPAT - US\$28.3M
- EPS (basic) - US\$0.168
- Cash at Bank - US\$35.5M
- Debt free and un-hedged

SHAREHOLDER INFORMATION:

Top 20 68.52%

Substantial shareholders *

Rex Harbour & Associates 12.31%

Sprott Asset Management 5.37%

* Information based on substantial shareholder notices provided to the Company

Directors 4.01%

LISTINGS:

ASX & AIM (Code: MML) ; TSX (Code: MLL)

SHARE PRICE PERFORMANCE (to 17 Feb 2010)

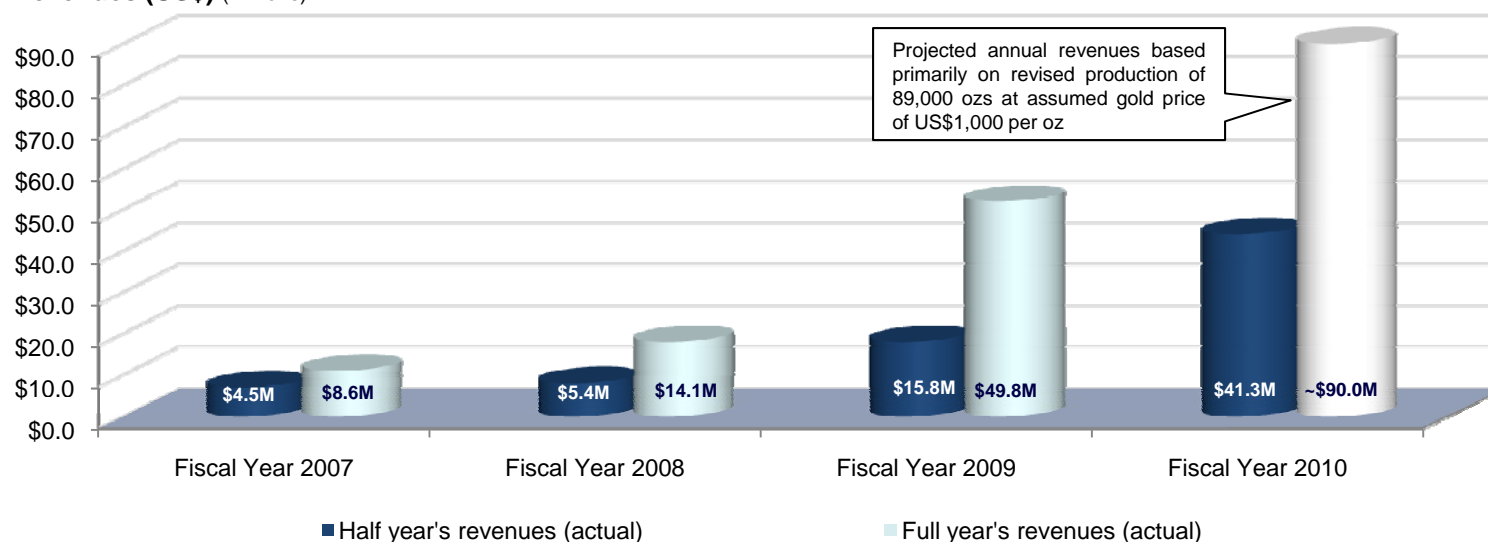


FINANCIAL HIGHLIGHTS (for the 6 months to 31 Dec 2009)



| Description | Unit | 31 Dec 2009 | 31 Dec 2008 | Variance | (%) |
|--------------|------|-------------|-------------|----------|------|
| Revenues | US\$ | \$41.3M | \$15.8M | \$25.5M | 161% |
| EBITDA | US\$ | \$31.5M | \$9.6M | \$21.9M | 228% |
| EBIT | US\$ | \$28.3M | \$8.0M | \$20.3M | 254% |
| NPAT | US\$ | \$28.3M | \$9.4M | \$18.9M | 201% |
| EPS (basic) | US\$ | \$0.168 | \$0.065 | \$0.103 | 158% |
| Cash at bank | US\$ | \$35.5M | \$4.0M | \$31.5M | 788% |

Revenues (US\$) (millions)



PRODUCTION STATISTICS



| Description | Unit | Quarter ended 31 Dec 2009 | Quarter ended 31 Dec 2008 | Half-year ended 31 Dec 2009 | Half-year ended 31 Dec 2008 |
|-----------------------------|--------|------------------------------|------------------------------|--------------------------------|--------------------------------|
| Tonnes mined | tonnes | 53,064 | 25,575 | 93,498 | 49,534 |
| Ore milled | tonnes | 37,588 | 25,575 | 78,055 | 49,534 |
| Grade | gpt | 18.68 | 15.84 | 16.65 | 12.71 |
| Recovery | % | 94% | 93% | 94% | 92% |
| Gold produced (1) | ounces | 21,108 | 12,158 | 39,162 | 19,144 |
| Cash costs (2) | US\$ | US\$184 | US\$215 | US\$189 | US\$225 |
| Gold sold | ounces | 21,108 | 12,158 | 39,162 | 19,144 |
| Average gold price received | US\$ | US\$1,111 | US\$800 | US\$1,047 | US\$812 |

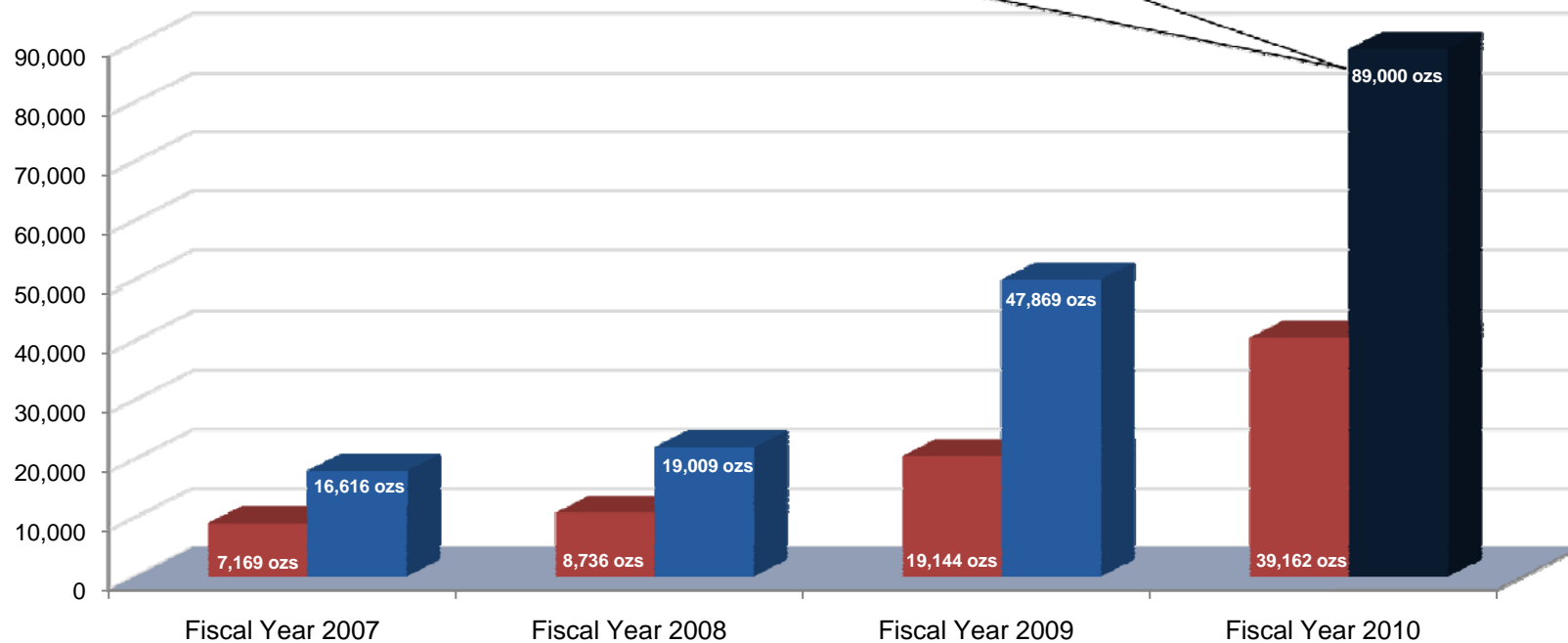
1. Gold production, is actual gold produced during the period and does not reflect changes in the balance of gold in circuit;
2. Cash costs refers to the cost of gold mined (**net of mine development costs**), produced and sold and includes taxes, royalties and local production taxes of US\$ 48 per ounce for the Dec 2009 quarter (Dec 2009 half-year of US\$46 per ounce).

PRODUCTION GROWTH



**Production
(ounces)**

Revised forecast production to 30 June 2010: **89,000 ounces**

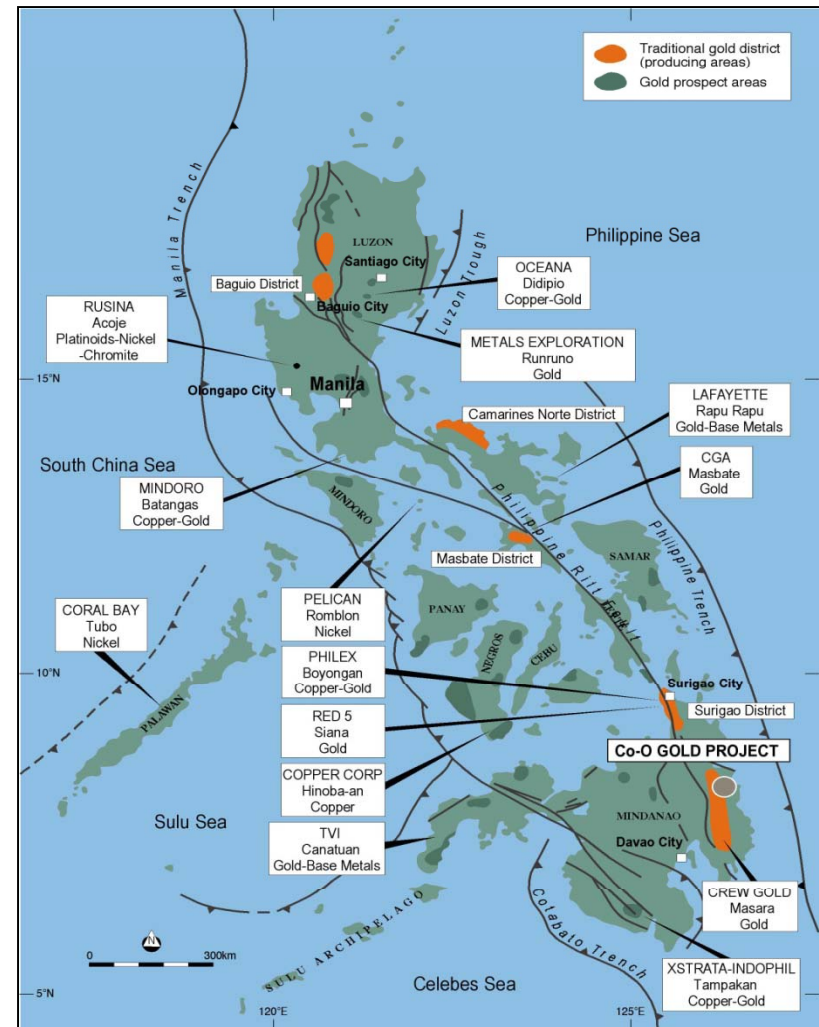


■ Half year's production (actual) ■ Full year's production (actual)

PHILIPPINES MINING INVESTMENTS



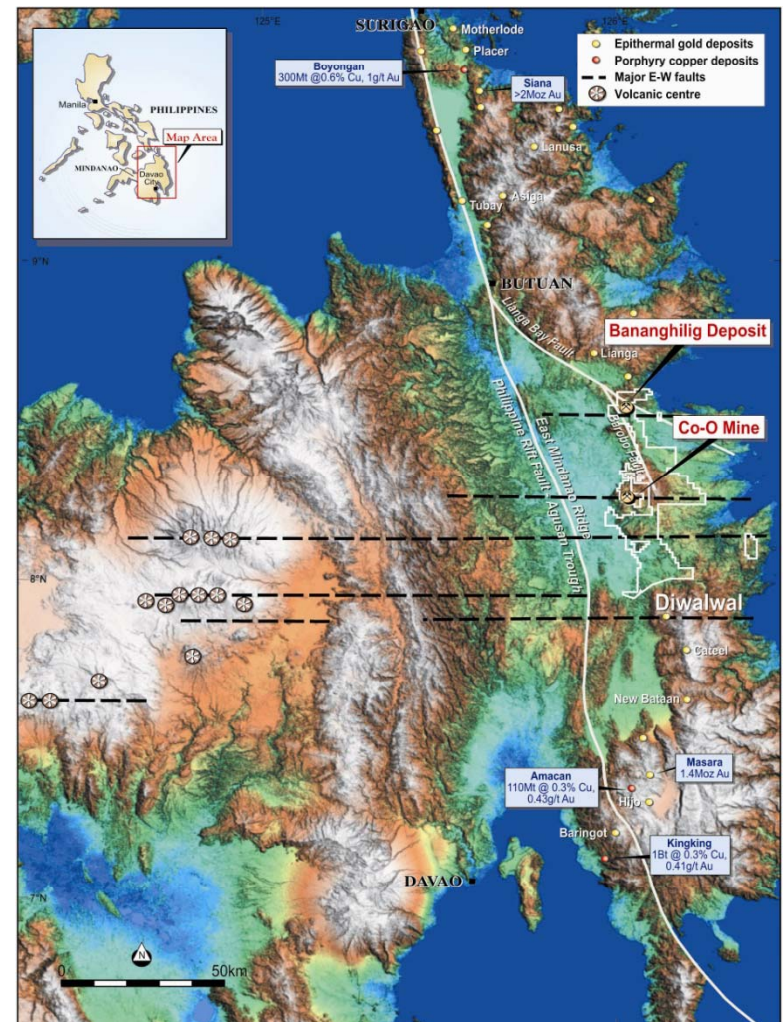
- Government support revitalising mining
- Increasing foreign investment
- Projects in feasibility studies and development
- New projects commenced production
- Co-O project south of typhoon belt



REGIONAL SETTING



- East Mindanao Ridge - richly endowed
- Excellent mineralised structural framework
- World class gold-copper deposits
- Long mining history
- Major recent discoveries



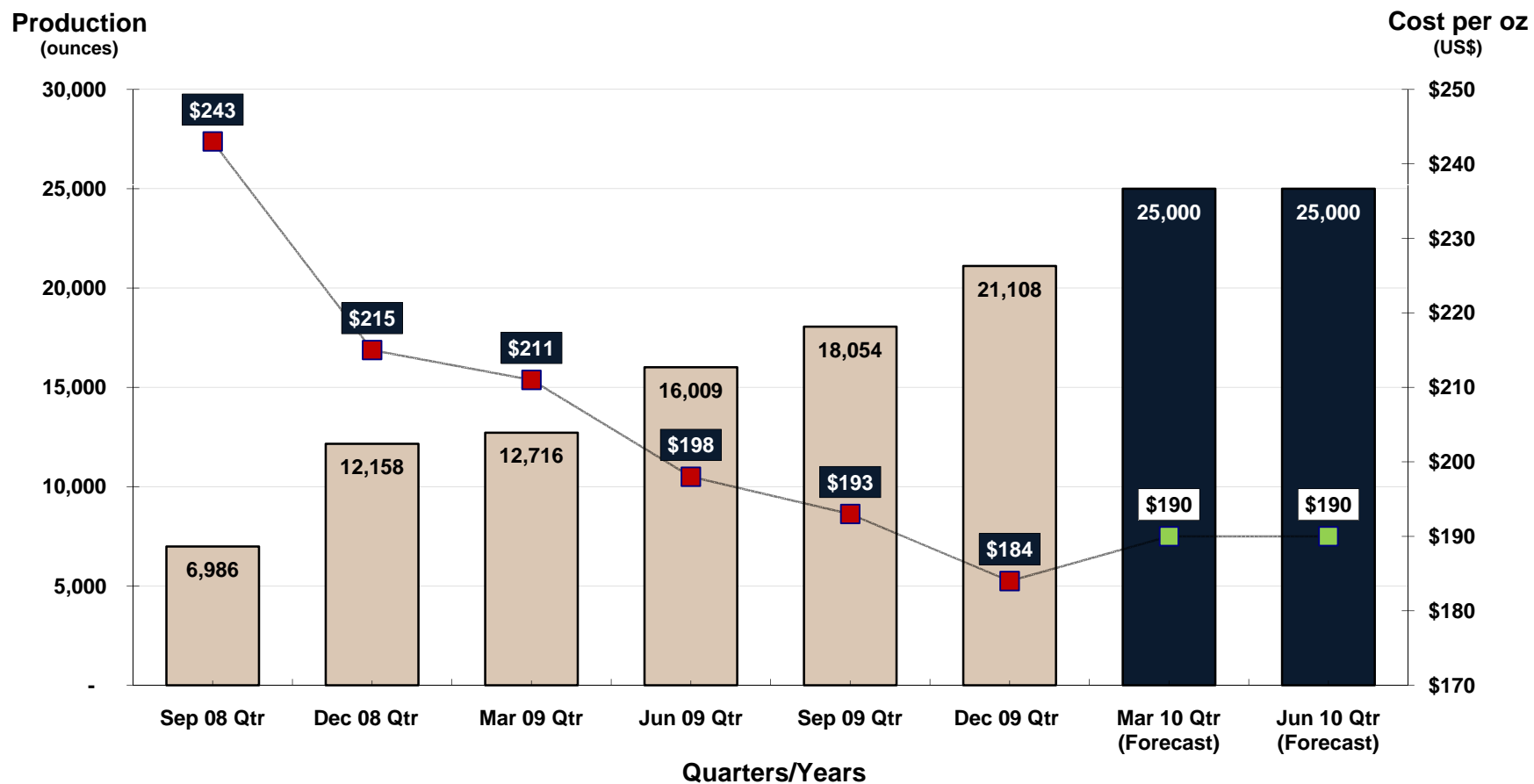
Co-O PLANT & INFRASTRUCTURE



- CIP plant capacity to 1,000 tpd currently being commissioned
- Grid power at Mine and Mill (standby power station at mine and mill)
- 99% local workforce
- On site assay laboratory and support services
- Industry standard health & safety



Co-O QUARTERLY GOLD PRODUCTION



RESOURCES AND RESERVES



| CATEGORY | TONNES | GRADE | OUNCES |
|--|------------|-------|----------------|
| RESOURCES (to 9 Dec 2009) | | | |
| Co-O Mine Indicated Resources ⁽¹⁾ | 1,450,000 | 12.3 | 580,000 |
| Co-O Mine Inferred Resources ⁽¹⁾ | 2,290,000 | 9.0 | 660,000 |
| Bananghilig Inferred Resources ⁽²⁾ | 15,000,000 | 1.3 | 650,000 |
| RESERVES (to 12 Aug 2009) | | | |
| Co-O Mine Probable Reserves ⁽³⁾ | 1,041,000 | 14.9 | 500,000 |

1. Co-O resources estimates are quoted using a > 0 g/t gold lower cut-off and undertaken by Cube Consulting Pty Ltd (2009)
2. Bananghilig resources estimates are quoted using a 0.6 g/t gold cut-off and undertaken by Cube Consulting Pty Ltd (2009)
3. Co-O reserves estimates were undertaken on the Indicated Resources by Crosscut Consulting (2009)

Co-O MINE



Agsao Shaft

Co-O MINE, EXPLORATION & PRODUCTION



- 25 year Mining Licence, renewable
- Vertical and horizontal continuity, open at depth and along strike
- Resource drilling continuing
- Expansion programme

Phase 1: completed Q2 2009, 60,000 annualised ozs

Phase 2: on schedule 100,000 annualised ozs, Q1 2010

- Forecasted production

| Period | Forecast |
|--|-------------|
| Fiscal year Jul 2009 to Jun 2010 (revised) | 89,000 ozs |
| Fiscal year Jul 2010 to Jun 2011 | 100,000 ozs |

Subject to normal mining conditions

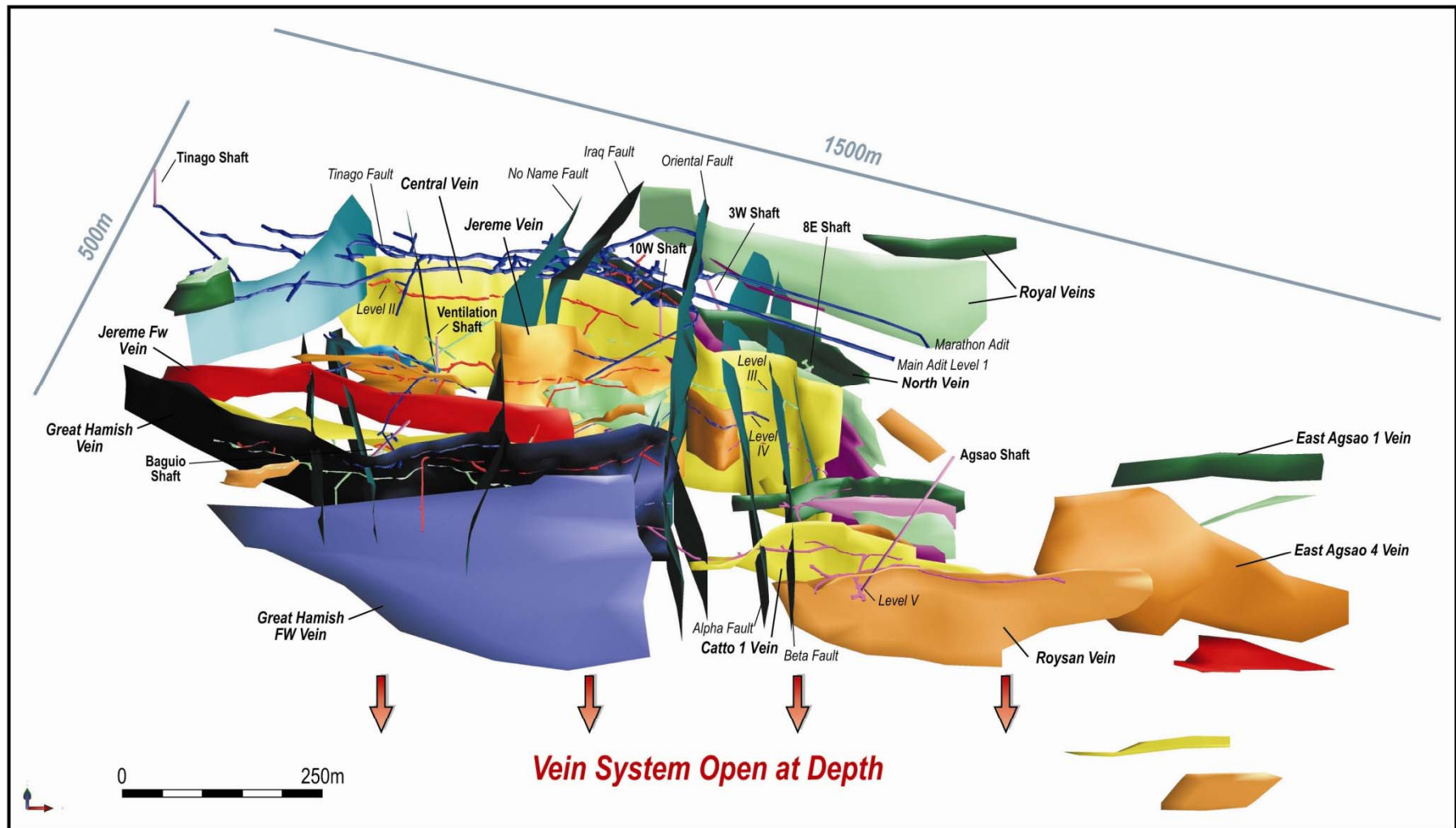


Baguio Shaft winder house

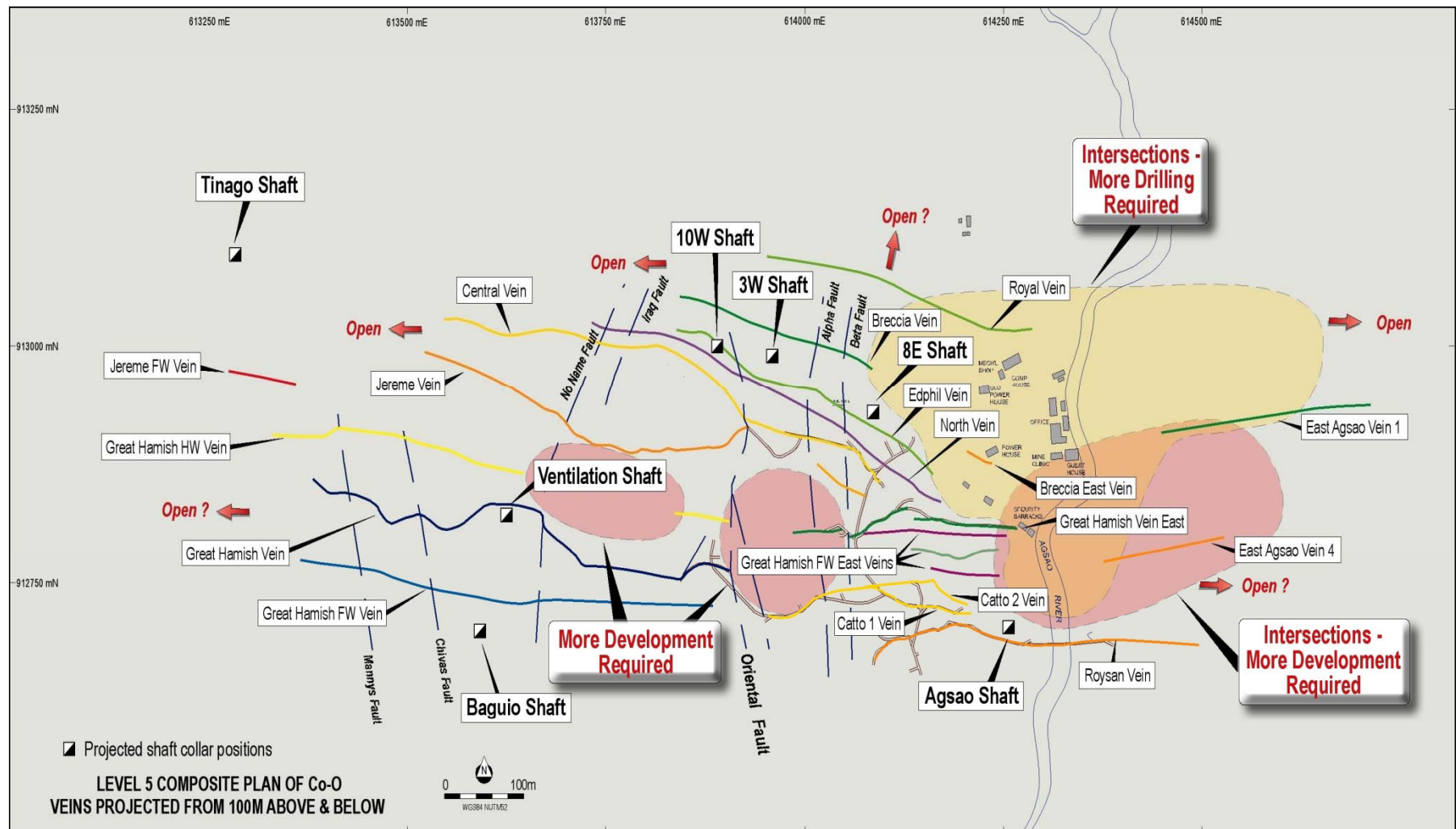


Fabrication of new rail wagons

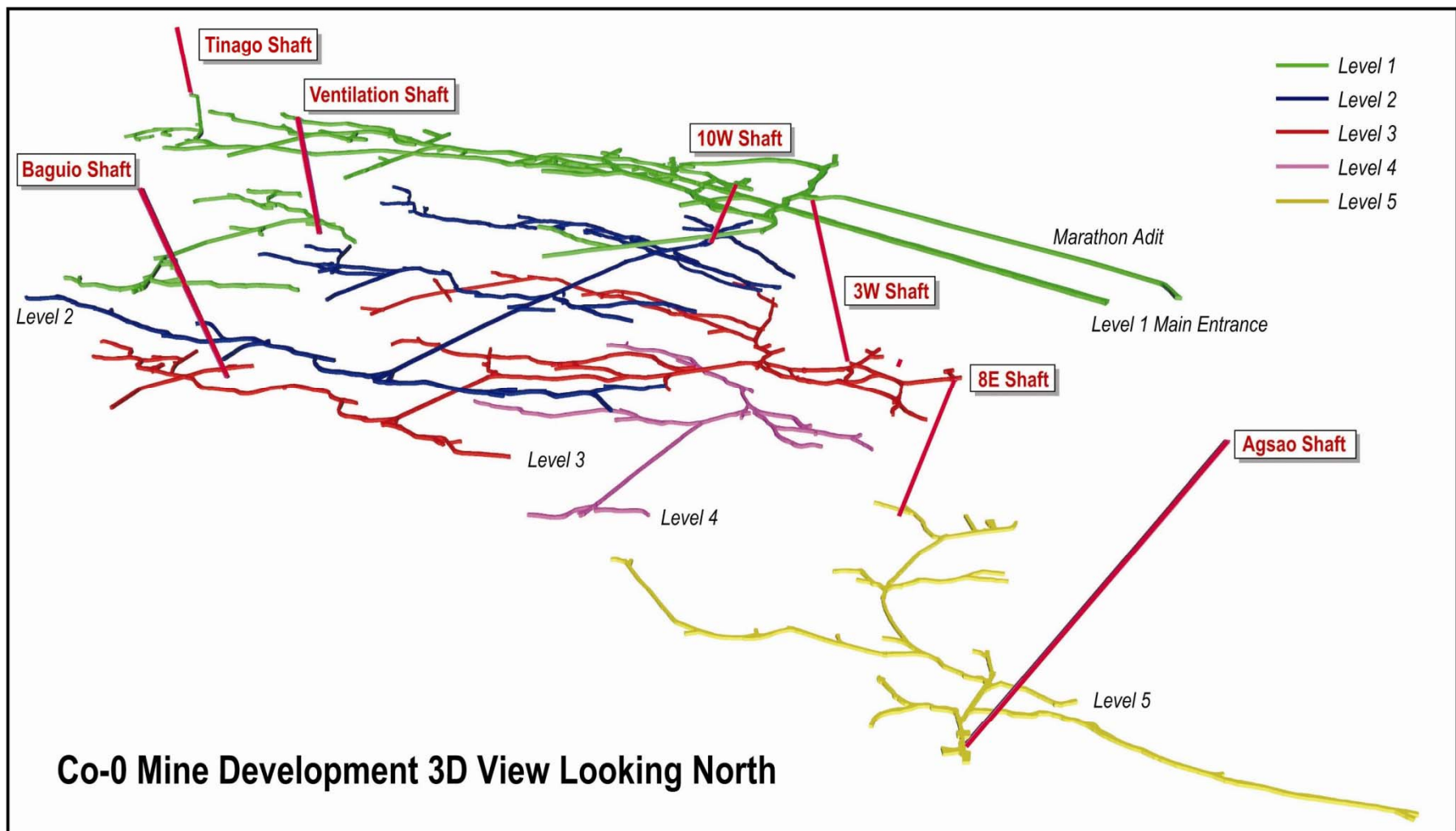
Co-O MINE 3D VEIN MODEL



Co-O MINE COMPOSITE LEVEL PLAN



Co-O MINE DEVELOPMENT



Co-O Mine Development 3D View Looking North

Co-O MINE CONCEPTUAL TARGET SIZE **



3 million ounces to 7 million ounces

PARAMETERS:

Strike length: 1,500 metres

Aggregate vein widths across strike: 5 to 8 metres

Depth below Level 1: 500 to 750 metres

Grade: Between 9 and 11 g/t gold

** The potential target size and grade of the Co-O Mine is conceptual in nature and there has been insufficient exploration to define a mineral resource. It is also uncertain if further exploration will result in the target being defined as a mineral resource.

Co-O Mine CONCEPTUAL TARGET PARAMETERS AND ESTIMATES **



| Strike length | Depth below Level 1 | Aggregate vein width (metres) | Conceptual tonnes | Gold grade (g/t) | Conceptual contained ounces |
|---------------|---------------------|-------------------------------|-------------------|------------------|-----------------------------|
| 1,500 | 500 | 5 | 9,375,000 | 10 | 3,125,000 |
| | | 8 | 14,700,000 | 10 | 4,725,000 |
| | | 10 | 18,750,000 | 10 | 6,250,000 |
| | 750 | 5 | 15,000,000 | 10 | 5,000,000 |
| | | 8 | 22,050,000 | 10 | 7,000,000 |
| | | 10 | 30,000,000 | 10 | 10,000,000 |
| 2,000 | 500 | 5 | 12,500,000 | 10 | 4,160,000 |
| | | 8 | 19,600,000 | 10 | 6,300,000 |
| | | 10 | 25,000,000 | 10 | 8,125,000 |
| | 750 | 5 | 20,000,000 | 10 | 6,660,000 |
| | | 8 | 29,400,000 | 10 | 9,450,000 |
| | | 10 | 40,000,000 | 10 | 10,330,000 |

Notes:

SG of 2.45 used for all estimates; estimates rounded to nearest 1000; and highlighted cases indicate most geologically reasonable based on current knowledge

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EXPLORATION POTENTIAL



- Contiguous tenements of > 800 km²
- Over 70 km of strike length
- Exploration budget 2009/10 ~US\$18M

POTENTIAL FOR:

GOLD:

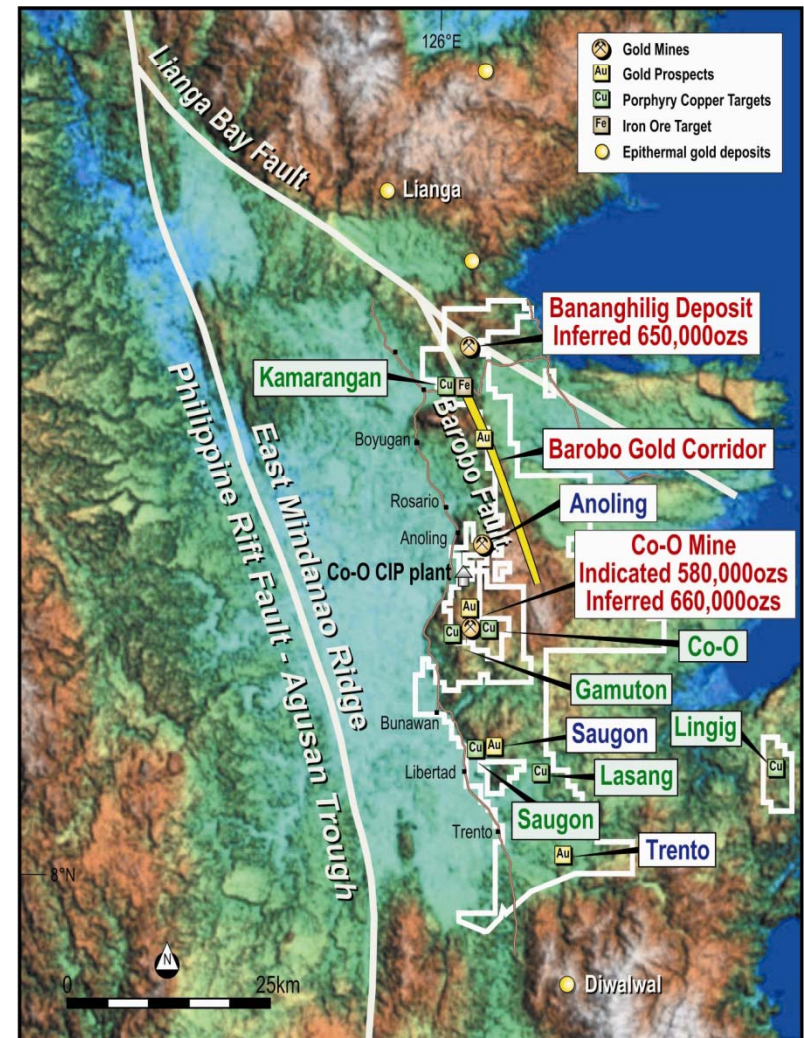
- Multiple high grade vein targets
- Bulk disseminated gold targets

COPPER:

Six porphyry copper-gold targets

Drilling:

- On-going at Lingig (Cu-Au)
- Kamarangan (Cu-Mo) more drilling required



BANANGHILIG & BAROBO CORRIDOR



➤ BANANGHILIG DEPOSIT

850 x 550 x 100 to 150 metres depth
& open

Drill holes include:

205.9 metres at 2.42 g/t gold

182.0 metres at 2.13 g/t gold

116.5 metres at 3.96 g/t gold

➤ BAROBO CORRIDOR

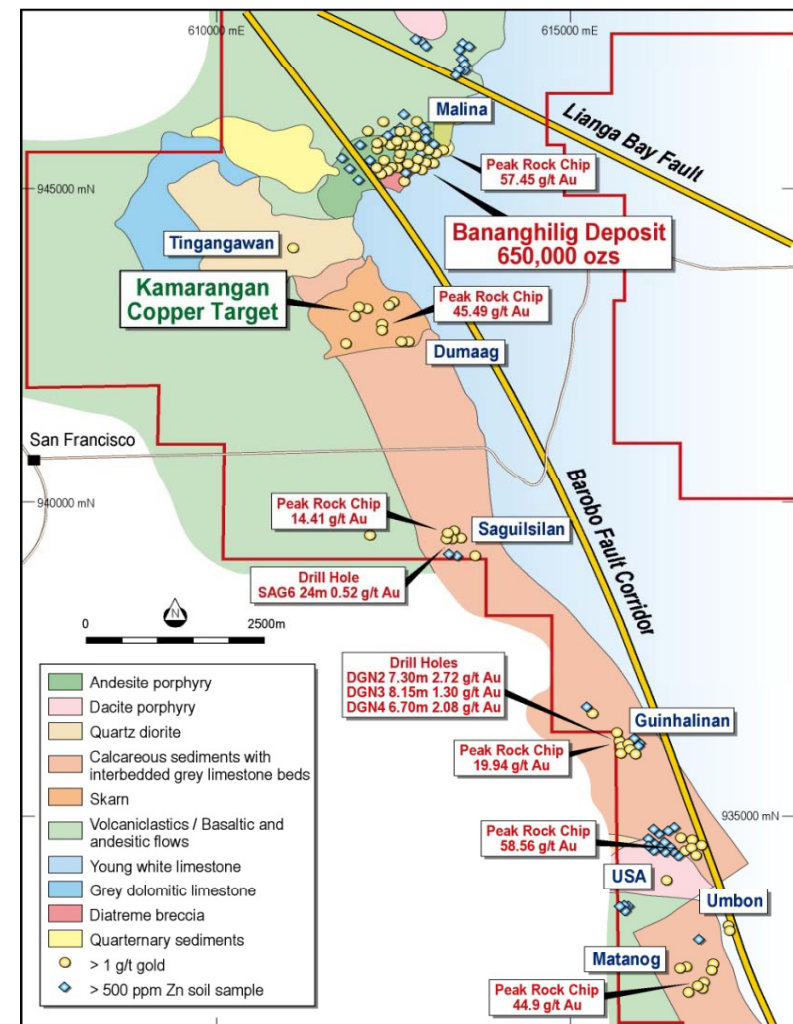
18 kilometres of favourable geology
with numerous prospects

Scout drill holes include:

7.3 metres at 2.72 g/t gold

8.1 metres at 1.30 g/t gold

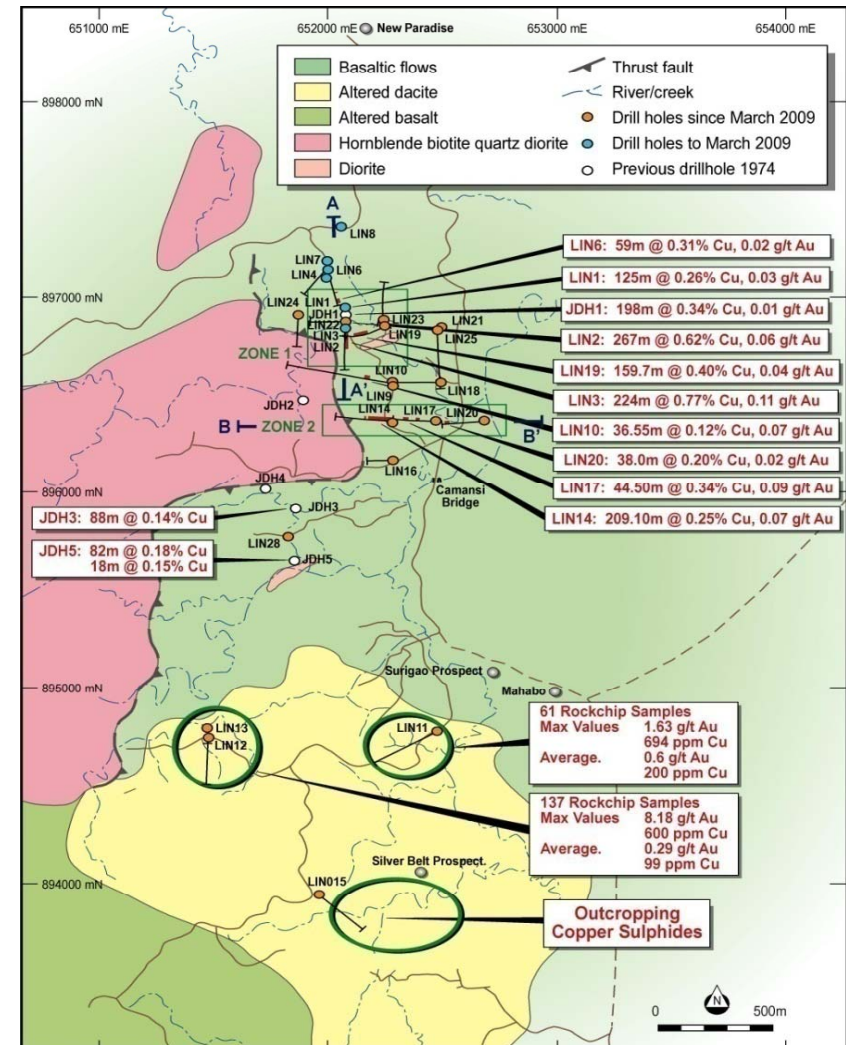
6.7 metres at 2.08 g/t gold



LINGIG COPPER



- Thrust-hosted mineralisation
 - 198.0 metres at 0.34% Cu
 - 267.0 metres at 0.62% Cu
 - 224.0 metres at 0.77% Cu
 - 159.7 metres at 0.40% Cu
- Porphyry-associated mineralisation
 - 209.0 metres at 0.25% Cu
 - 44.5 metres at 0.34% Cu
- Drilling on-going with 3 rigs



SOCIAL PROGRAMMES



- **Education**
 - Scholarships and assistance
 - Adopt-a-school programmes
- **Co-O Mine 16 bed hospital with doctor**
- **Community Development**
 - Micro loans to rice farmers
 - Day care & community health centres
 - Road maintenance and bridge building
 - Construction of community buildings
 - Water projects
- **Environmental Protection Enhancement**
 - Environmental monitoring
 - Re-afforestation programmes



Back to school



Sponsored rice farming

WHY MEDUSA!!



- Low cost (long term cash cost circa US\$190 per oz), high margin gold producer
- Increasing production and resources, with a conceptual target size** of 3 million to 7 million ounces for the Co-O Mine
- Long mine life at Co-O Mine
- Pipeline of projects for potential production expansion to 300,000 to 400,000 ounces per year
- Aggressive exploration on >800 km² for:
 - high grade gold veins
 - disseminated gold deposits
 - porphyry copper-gold deposits

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JORC COMPLIANCE - CONSENT OF COMPETENT PERSONS

Information in this report relating to **Mineral Resources** has been estimated and compiled by Mark Zammit of Cube Consulting Pty Ltd. Mr Zammit is a member of The Australasian Institute of Mining & Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Zammit 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 report that relates to **Ore Reserves** is based on information compiled by Declan Franzmann, B Eng (Mining), MAusIMM. Mr Franzmann is a full-time employee of Crosscut Consulting. Mr Franzmann has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Franzmann consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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