



Mining Limited
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MEDUSA MINING LIMITED
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20 May 2004

The Manager
Australian Stock Exchange Limited
Level 4
20 Bridge St
Sydney, NSW.

Dear Sir/Madam,

QUEEN RIVER PROJECT, MT LYELL DISTRICT, TASMANIA

- **Extension of Option to Purchase Agreement to 27 May, 2004**

Extension of the Option Period

On 19 January 2004 the Company signed a three month Option to Purchase Agreement for the Queen River Project. This Option was initially extended for 1 month on 19 April to 19 May, 2004.

In order to provide the Company sufficient time to finalise assaying and assess the final stages of the metallurgical testwork, the vendor has agreed to further extend the Option Period until 27 May 2004.

Further information

For further information contact the undersigned on 618-93670601 or by email to admin@medusamining.com.au Detailed descriptions of Medusa's other projects can be viewed in Medusa's Prospectus on www.medusamining.com.au

Yours faithfully,

Geoff Davis.
Managing Director.