



MEDUSA MINING LIMITED

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24 February 2006

Mr Vickrem Naicker
Adviser, Issuers
Australian Stock Exchange Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Vickrem

PRICE QUERY

In response to your queries, received in a facsimile dated 24 February 2006, we advise as follows:

1. The Company is not aware of any corporate, technical or operational information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company;
2. There is no other explanation that the Company may have for the price change and increase in volume in the securities of the Company apart from the political manoeuvring in Manila as a result of the 20th anniversary of the ousting of the Marcos regime.

The Company believes that the situation in Manila will not impact on the Company's operational activities in Mindanao; and

3. The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1.

Please contact the undersigned if you have any queries.

Yours sincerely

ROY DANIEL
Company Secretary