



MEDIA RELEASE

New High-Grade Mineralisation Zone uncovered at Sinug-ang Gold Project In Philippines

Highlights

- **New results support historical drilling and show a zone of +5 g/t gold over a strike length of about 500 metres to a depth of between 100 metres and 250 metres; and**
- **Sinug-ang Project would be the third mine development for Medusa, following development of nearby Co-O and Tambis mines.**

Diamond drilling and underground sampling at the Sinug-ang Project have revealed a definite zone of high-grade gold mineralisation at Philsaga Mining Corporations (“Philsaga”) project in the Philippines.

The new results at the project support drilling undertaken in the late 1980s and show a zone of +5 g/t gold over a strike length of about 500 metres and from the surface down to a depth of between 100 metres and 250 metres.

Medusa managing director Geoff Davis said the Sinug-ang Project mineralisation bore similarities to the Co-O Mine mineralisation, located to the south, where the Central Vein contains 240,000 ounces of gold at 29.7 g/t gold.

Mr Davis said the Sinug-ang Project would be the third mine development, following Co-O and Tambis.

“The drilling and underground sampling results are being assessed in respect to the planning of underground exploration via a shaft to verify the mineralisation,” Mr Davis said

“This is being undertaken in preparation for a new underground mine, initially on the Banbanon prospect, being developed, with the aim of producing ore in the second or third quarter of next year.”

The Sinug-ang Project is made up of the Banbanon Prospect, where drilling is now underway, and the Sinug-ang Prospect, which is about 1km north, on the same vein system. Further drilling is in progress at the Banbanon prospect and drilling is proposed for the Sinug-ang prospect in the near future.

An agreement is in place for the merger of Philsaga and Medusa. This agreement is subject to the successful listing of Medusa on the UK based Alternative Investment Market (AIM) later this year, together with a number of associated conditions.

Further information:

Geoff Davis
Medusa Mining Limited
Tel: +618 9367 0601
Website: www.medusamining.com.au

David Tasker / Ainslie Chandler
Professional Public Relations
Tel: +618 9388 0944

Figure 1 Surface Geology of the Sinug-ang Project

