



MEDIA RELEASE

AGGRESSIVE EXPLORATION PLANNED FOR SEVEN POTENTIAL PORPHYRY COPPER TARGETS IN THE PHILIPPINES

HIGHLIGHTS

- **Initial assessments identified seven potentially mineralised porphyry copper targets in the mineral-rich East Mindanao Ridge**
- **Aggressive exploration planned**

Medusa Mining Corporation (Medusa) and Philsaga Mining Corporation (Philsaga) have completed initial identification of the targets, which span 70km of strike length within the richly endowed East Mindanao Ridge.

The group has already commenced aggressive drilling of high grade vein systems and will then move to drill porphyry targets within the group's 700km² of tenements in the Philippines (refer Fig 1).

The targets include one known porphyry copper prospect, six potential porphyry copper targets, one large Carlin-style disseminated gold target in sediments and multiple high-grade vein targets.

The group has allocated a monthly drilling budget of \$US350,000 which will allow about 2500m of diamond drilling each month with the group's fleet of diamond drilling rigs.

Medusa Managing Director Geoff Davis said the East Mindanao Ridge had been a major mining region since before WWII and had yielded numerous high-grade veins and several porphyry copper-gold bodies.

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ABOUT MEDUSA MINING:

Medusa Mining is an ASX-listed Perth-based gold producer operating in the Philippines. Medusa has two mine developments, Co-O and Tambis, and is aiming to commence production at the Sinug-ang Project during 2007.

The Company is aiming to undertake a \$15 million capital raising and secure a secondary listing on London's Alternative Investment Market in late 2006.

Further information:

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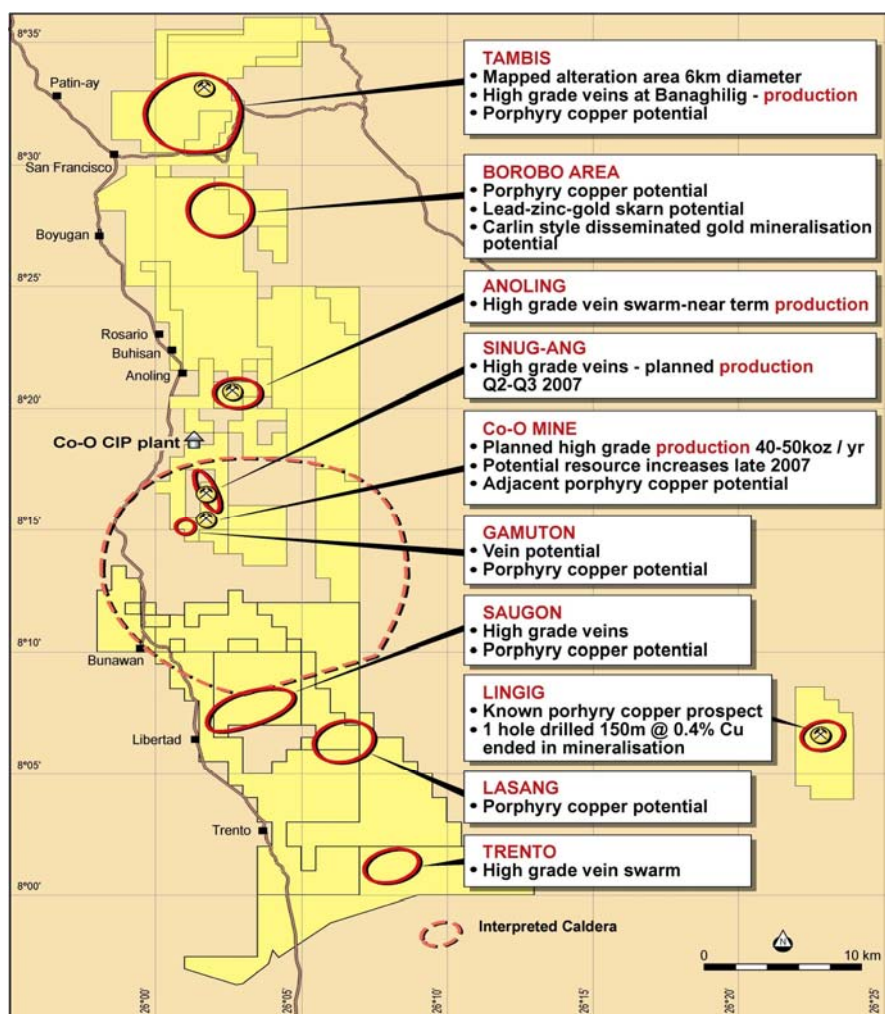


Figure 1 – Tenement and Target Map