



MEDUSA MINING LIMITED

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20 October 2006

The Manager
Australian Stock Exchange Limited
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

ADDITIONAL INFORMATION – INVESTOR PRESENTATION

Medusa Mining Limited wishes to clarify, as required by Section 18 of the JORC Code, statements included in the Company's release dated 20 October 2006 relating to the reference to the potential to discover world class gold and porphyry copper-gold deposits.

The targets referred to are conceptual in nature and investors are advised that there is no guarantee that future exploration will result in discoveries of these target sizes.

The statements regarding the conceptual exploration targets on the eastern part of the Island of Mindanao are made based on gold deposits that have been mined such as the Diwalwal vein deposit to the south of Co-O and the Siana deposit to the north and porphyry copper-gold deposits that have already been mined such as the North Davao porphyry copper deposits to the south and the Manila Mining Corporation's porphyry copper deposits in the Surigao district to the north. The interpretative work undertaken by Geoff Davis, using his 26 years of in-country experience and as a responsible person under the JORC Code, is based on publicly available information which indicates continuity of the favourable geological environment, which hosts the above mentioned mined deposits, through the area in which Medusa is undertaking work.

The Company is seeking to discover major new world class deposits of a scale that will benefit the shareholders of the Company. As such the resource target size of >3 million ounces of gold sought for the gold deposits is equivalent to approximately >15 million tonnes of ore grading 6g/t Au, and the porphyry copper gold targets sought are >300 million tonnes of 0.5 to 1% copper and 0.2-1g/t Au.

Yours faithfully

Geoff Davis
Managing Director
