



**MEDUSA MINING LIMITED**

ABN: 60 099 377 849

Unit 7, 11 Preston Street  
Como WA 6152

PO Box 860  
Canning Bridge WA 6153

Telephone: 618-9367 0601  
Facsimile: 618-9367 0602

Email: [admin@medusamining.com.au](mailto:admin@medusamining.com.au)  
Internet: [www.medusamining.com.au](http://www.medusamining.com.au)

19 March 2007

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

Dear Sir/Madam

**ANOLING GOLD PROJECT TENEMENTS GRANTED**

Medusa Mining Limited ("Medusa" or the "Company"), the Australian based company operating and developing gold mines in the Philippines advises that two Small Scale Mining Permits have been granted over prospective areas at the Anoling Gold Project as shown on Figure 1.

The Company will immediately begin exploration via exploration shafts and underground development of some of the abandoned mines and undertake exploratory diamond drilling.

The Anoling Project consists of a large number of artinsal workings and old mines dating back to pre-World War II. The workings are generally located on westerly trending vein systems, with some indications of a conjugate northeast trending vein set. The veins generally consist of banded quartz-carbonate material within clay-chlorite-pyrite gauge zones with both types of material carrying gold values. Examination of old workings shows that the veins pinch and swell up to approximately 2 metres wide and appear to occur in shoots of between 50 to 100 metres in length. Typical grades are anticipated to be in the 8 -12g/t Au range although a 1980s mine to approximately 100 metres depth at the eastern end of the property is reported to have produced ore at approximately 30g/t Au.

All ore derived from this project will be sent to the central Co-O processing plant as the development work advances.

Yours faithfully

Geoff Davis  
Managing Director

*The information in the above announcement was compiled by Geoff Davis, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Geoff Davis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

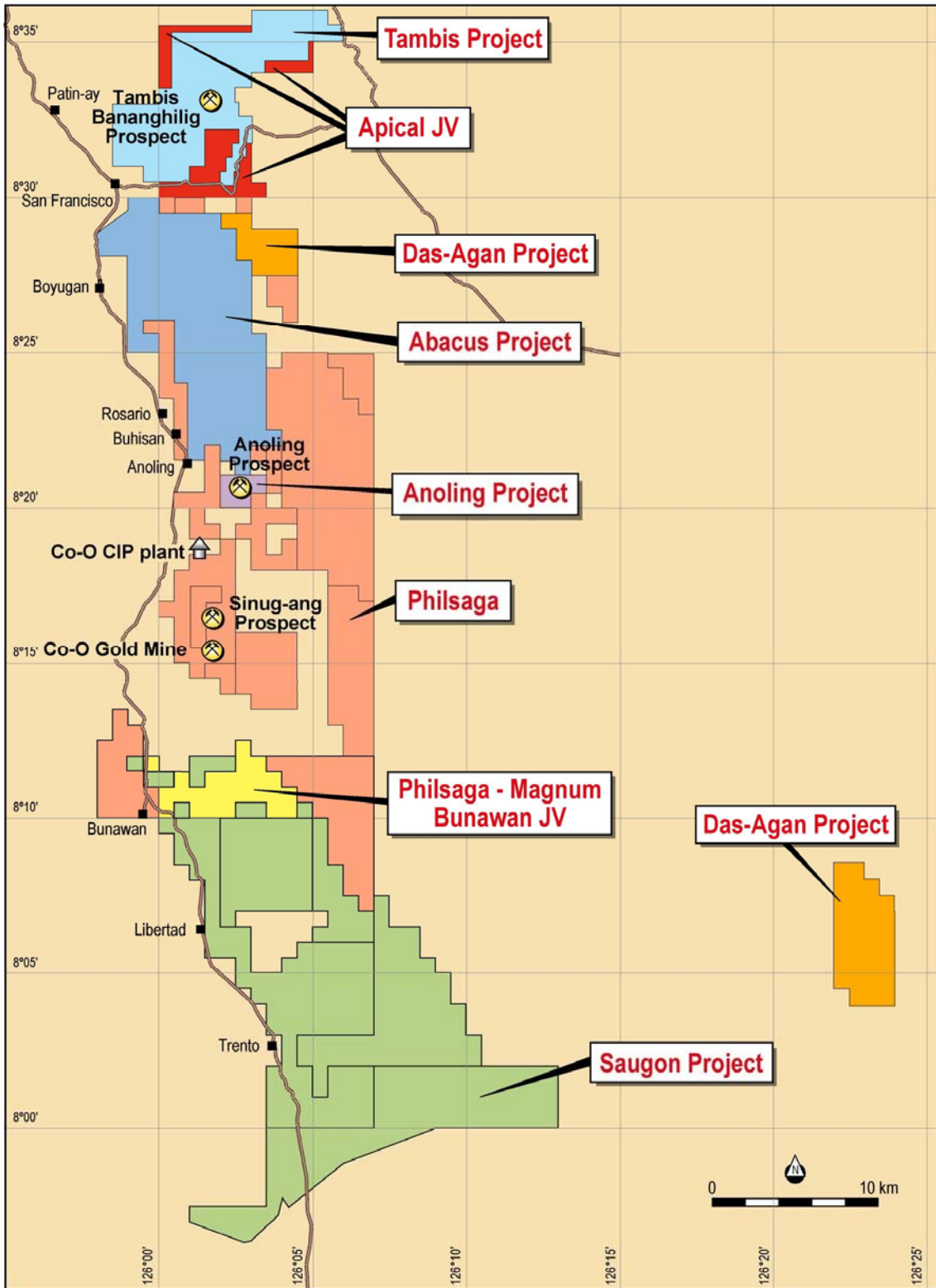


Figure 1. Location map for the Anoling Gold Project.