



**MEDUSA MINING LIMITED**  
 ABN 099 377 849  
**Consolidated Statement of Cash Flows**  
**For Quarter Ended 31 December 2003**

Note: Medusa listed on the ASX on 23 December 2003. The Cash Flow Statement is for the three months ended 31 December 2003 only

	Current Quarter \$A'000	Year to Date (3 months) \$A'000
<b>CASH FLOWS RELATED TO OPERATING ACTIVITIES</b>		
1.1	Receipts from product sales and related debtors	
1.2	Payments for (a) exploration and evaluation	(136)
	(b) development	-
	(c) production	-
	(d) administration	(22)
1.3	Dividends received	-
1.4	Interest and other items of a similar nature received	3
1.5	Interest and other costs of finance paid	-
1.6	Income taxes paid	(34)
1.7	Other (provide details if material)	-
	<b>Net Operating Cash Flows</b>	<b>(189)</b>
<b>CASH FLOWS RELATED TO INVESTING ACTIVITIES</b>		
1.8	Payment for purchases (a) prospects	(56)
	(b) equity investments	-
	(c) other fixed assets	(3)
1.9	Proceeds from sale of: (a) prospects	-
	(b) equity investments	-
	(c) other fixed assets	-
1.10	Loans to other entities	-
1.11	Loans repaid by other entities	-
1.12	Other (provide details if material)	-
	<b>Net investing cash flows</b>	<b>(59)</b>
<b>CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>		
1.13	Proceeds from issues of shares, options, etc.	2568
1.14	Proceeds from sale of investments	-
1.15	Repayment of borrowings	-
1.16	Other (Prospectus, Listing & Brokerage Costs)	(267)
	<b>Net financing cash flows</b>	<b>2301</b>
	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>2053</b>
1.17	Cash at beginning of quarter/year to date	440
1.18	Exchange rate adjustments to item 1.20	-
1.19	<b>Cash at end of quarter</b>	<b>2493</b>

**PAYMENTS TO DIRECTORS OF THE ENTITY AND ASSOCIATES OF THE DIRECTORS**

**PAYMENTS TO RELATED ENTITIES OF THE ENTITY AND ASSOCIATES OF THE RELATED ENTITIES**

	<b>Current Quarter \$A'000</b>
1.23 Aggregate amount of payments to the parties included in item 1.2	15
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions: Salaries, Management and Directors' fees paid to Directors of the Company	-

**NON-CASH FINANCING AND INVESTING ACTIVITIES**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows  
-
- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest  
-

**FINANCING FACILITIES AVAILABLE**

	<b>Amount available \$A'000</b>	<b>Amount used \$A'000</b>
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

**ESTIMATED CASH OUTFLOWS FOR NEXT QUARTER**

	<b>\$A'000</b>
4.1 Exploration and evaluation	430
4.2 Development	-
<b>Total</b>	-

**RECONCILIATION OF CASH**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Cash on hand and at bank	493	440
5.2 Deposits at call	2000	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item ____)</b>	<b>2493</b>	440

**CHANGES IN INTERESTS IN MINING TENEMENTS**

	<b>Tenement reference</b>	<b>Nature of interest (note (2))</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

**ISSUED AND QUOTED SECURITIES AT END OF CURRENT QUARTER**

		<b>Total Number</b>	<b>Number Quoted</b>	<b>Issue Price Per Security (Cents)</b>	<b>Amount Paid Up Per Security (Cents)</b>
7.1	<b>Ordinary securities</b>	35,075,600	35,075,600	Various	20
7.2	Issued during quarter	35,075,600	35,075,600	Various	20
7.3	<b>Options</b>			Exercise price	Expiry date
7.4	Issued during quarter				
7.5	Exercised during quarter				
7.6	Expired during quarter			-	-

**COMPLIANCE STATEMENT**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: .....  
(Company Secretary)

Print name: **B ACUTT**.....