

**MEDUSA MINING LIMITED**

ABN: 60 099 377 849

Unit 7, 11 Preston Street
Como WA 6152PO Box 860
Canning Bridge WA 6153Telephone: 618-9367 0601
Facsimile: 618-9367 0602Email: admin@medusamining.com.au
Internet: www.medusamining.com.au**ANNOUNCEMENT**

3 November 2014

INVESTOR PRESENTATION

(ASX & LSE: MML)

Please find attached a PowerPoint Presentation which the Company will present in

- Melbourne on 5 November 2014;
- Sydney on 6 November 2014; and
- Analysts visit to the Company's operations in the Philippines on 12 November 2014

Outlined below are Competent Persons' Consents in relation to resource and reserve information which appears in the Investor Presentation.

JORC CODE 2012 COMPLIANCE - CONSENT OF COMPETENT PERSONS**Medusa Mining Limited**

Information in this report relating to **Exploration Results** has been reviewed and is based on information compiled by Mr Gary Powell who is a member of The Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Powell is a Non-Executive Director and has sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration, and to the activity which they are undertaking, to qualify as a "Competent Person" as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Powell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Cube Consulting Pty Ltd

The information in this report that relates to **Mineral Resources** is based on, and fairly represents information and supporting documentation compiled by Mr Mark Zammit, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Zammit is employed by Cube Consulting Pty Ltd and 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Zammit consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Carras Mining Pty Ltd

The Information in this report relating to **Ore Reserves** is based on information compiled by Dr Spero Carras of Carras Mining Pty Ltd. Dr Carras is a Fellow of the Australasian Institute of Mining & Metallurgy and has 30 years of 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Carras consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



MEDUSA

Gold producer focused on organic growth in the Philippines

INVESTOR PRESENTATION

NOVEMBER 2014



SHARE CAPITAL

- Ordinary Shares: 207,794,301
- Unlisted Options: 1,000,000
- Market Capitalisation (as at 3 November 2014) ~ A\$112M

SHAREHOLDER INFORMATION

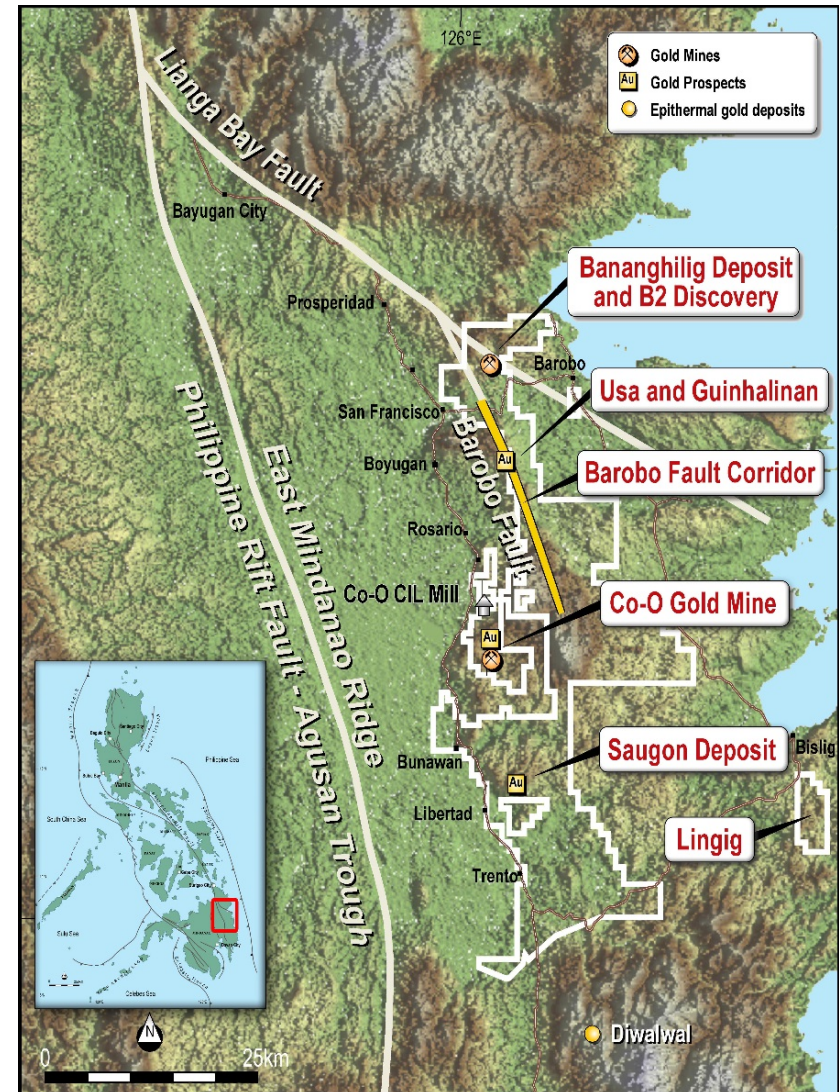
Major Shareholders

- Van Eck Associates Corporation 12.60 %
- Westoz Funds Management Pty Ltd 5.05 %

FISCAL YEAR 2014/15 GUIDANCE



- ❑ Forecasted gold production:
95,000 to 100,000 ounces
- ❑ Average head grade of > 5 g/t
- ❑ Mill recovery > 92%
- ❑ Forecasted cash costs:
US\$400 to US\$450 per ounce
- ❑ Forecasted AISC:
US\$900 to US\$1,000 per ounce
- ❑ Immediate focus:
 - improving efficiencies; and
 - reducing costs



PRODUCTION STATISTICS



Description	Unit	Qtr ended 30 Sep 2014	Qtr ended 30 Jun 2014	Qtr ended 31 Mar 2014	Qtr ended 31 Dec 2014
Tonnes mined	WMT	160,851	153,238	146,017	108,264
Ore milled	DMT	140,234	129,074	140,879	98,590
Head grade	g/t	5.02	4.99	4.20	4.51
Recovery	%	92%	85%	85%	85%
Gold produced	ozs	21,018	17,615	16,200	11,587
Cash costs ⁽¹⁾	US\$/oz	\$382	\$431	\$398	\$526
Gold sold	ozs	22,491	22,766	15,843	11,774
Average gold price received	US\$	\$1,272	\$1,292	\$1,299	\$1,262

⁽¹⁾ Net of development costs and includes royalties and local business taxes but no by-product credits

MINERAL RESOURCES AND RESERVES

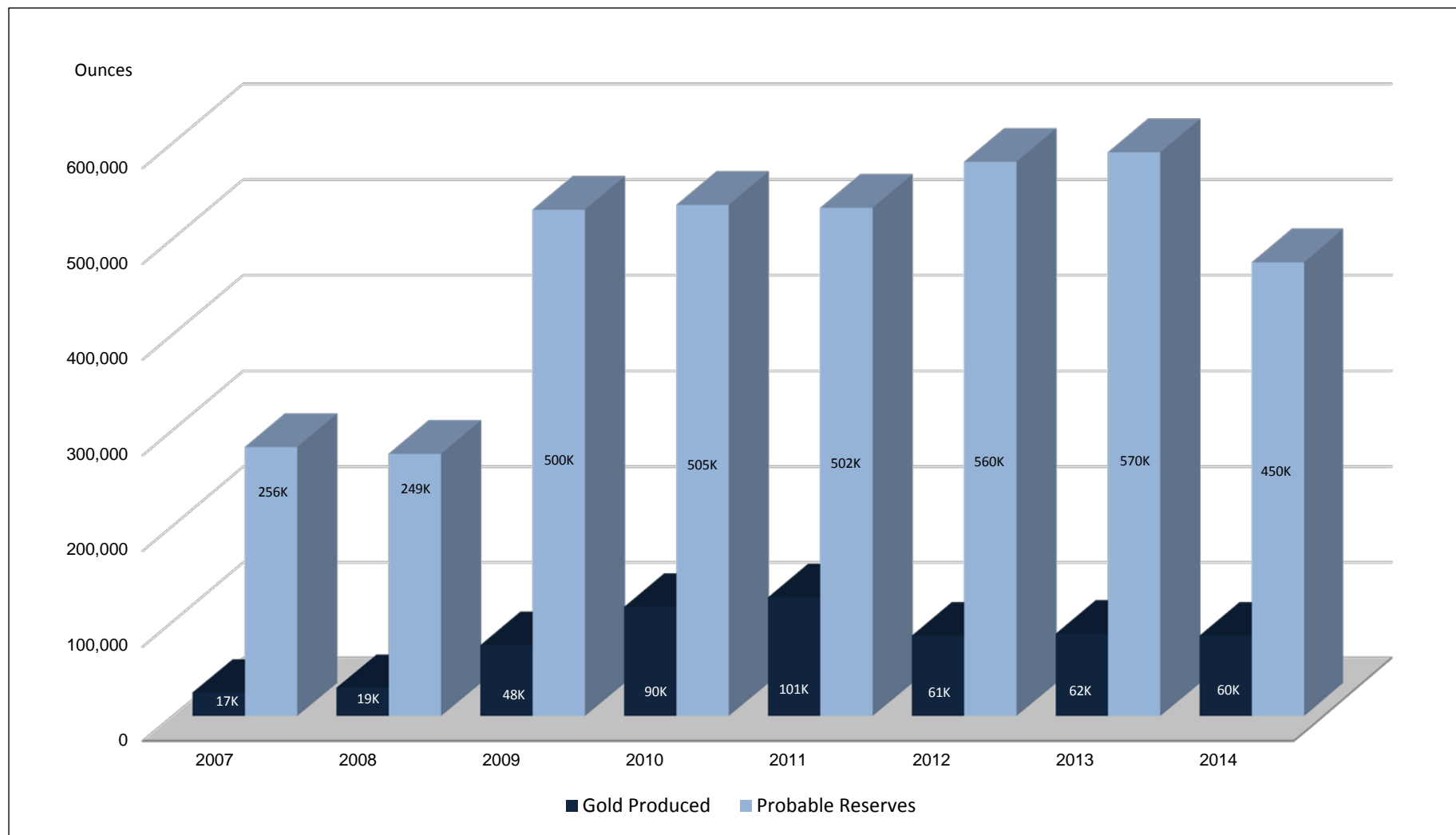


Deposit	Category	Tonnes	Grade (g/t gold)	Ounces Gold
<u>MINERAL RESOURCES</u>				
Co-O Resources ¹ (JORC Code 2012)	Indicated	1,560,000	11.8	590,000
	Inferred	2,780,000	9.2	820,000
Total Co-O Resources	Indicated & Inferred	4,340,000	10.1	1,410,000
Bananghilig Resources ² (JORC Code 2004)	Indicated	16,060,000	1.5	770,000
	Inferred	8,460,000	1.4	370,000
Total Bananghilig Resources	Indicated & Inferred	24,520,000	1.4	1,140,000
Saugon Resources ² (JORC Code 2004)	Indicated	50,000	7.0	10,000
	Inferred	30,000	4.6	10,000
Total Saugon Resources	Indicated & Inferred	80,000	6.0	20,000
Total Resources	Indicated	17,670,000	2.4	1,370,000
Total Resources	Inferred	11,270,000	3.3	1,200,000
TOTAL RESOURCES	Indicated & Inferred	28,940,000	2.8	2,570,000
<u>ORE RESERVES</u>				
Co-O Reserves ¹ (JORC Code 2012)	Probable	1,920,000	7.2	450,000
TOTAL RESERVES	Probable	1,920,000	7.2	450,000

Notes:

- 1 Co-O mineral resources and ore reserves estimated under guideline of JORC Code 2012.
- 2 Bananghilig and Saugon Mineral Resources were previously prepared and first disclosed under the JORC Code 2004, and have not been updated to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported (08 August 2013).
- 3 See Appendix 1. for Resource and Reserve Qualifications.

Co-O MINE RESERVES



Co-O MILL

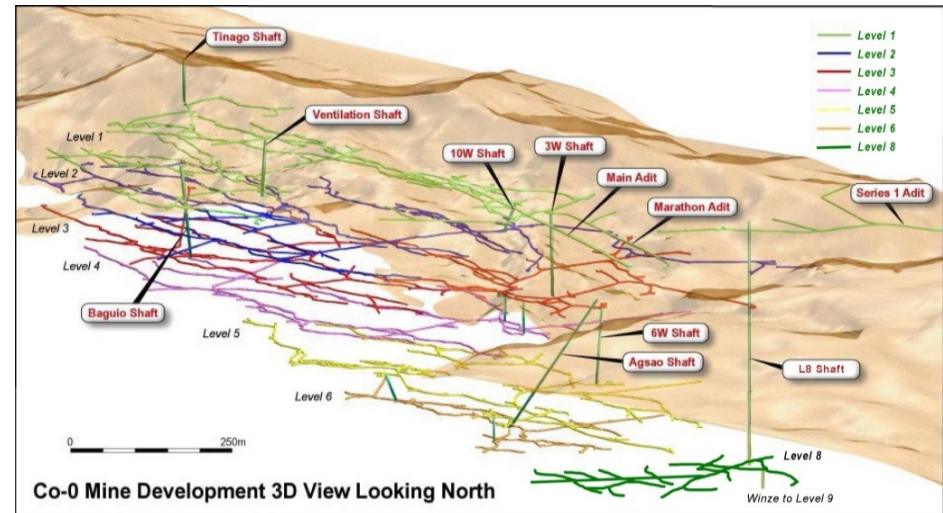


- ❑ New SAG mill operating satisfactorily
- ❑ Recovery Q1-2014 at 92%
- ❑ All tailings detoxified
- ❑ Grid hydro power at mine and mill
(standby diesel power at Mine and Mill)
- ❑ Grind size optimisation progressing
towards 80% passing 75 microns
(currently 75%)
- ❑ Two new tanks to increase leach time
and flexibility due on line in early 2015
- ❑ Old 1,000 tpd mill on standby



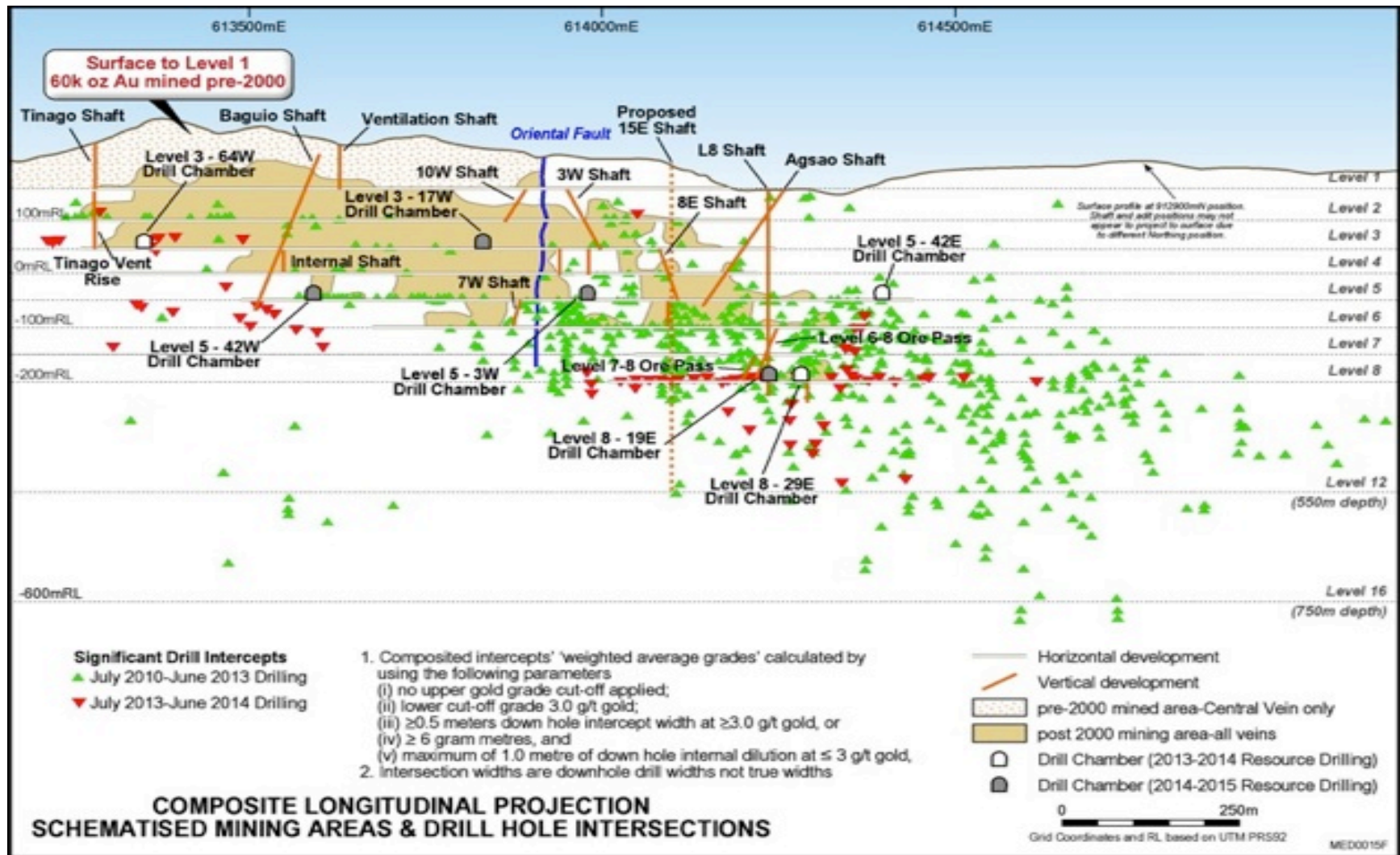


- ❑ 25 year Mining Licence (renewable by another 25 years)
- ❑ 8 levels at 50 metre spacing
 - ~ 60 priority headings
 - ~ 100 stopes
 - $\geq 1,500$ metres development per month (5,037 metres for Q1)
- ❑ Winze from Level 9 to Level 10 underway
- ❑ L8 Shaft upgrade to increase combined mine haulage to 60,000 tonnes per month
- ❑ Level 8 now developed sufficiently for sustainable production
- ❑ Planned E15 Shaft to Level 8, then Level 12, then Level 16. Estimated cost US\$12M over 27-30 months to Level 8

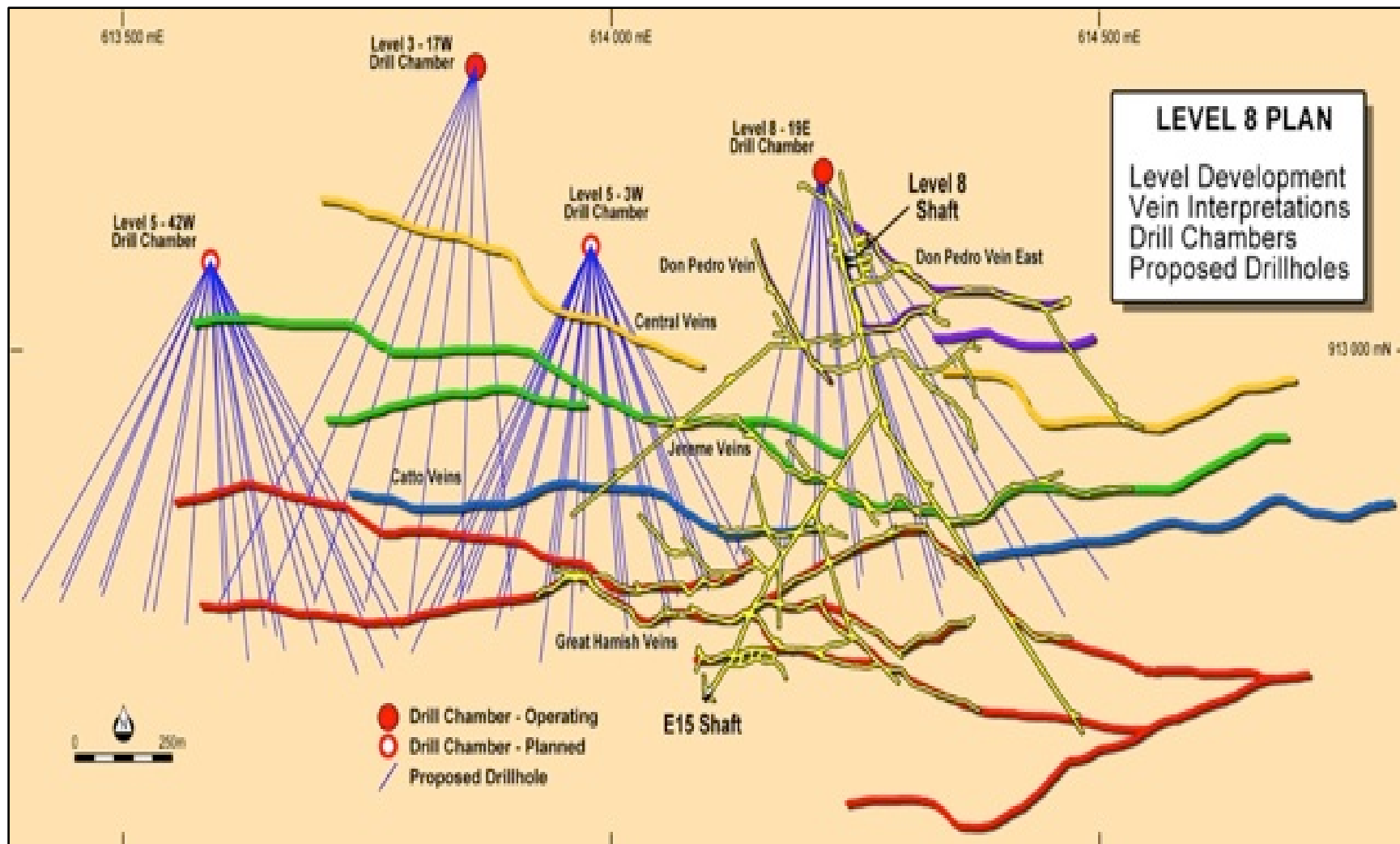


Co-O MINE LONG PROJECTION

(Drilling up to 31 May 2014)



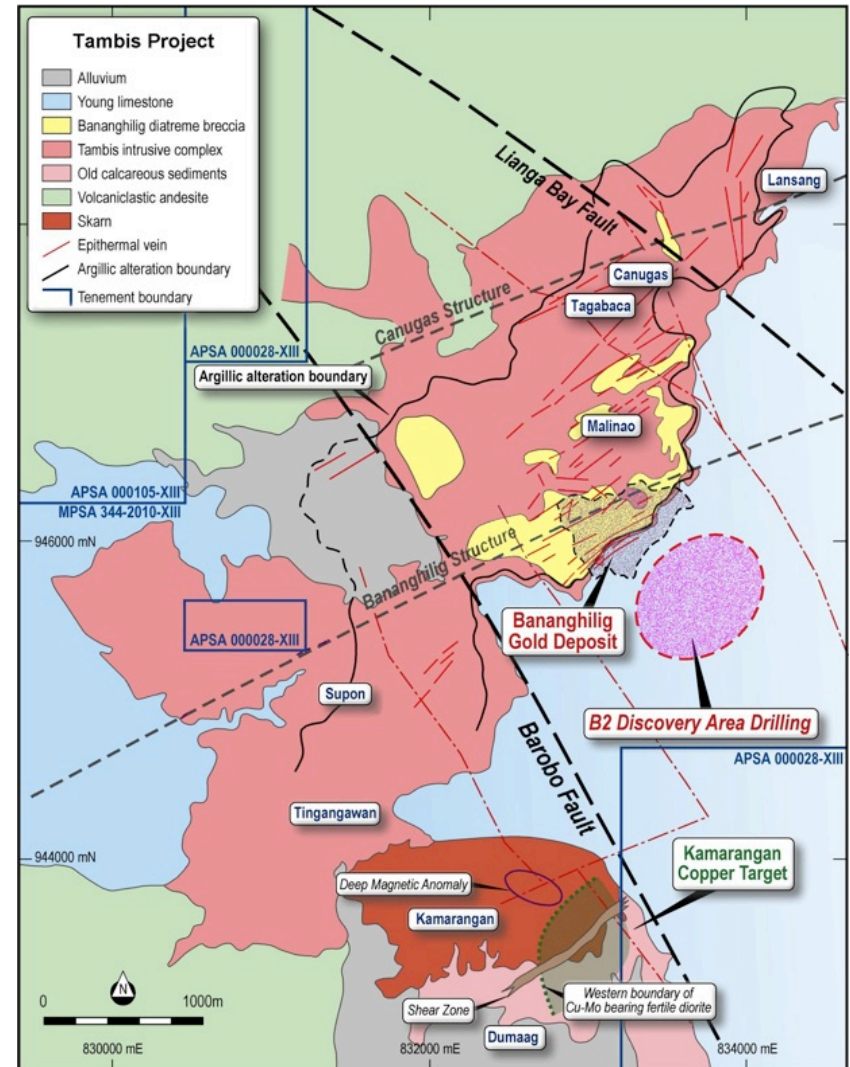
COMPOSITE LEVEL 8 PROJECTION



TAMBIS DISTRICT



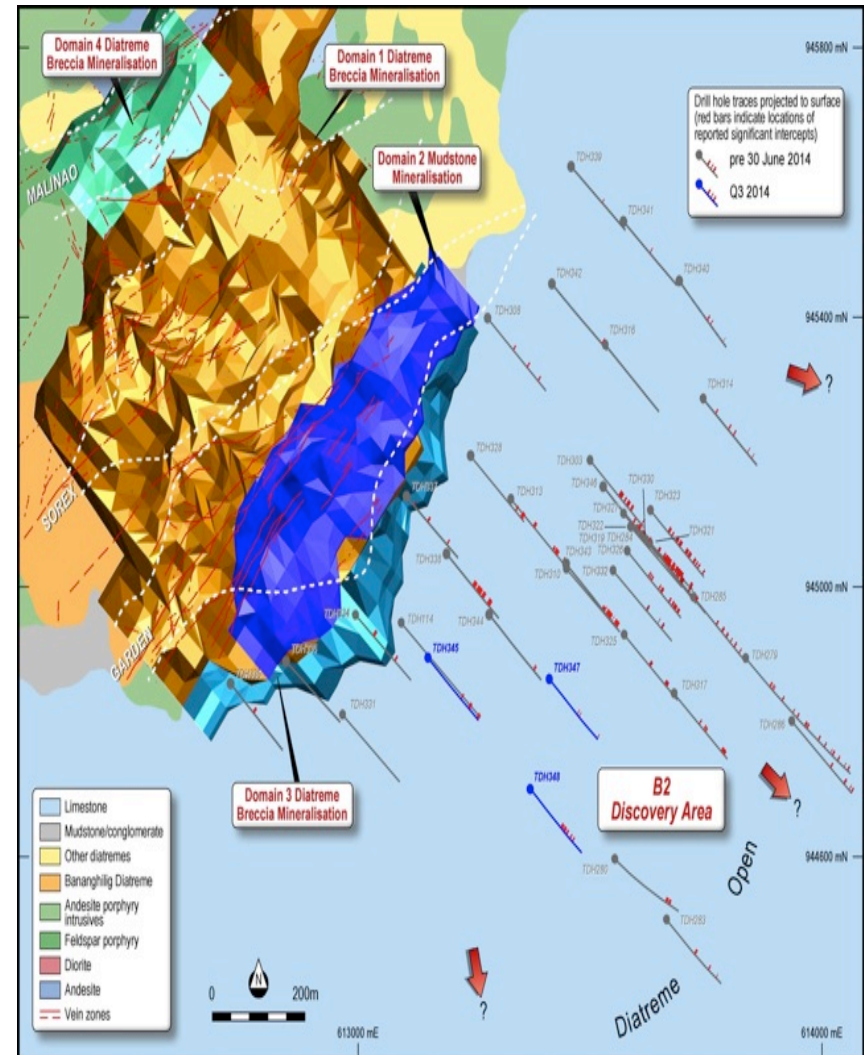
- ❑ Intermediate sulphidation, epithermal gold, breccia system, extensive argillic and chloritic alteration
- ❑ Gold mineralisation styles:
 - hydrothermal breccias
 - crackle breccia zones
 - veins and veinlets
- ❑ Bananghilig Deposit:
 - 1.14 million ounces at 1.4 g/t gold
- ❑ B2 Discovery Area
- ❑ Both mineralised zones open in most directions



BANANGHILIG GOLD DEPOSIT



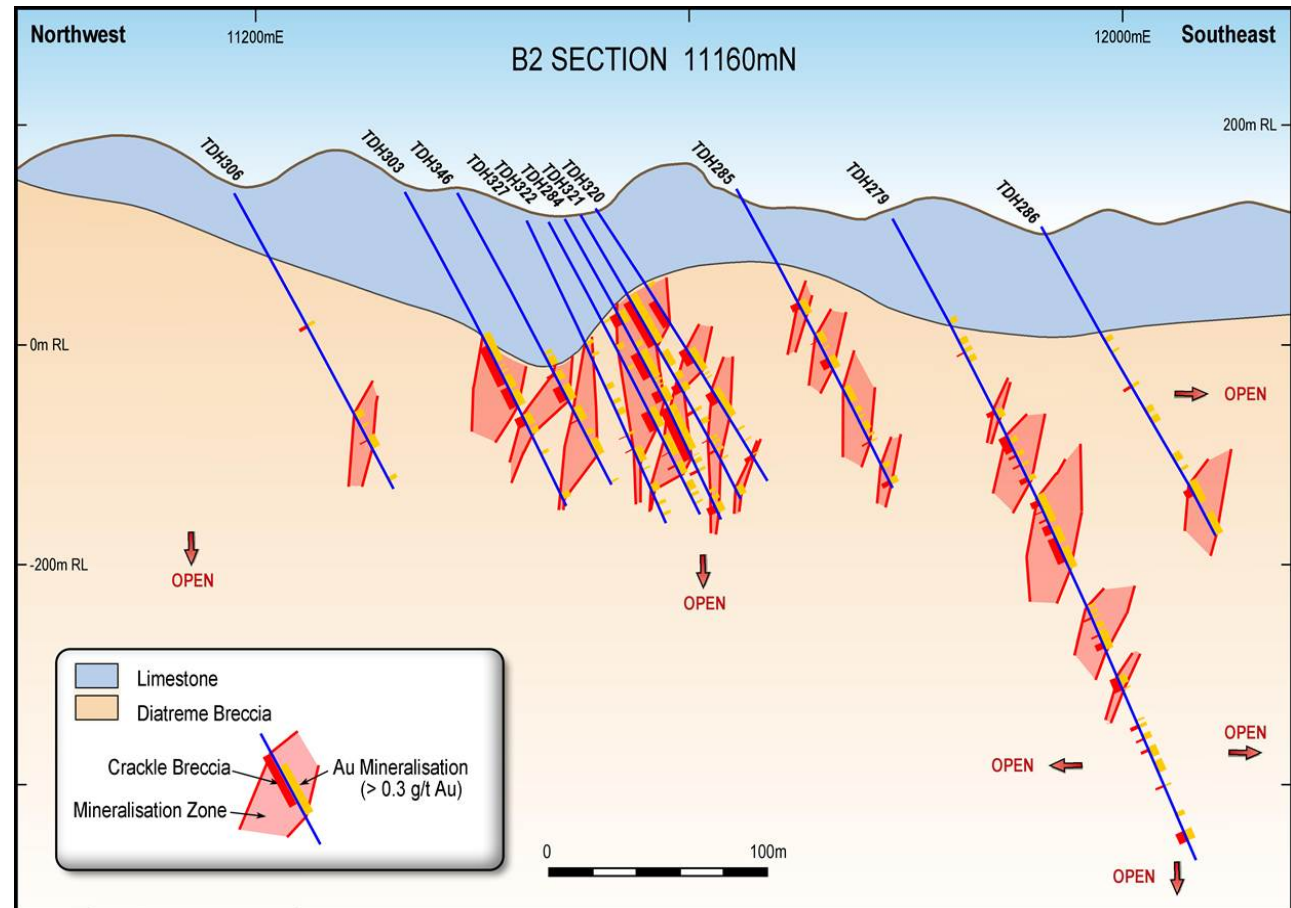
- Resources and mineralisation open in most directions
- Majority of gold mineralisation in hydrothermal breccias and associated crackle breccia zones with sulphides and silicification hosted in soft clay altered rock
- Re-working of geological interpretations in progress
- Additional metallurgical work underway



B2 DISCOVERY AREA CROSS-SECTION



- Mineralisation style appears identical to Bananghilig Deposit
- Mainly wide spaced drilling to date
- Close spaced drilling shows continuity of large mineralised zones on section
- Downhole geophysics planned to assist along strike interpretations



COMMUNITY, ENVIRONMENT AND SAFETY



❑ Education

- Scholarships and assistance
- Adopt-a-school programs in 23 schools
- Over 9,840 students benefitting

❑ Co-O Mine 16 bed hospital with doctors

❑ Community Development

- Micro loans to rice farmers
- Day care & community health centres
- Road maintenance and bridge building
- Construction of community buildings
- Water projects

❑ Environmental Protection Enhancement

- Environmental monitoring
- Re-forestation using rubber plantations
- Rehabilitation of tailings dam

❑ Safety

- LTAFR for 9 months to 30 Sep 2014 - 0.221
- LTAFR for FY 2015 Q1 0
- Annual Safety Audit completed with no major issues identified

ANNUAL HEALTH & SAFETY ACTIVITIES



- Comprehensive Safety Review of the Company's operations by an external consultant (this is the 4th completed annual audit)
- Comprehensive health checks for all employees
- Expanded training activities for all underground personnel
- First aid training for all mine employees for use at work and home
- Regular intensive training for well-equipped mine rescue and firefighting teams who participate in annual national competitions
- Regular safety meetings that emphasize workforce participation in ensuring safety and hazard minimization

APPENDIX 1.



MINERAL RESOURCE AND RESERVE QUALIFICATIONS

(Refer to ASX announcement dated 25 September 2014)

Notes

1. Co-O mineral resources and ore reserves estimated under guideline of JORC Code 2012.
2. Bananghilig and Saugon Mineral Resources were previously prepared and first disclosed under the JORC Code 2004, and have not been updated to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported (08 August 2013).

Mineral Resources:

Co-O:

- a lower cut-off of 3.0 g/t gold, minimum mining widths of 1.2 metres, minimum diluted grade of 2.7 g/t gold, minimum grade x width of 3.2 g.m/t have been applied.
- various upper cuts (up to 300 g/t gold) have been applied to different veins.
- a gold price of US\$1,500 has been applied

Bananghilig:

- a lower cut-off of 0.8 g/t gold was applied, and various upper cuts

Saugon:

- a lower cut-off of 2.0 g/t gold was applied

Rounding to the nearest 10,000 may result in some slight discrepancies in totals

Ore Reserves:

Ore Reserves are a subset of Indicated Mineral Resources

Co-O:

- minimum mining widths of 1.25 metres (stopes $\geq 60^\circ$) and 1.5 metres (stopes $< 60^\circ$) have been applied, and where the vein width was equal to the minimum mining width, and extra 0.25 metres dilution was added to the hanging wall.
- a further 10% dilution have been allowed for slabbing in mining of low angle stopes under draw,
- shape dilution of 8% of extra tonnage at 2 g/t gold, for extra development and to reflect pinch and swell of veins,
- 85% mining recovery for stopes < 10 g/t gold,
- 90% mining recovery for stopes ≥ 10 g/t gold,
- 50% of pillars for empty stopes in major veins are included in reserve and diluted to 200%,
- a cut-off grade of 2.0 g/t gold has been applied for development ore
- a cut-off grade averaging 3.0 g/t gold has been applied to broken ore (dependent on closeness to hoisting point)
- a cut-off grade of 3.8 g/t gold has been applied to developed stopes
- a cut-off grade of 4.3 g/t gold has been applied to un-developed stopes
- a gold price of US\$1,250 has been applied

IMPORTANT NOTICE



This presentation contains only a brief overview of Medusa Mining Limited and its associated entities ("Medusa") and their respective activities and operations. The contents of this presentation (including matters relating to the geology of Medusa's projects), may rely on various assumptions and subjective interpretations which is not possible to detail in this presentation and which have not been subject to any independent verification.

This presentation contains a number of forward-looking statements. Known and unknown risks and uncertainties, as well as factors outside of Medusa's control, may cause the actual results, performance and achievements of Medusa to differ materially from those expressed or implied in this presentation. Medusa does not warrant the accuracy, currency or completeness of the information with respect to forward-looking statements contained in this presentation, nor the future performance of Medusa.

To the maximum extent permitted by law, Medusa and its officers, employees and advisers are not liable for any loss or damage (including, without limitation, any direct, indirect or consequential loss or damage) suffered by any person directly or indirectly as a result of relying on this presentation or otherwise in connection with it.

This presentation is not intended to be an offer for subscription, invitation, solicitation or recommendation with respect to securities in Medusa in any jurisdiction including the United States. No securities in Medusa have been nor will be registered under the US Securities Act of 1933, (USA) as amended. This presentation does not constitute an advertisement for an offer or proposed offer of securities under Australian law, US law or any other law and is for general information purposes only.

The information contained in this presentation is not a substitute for detailed investigation or analysis of any particular issue and has been prepared without consideration of your objectives and needs and financial position. Current and potential investors and shareholders should seek independent advice before making any investment decision in regard to Medusa or its activities.

JORC CODE 2012 COMPLIANCE - CONSENT OF COMPETENT PERSONS

Information in this report relating to **Exploration Results** has been reviewed and is based on information compiled by Mr Gary Powell who is a member of The Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Powell is a Non-Executive Director and has sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration, and to the activity which they are undertaking, to qualify as a "Competent Person" as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Powell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to **Mineral Resources** is based on, and fairly represents information and supporting documentation compiled by Mr Mark Zammit, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Zammit is employed by Cube Consulting Pty Ltd and 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Zammit consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this report relating to **Ore Reserves** is based on information compiled by Dr Spero Carras of Carras Mining Pty Ltd. Dr Carras is a Fellow of the Australasian Institute of Mining & Metallurgy and has 30 years of 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Carras consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



MEDUSA

www.medusamining.com.au

Board of Directors:

Andrew Teo (Non-executive Chairman)
Raul Villanueva (Executive Director)
Robert Weinberg (Non-executive Director)
Ciceron Angeles (Non-executive Director)
Gary Powell (Non-executive Director)

Management:

Geoffrey Davis (Chief Executive Officer)
Peter Alphonso (Chief Financial Officer)

Address and Contact Details:

Unit 7, 11 Preston Street
Como WA 6152
Australia
Postal address:
PO Box 860
Canning Bridge WA 6153
Australia

Telephone: +618 9367 0601
Facsimile: +618 9367 0602
Email: admin@medusamining.com.au