



HALF YEAR DECEMBER 2021 INTERIM FINANCIAL RESULTS

Medusa Mining Limited (“Medusa” or the “Company”), presents its audit reviewed financial results for the six months ended 31 December 2021 (“H1 FY2022”), reporting a statutory after-tax profit of US\$15.3 million.

Financials

- Revenues of US\$81.8 million compared to US\$113.7 million for H1 FY2022, a decrease of 28% attributable to lower grades and a lower average selling price;
- Medusa is an unhedged gold producer and received an average gold price of US\$1,784 per ounce from the sale of 41,802 ounces for H1 FY2022 from the Co-O Gold Mine in the Philippines (H1 FY2021: 55,471 ounces at US\$1,896 per ounce);
- Earnings before interest, tax, depreciation and amortisation (“EBITDA”) of US\$35.7 million (H1 FY2021: EBITDA US\$69.0M);
- Net profit after tax (“NPAT”) of US\$15.3 million (H1 FY2021: NPAT US\$40.1M);
- Basic earnings per share (“EPS”) of US\$0.074 based on NPAT of US\$15.3 million (H1 FY2021: EPS of US\$0.193); and
- The Company had total cash and cash equivalent of US\$74.0 million as at 31 Dec 2021 (31 Dec 2020: US\$78.9M).

Description	Unit	31 Dec 2021	31 Dec 2020	Variance	%
Revenues	US\$	\$81.8M	\$113.7M	(\$31.9M)	(28%)
EBITDA	US\$	\$35.7M	\$69.0M	(\$33.3M)	(48%)
NPAT	US\$	\$15.3M	\$40.1M	(\$24.8M)	(62%)
EPS (basic)	US\$	\$0.074	\$0.193	(\$0.119)	(62%)

Operations

Description	Unit	31 Dec 2021	31 Dec 2020	Variance	(%)
Ore mined	WMT	308,330	270,928	37,402	14%
Ore milled	DMT	261,859	243,382	18,477	8%
Head grade	g/t	5.45	7.34	(1.89)	(26%)
Recovery	%	95.12	96.00	(0.88)	(1%)
Gold produced	ounces	43,614	54,438	(10,824)	(20%)
Gold sold	ounces	41,802	55,471	(13,669)	(25%)
All-In-Sustaining-Costs	US\$/oz	1,312	\$1,057	(255)	(24%)
Average gold price received	US\$/oz	1,784	\$1,896	(112)	(6%)

The Company produced 43,614 ounces of gold for H1 FY2022 at the Co-O Mine at an All-In-Sustaining-Cost (“AISC”) of US\$1,312 and at an average recovered grade of 5.45 g/t gold (H1 FY2021: 54,438 ounces, US\$1,057 per ounce and 7.34 g/t gold).

AISC is inclusive of cash production costs, royalties and local business taxes, mine development, capital works and associated sustaining capital, exploration expenditure and corporate overheads.

During the period;

- depreciation of fixed assets and amortisation of capitalised mine development and mine exploration was US\$18.0 million (H1 FY2021: US\$19.4M);
- expenditure on capital works, infrastructure and sustaining capital on the mine and mill for H1 FY2022 was US\$4.1 million (H1 FY2021: US\$4.4M);
- exploration expenditure, inclusive of underground diamond drilling, was US\$2.7 million (H1 FY2021: US\$2.7M);
- capitalised mine development costs totalled US\$13.7 million for the half-year (H1 FY2021: US\$11.4M);
- corporate overheads for the period were US\$3.4 million (H1 FY2021: US\$3.1M); and
- dividend paid was US\$3.13 million (H1 FY2021: nil).

FY2021 production guidance

Following the operational outcomes of H1 FY2022, the Company remains on track to achieve its production guidance from the C-O Mine for FY2022 of between 90,000 to 95,000 ounces at an AISC of between US\$1,250 to US\$1,300 per ounce of gold produced.

Corporate

Retirement of Non-Executive Director

Mr Roy Daniel, a Non-Executive Director will retire from the Board of Medusa on 28 February 2022. Mr. Daniel has agreed to assist the Company in an advisory capacity and continue as a Director of Medusa's subsidiary and affiliated companies in the Philippines.

Issue of Performance Rights

Shareholders at a General Meeting on 24 June 2021, approved the issue of 2 million and 1.5 million long term performance rights ("LTPRs") respectively to Messrs Andrew Teo and Raul Villanueva.

The LTPRs were subsequently issued by the Company on 07 July 2021.

Dividend Payment

On 19 November 2021 the Company paid an unfranked dividend of A\$0.02 per share to all eligible shareholders. The total dividend paid was US\$3.13 million.

Authorised for release by the Board of Directors.

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