

**MEDUSA MINING LIMITED**

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23 November 2016

AGM PRESENTATION

(ASX: MML)

Please find attached a Powerpoint Presentation which the Company will present at its Annual General Meeting on Thursday, 24 November 2016.

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 directed and reviewed by Mr James P Llorca, and is based on information compiled by Philsaga Mining Corporation's technical personnel. Mr Llorca is a Fellow of The Australian Institute of Geoscientists (AIG), also a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Chartered Professional in Geology of the AusIMM.

Mr Llorca is Manager of Geology and Resources, and is a full-time employee of Medusa Mining Ltd, and has sufficient experience which is relevant to the styles of mineralisation and type of deposits under consideration and to the activities for 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 Llorca 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 MINING LIMITED

“Gold producer focused on organic growth in the Philippines”



MEDUSA

AGM PRESENTATION - NOVEMBER 2106



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 are 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, including the statements relating to anticipated production tonnages, grades and future drilling results. Such forward-looking statements are necessarily based upon a number of estimates and assumptions that, whilst considered reasonable by Medusa, may be subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Except to the extent required by applicable law, Medusa disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and other similar expressions identify forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. 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.

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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*

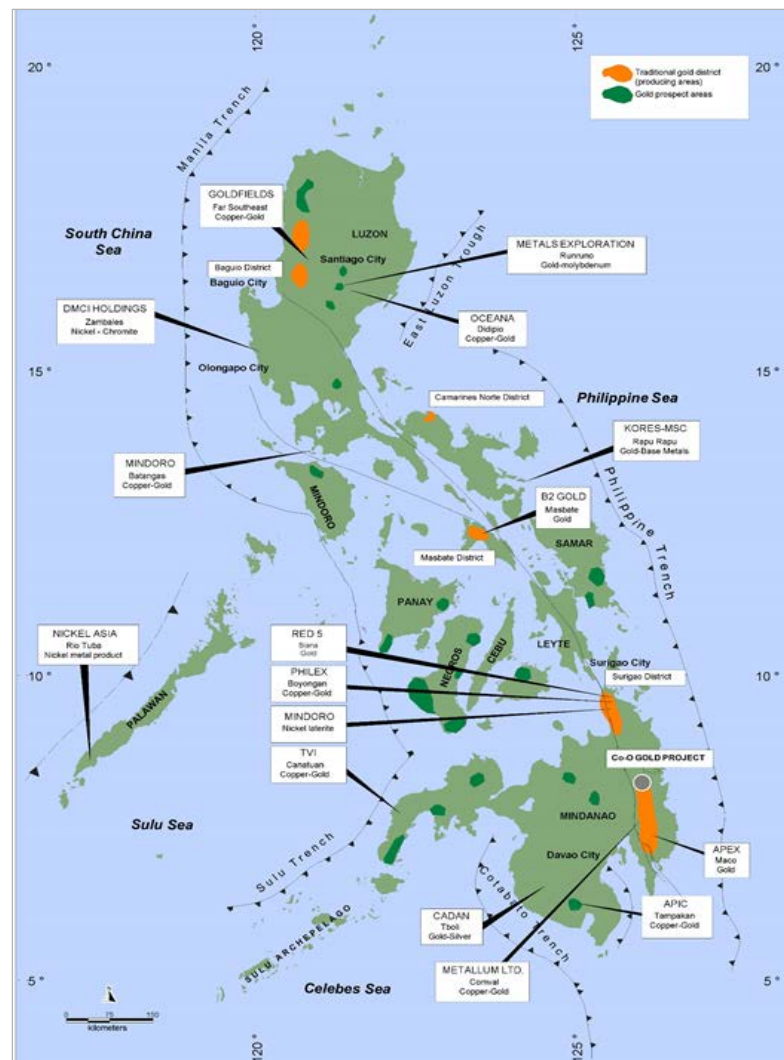
Information in this report relating to **Exploration Results** is based on, and fairly represents, information and supporting documentation reviewed by Mr Gary Powell and compiled by Philsaga Mining Corporation's Co-O mine site technical personnel. Mr Gary Powell is a member of The Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Powell is a full-time employee of Medusa Mining Ltd 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 relating to **Ore Reserves** is based on, and fairly represents, information and supporting documentation 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.

Investment Highlights



- ❑ **Proven developer/operator**
 - Co-O Mine, Philippines
 - 10 year history; 690,000 ounces produced
- ❑ **Significant mineral inventory (Co-O Mine)**
 - 961Koz Resources,
 - 376Koz Reserves (30 June 2016)
- ❑ **Strong growth potential**
 - 108K ounces gold produced FY15-16
 - 105-115K ounces guidance for FY16-17
- ❑ **Passed DENR audit**





❑ Share Capital

- Ordinary shares: 207,794,301
- Unlisted options: 3,740,500
- Market capitalisation (at 15 Nov 2016): ~ **US\$105M**

❑ Balance Sheet / Financial Growth

- Cash and cash equivalent (at 30 Sept 2016): **US\$19.6M**
- Unhedged, No Senior Debt.

❑ Substantial Shareholders (at 15 Nov 2016)

- Ruffer LLP Group 9.63%
- Paradise Investment Management Pty Ltd 5.88%

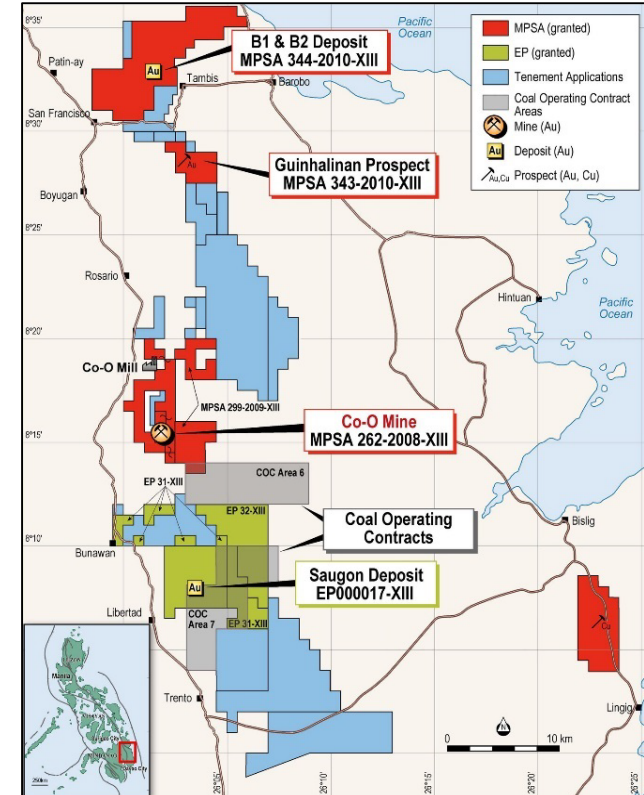
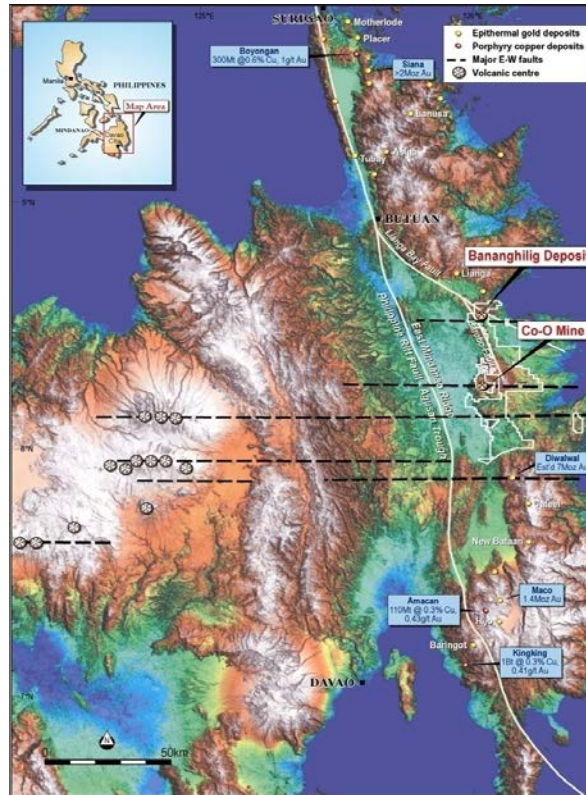
55% of shares institutionally held

Core Assets



❖ Located on the East Mindanao Ridge

- + 500 km² of tenements on the main trend

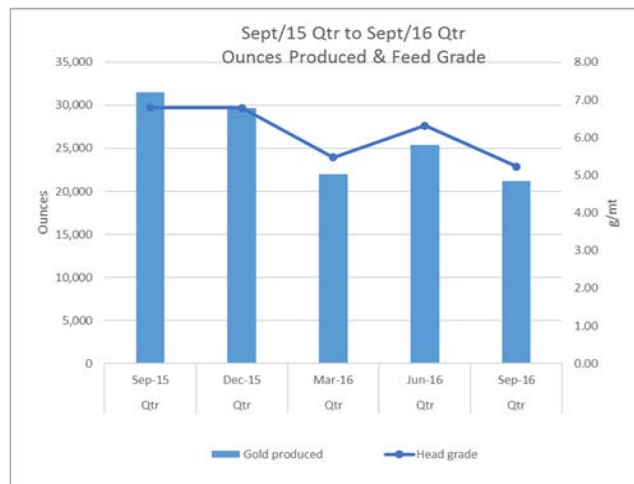
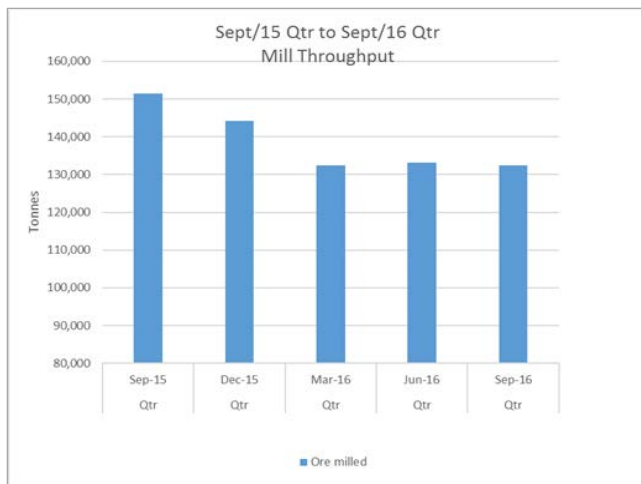


Production: Quarter on Quarter



Description	Unit	Sep 2015 Quarter	Dec 2015 Quarter	Mar 2016 Quarter	Jun 2016 Quarter	Sep 2016 Quarter
Ore mined	WMT	166,620	159,149	148,478	149,412	149,916
Ore milled	DMT	151,463	144,123	132,393	133,213	133,371
Head grade	g/t	6.80	6.79	5.47	6.32	5.23
Recovery	%	94.0%	94.0%	94.0%	94.0%	94.5%
Gold produced	ounces	31,495	29,674	21,980	25,429	21,157
Cash sold	US\$/ounce	31,176	30,835	20,999	25,519	21,152

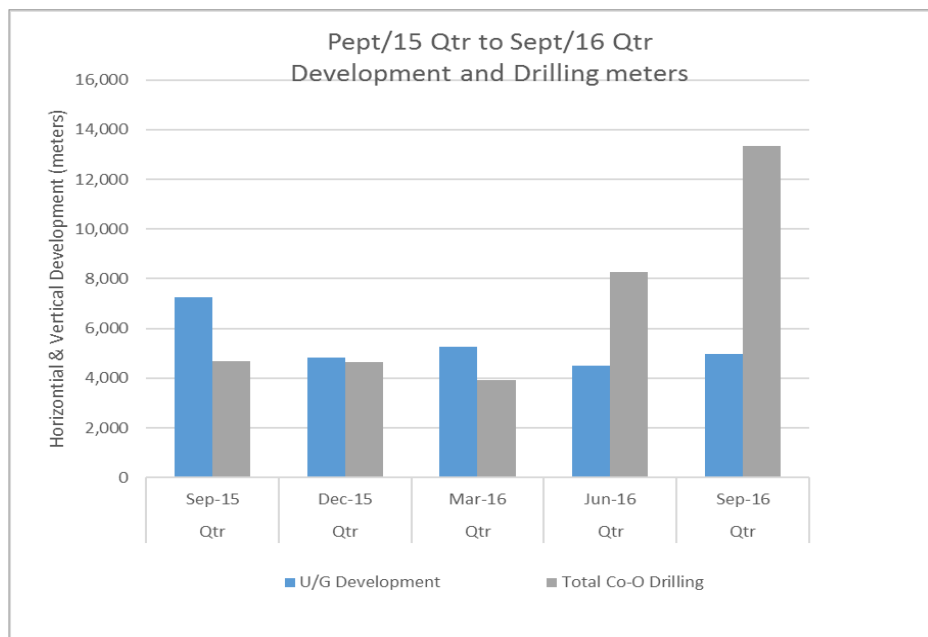
- ❑ Hoisting constraints driving mill throughput for past 3 quarters
- ❑ Feed grade variability driven by development ore ratio in feed
- ❑ Feed grade impacted by availability of high grade stopes
- ❑ Grade will improve progressively:
Dec to Jun (L8 to L9 high grade stopes)



Production: Quarter on Quarter



Description	Unit	Sep 2015 Quarter	Dec 2015 Quarter	Mar 2016 Quarter	Jun 2016 Quarter	Sep 2016 Quarter
U/G Development	metre	7,269	4,836	5,266	4,501	4,960
Development ratio	ounce/metre	4.33	6.14	4.17	5.65	4.27
Co-O Resource Drilling	metres	3,854	2,222	3,047	7,097	11,183
Co-O Definition Drilling	metres	819	2,428	871	1,187	2,175
Total Co-O Drilling	metres	4,673	4,650	3,918	8,284	13,358

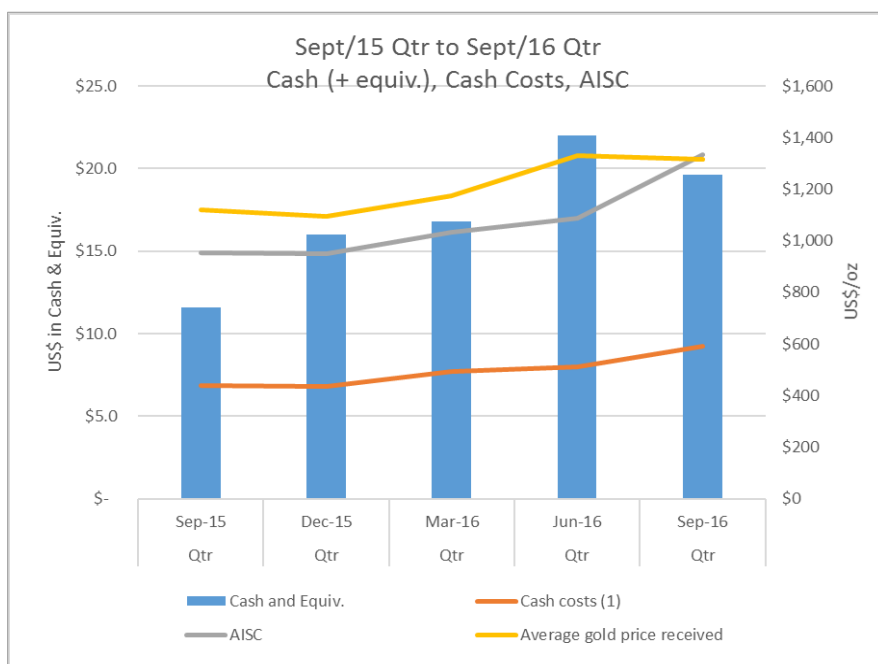


- ❑ Development has been consistent for 4 quarters and includes the infrastructure development
- ❑ Completion of L8 drill stations driving the drill meterage per quarter
- ❑ Resource drilling significantly improved in last 2 quarters

Production: Quarter on Quarter



Description	Unit	Sep 2015 Quarter	Dec 2015 Quarter	Mar 2016 Quarter	Jun 2016 Quarter	Sep 2016 Quarter
Cash Costs	US\$/ounce	\$439	\$435	\$494	\$512	\$592
All-In-Sustaining-Costs	US\$/ounce	\$953	\$950	\$1,033	\$1,088	\$1,334
AISC - CC	US\$/ounce	\$514	\$515	\$539	\$576	\$742
Average gold price received	US\$/ounce	\$1,121	\$1,096	\$1,173	\$1,331	\$1,315
Cash and cash equivalent	US\$ Million	\$11.6M	\$16.0M	\$16.8M	\$22.0M	\$19.6M



- ❑ Cash position remains ~US\$20M
- ❑ Cash cost/ounce and AISC per ounce is product of ounce production for Jun to Sep quarters
- ❑ June to Sep quarters show unhedged value on received price
- ❑ Increase in AISC for Sep 2016 quarter was expected. Payment for the major E15 Shaft headframe and winders components and drilling costs



❑ Ounce Production

- September quarter results of 21,157 ounces was expected
- Guidance is **back-end loaded**
 - infrastructure projects (waste development) will impact on production tonnes in H1
 - high proportion of ore development in mill feed impacts grade in H1
- H2 grades will improve as per the mine schedule with high grade production from L8 and L9
- Guidance remains at 105,000 to 115,000 ounces for the full year

❑ All-In-Sustaining-Costs (“AISC”)

- September quarter AISC of US\$1,334 per ounce
 - Costs for E15 Shaft major components were taken up in the quarter as planned
 - High costs for mine development and resources drilling were taken up in the quarter as planned
- Guidance remains at US\$1,000 to US\$1,100 per ounce for the full year

Strategy for Creating Shareholder Wealth

(Co-O mine infrastructure reinvestment)



❑ E15 Service Shaft

- Un-constrain L8 Production Shaft (hoisting only)
- Mine hoisting capacity will increase by +20%

❑ Other Infrastructure Upgrades

- Ventilation expansion; improves performance throughout mine (Nov 2016)
- De-watering upgrade; reduces risks to L8 and lower levels (Dec 2016)
- Internal Winzes
 - L8 to L9; 29E & 17E winzes to L9 (**completed**)
 - L8 to L10; 12E winze to L10 (**completed**)
 - L8 to L12; hoist chambers are being cut for 43E, 48E and 35E winzes

❑ Drilling from level 8 is now unrestricted

- FY16-17 budget **3 times** that of previous 2 years

Strategy for Creating Shareholder Wealth



❑ Improved Production

- E15 Service Shaft improves hoisting capacity by 20%, by Jul 2017
- Mine development averaging 4,900 metres per quarter to support the higher capacity
- Ventilation & de-watering upgrades completed in Dec quarter. Production improvements not factored into the plan at this time
- No upgrades required for the processing plant to receive the extra mill feed

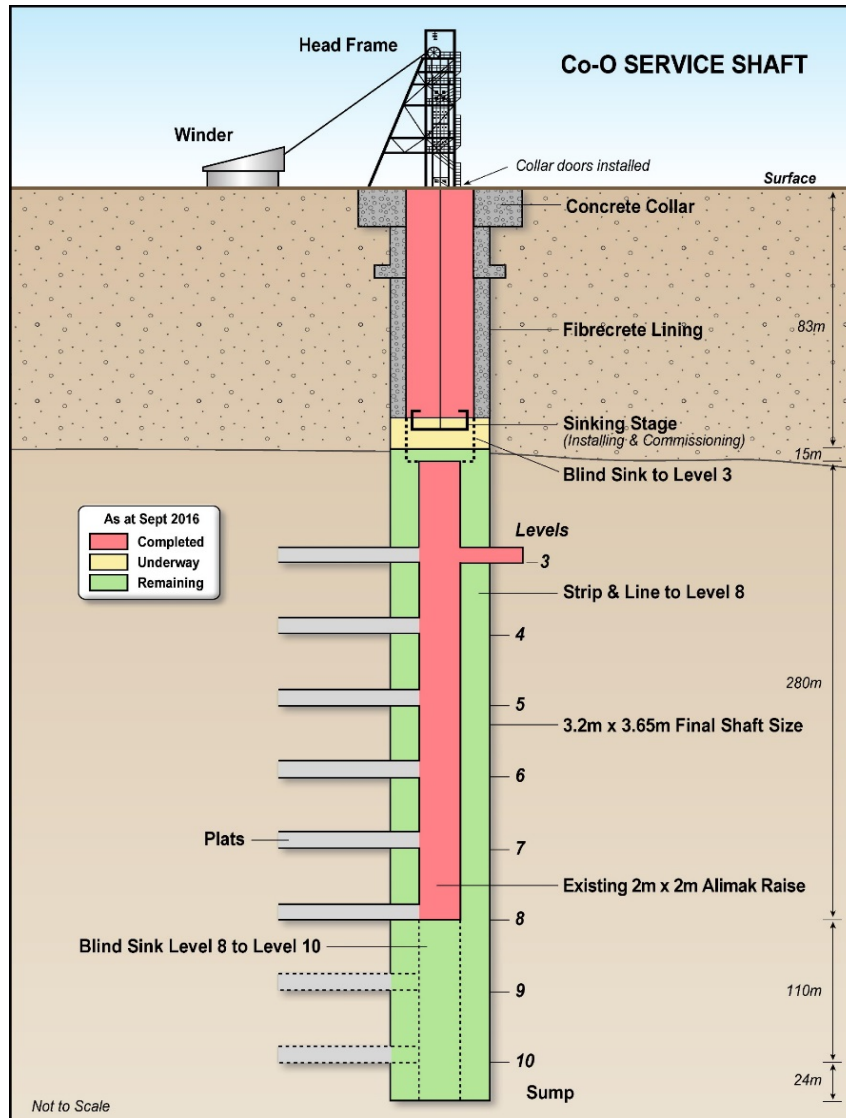
❑ Cost Improvements (over next 12 months)

- Completion of infrastructure projects reduce AISC progressively
- Production improvements will reduce cash operating costs progressively

❑ Resources Definition

- Drilling from L8 is now 3 times greater than was averaged previous 2 years
- Was not cost effective to continue to drill from surface
- Important to define resources down to L14 in the next year for long-range planning

E 15 Service Shaft



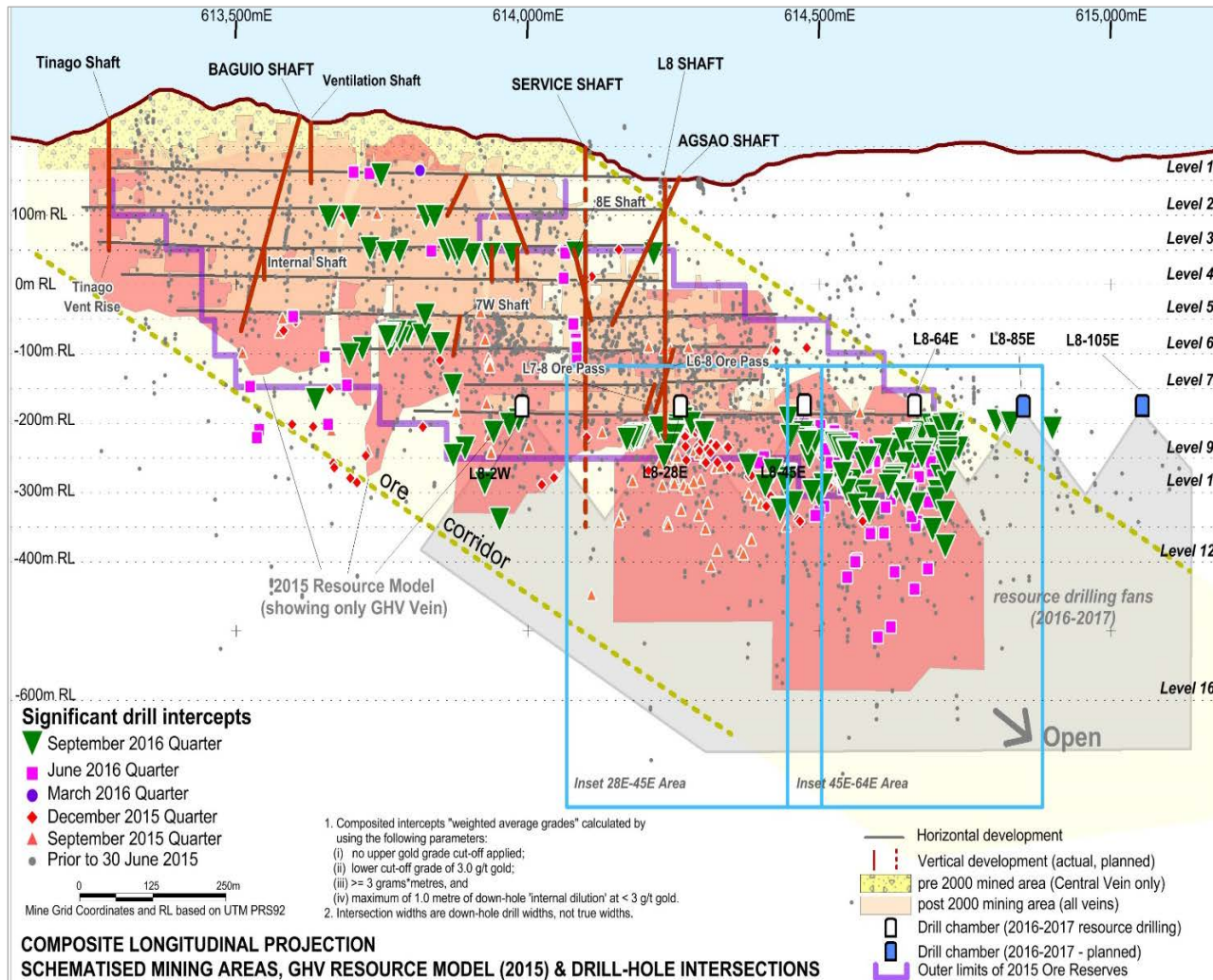
Completion Schedule

- Civils 100%
- Winder house 100%
- Head Frame 100%
- Main Winder 100%
- Stage Winders 100%
- Power/commissioning 100%
- Strip Rise: Nov 2016-Feb 2017
- Sink L8-L10: Mar 2017-Jul 2017

Sinking re-start delayed by 4 weeks

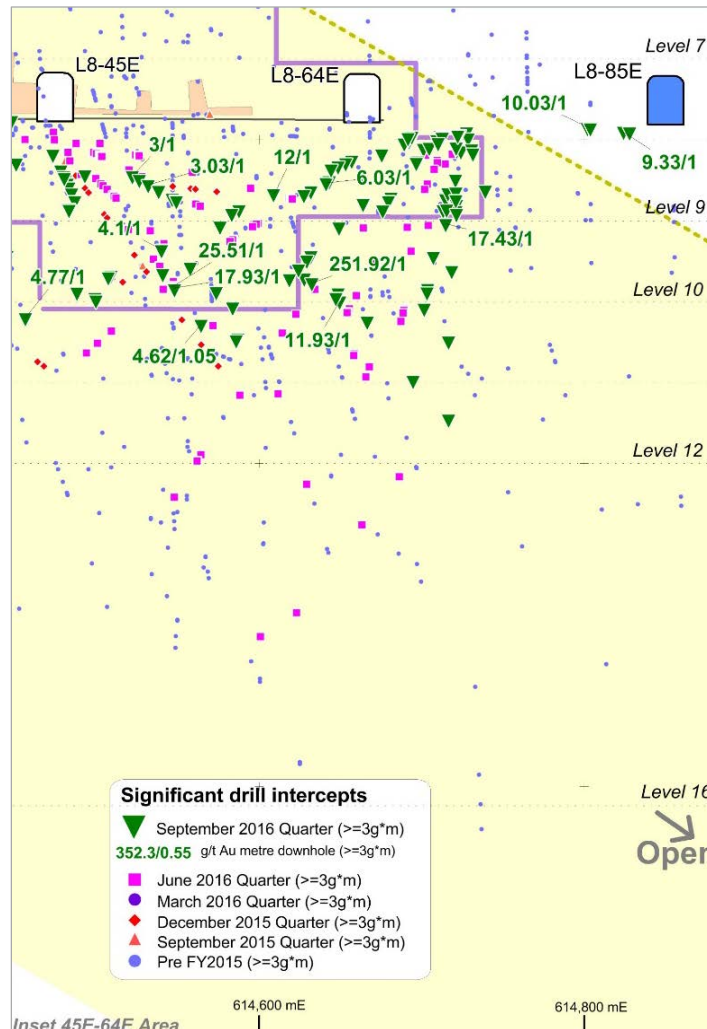
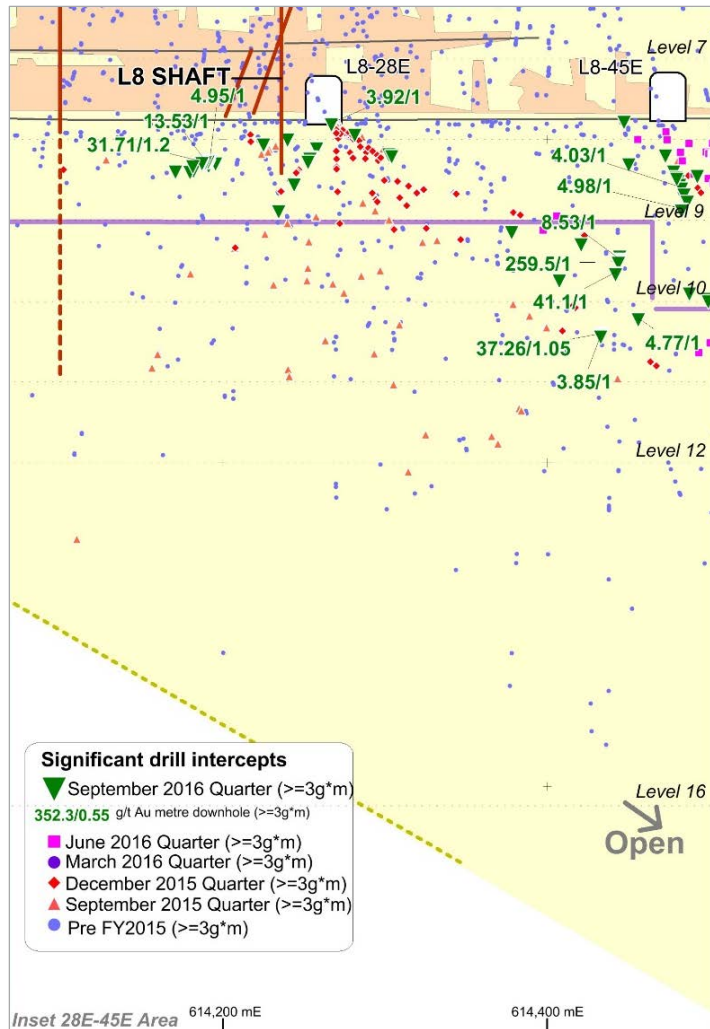
- Commissioning components delayed

Co-O Mine (long-section view)



- ❑ ~1,000m W-E length per level
- ❑ Level 8 production
- ❑ Developing Levels - 9 and 10
- ❑ L8, 400 metres from surface
- ❑ Favourable drilling results to L16
- ❑ Ore body plunges to the east
- ❑ Current shafts
 - L8 Shaft
 - Agsao Shaft
 - Baguio Shaft
 - Ventilation Shaft
- ❑ E15 Service Shaft
 - under construction

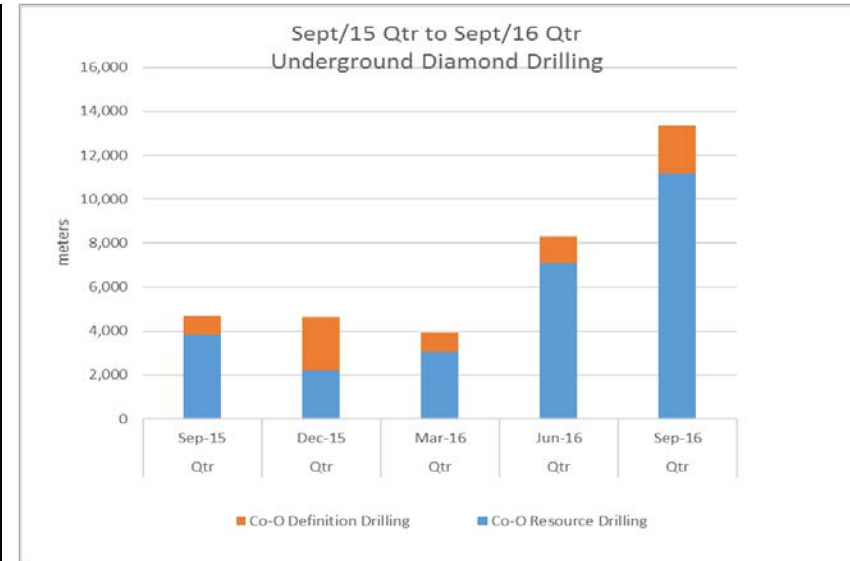
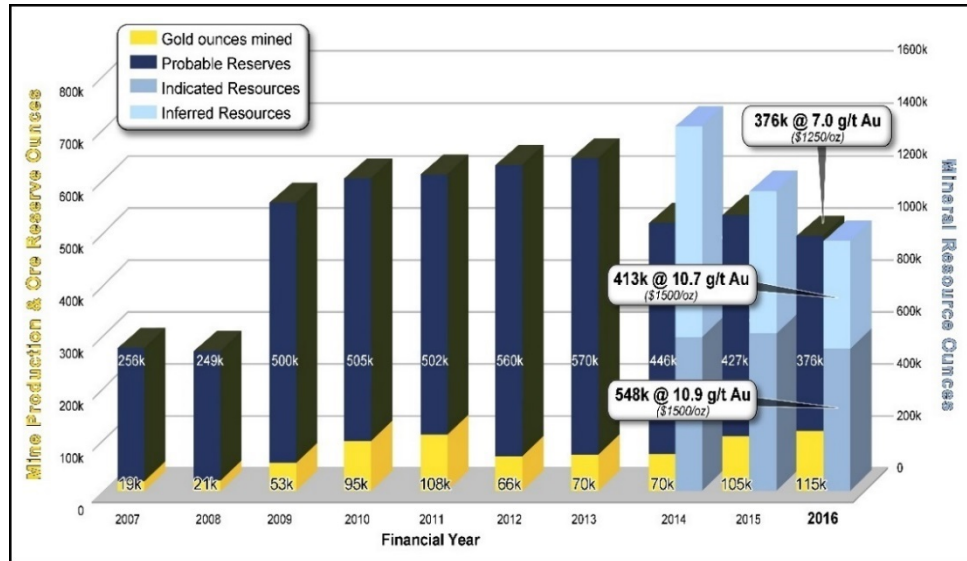
Co-O Ore Body and Resource Definition



Sep 2016 quarter drilling results:

- Green triangles indicate pierce points of veins
- Pending some assay results
- Resource drilling continues to return good results on the main veins
- Sep quarter focused above L10

Resources & Reserves (at 30 June 2016)



❑ Resources (Co-O Mine)

- 2.77M tonnes @ 10.80 g/t for 961,000 ounces gold

❑ Reserves (Co-O Mine)

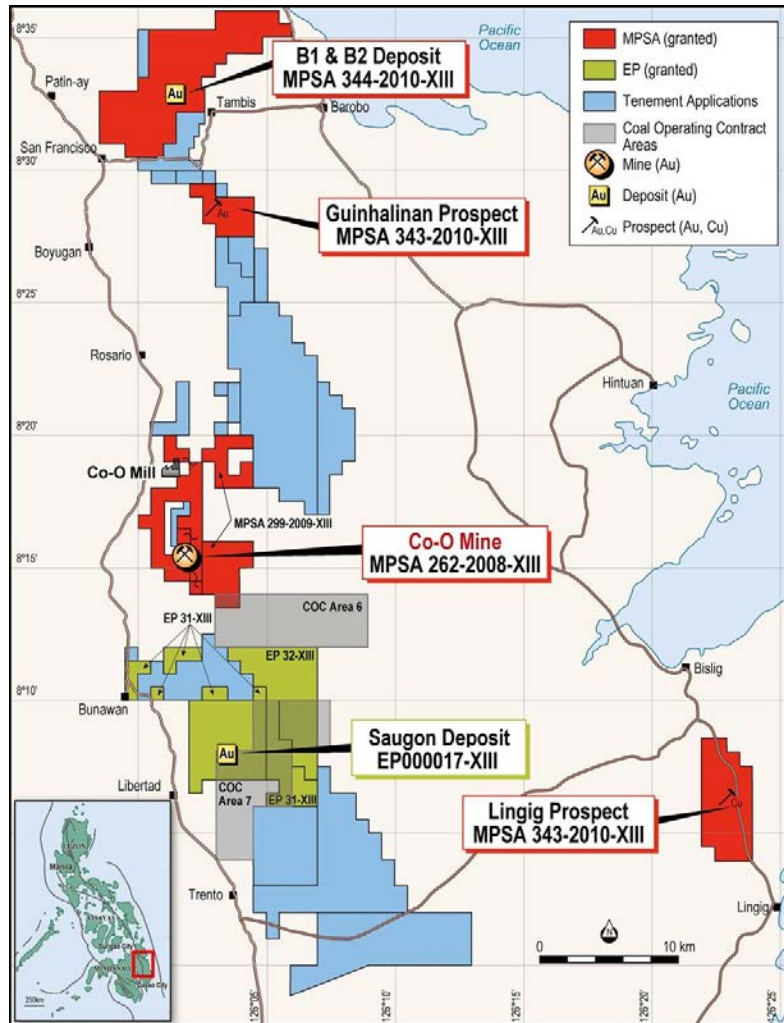
- 1.67M tonnes @ 6.99 g/t for 376,000 ounces gold

Reserves and Resources driven by depletion and delays to drilling on L8

From Jul 2005 to Jun 2016; the Co-O Mine produced 670Koz

❑ Sep 2016 quarter drilling totalled 13,358 metres; focus is to replace resources

Exploration



- ❑ Strategic land holding along well-mineralised East Mindanao Cordillera (503 km²)
- ❑ Regional
 - Bananghilig (B1)
 - Re-estimated resource (JORC 2012)
 - 7.78M tonnes @ 1.73 g/t for 435,000 ounces gold
 - Coal Project; complete resource estimation
 - Near Mine Exploration
 - FY16-17 focus is on targets within 15km of processing plant
- ❑ Generative
 - Leveraging Medusa's strengths
 - Philippines established Company +10 years
 - Narrow vein, underground, high grade gold
 - Tier 1: Mindanao Region, Tier 2: Philippines, Tier 3: South East Asia



- ❑ Unhedged, low cash costs, no long term debt
- ❑ Knowledge of business, operations and exploration in Philippines
- ❑ Mine capital projects removing constraints, increasing production (well underway for next 12 months)
- ❑ Resource definition and expansion drill program underway
- ❑ Near-mine exploration campaign started
- ❑ New leadership team, operationally focussed

12 months to establish operational efficiencies and drilled-off resource base to deliver consistent results

Mineral Resources & Ore Reserves

(as at 30 June 2016)



Deposit	Category	Tonnes ⁴	Grade ⁴ (g/t gold)	Gold ⁴ (ounces)
<u>MINERAL RESOURCES</u> ^{1,2}				
Co-O Resources ¹ (JORC 2012)	Indicated	1,564,000	10.90	548,000
	Inferred	1,203,000	10.68	413,000
Total Co-O Resources	Indicated & Inferred	2,767,000	10.80	961,000
Bananghilig Resources ³ (JORC 2012)	Indicated	7,580,000	1.66	406,000
	Inferred	200,000	4.42	29,000
Total Bananghilig Resources	Indicated & Inferred	7,780,000	1.73	435,000
Saugon Resources ³ (JORC 2004)	Indicated	47,500	7.00	10,700
	Inferred	34,000	4.60	5,000
Total Saugon Resources	Indicated & Inferred	81,500	6.00	15,700
TOTAL	Indicated	9,191,500	3.26	964,700
TOTAL	Inferred	1,437,000	9.67	447,000
TOTAL RESOURCES	Indicated & Inferred	10,628,500	4.13	1,411,700
<u>ORE RESERVES</u> ²				
Co-O Reserves ² (JORC 2012)	Probable	1,670,000	6.99	376,000
TOTAL RESERVES	Probable	1,670,000	6.99	376,000

Notes:

The information in this presentation has been extracted from Medusa's ASX release for Mineral Resources and Ore Reserves dated 28 September 2016.

1 Estimates of Mineral Resources are inclusive of the estimates of Ore Reserves.

2 Co-O mineral resources and ore reserves estimated under guideline of JORC Code 2012.

3 Bananghilig mineral resources and ore reserves have been re-estimated under guideline of JORC Code 2012.

4 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.

5 Rounding to the nearest 1,000 may result in some slight discrepancies in totals.

6 The full Mineral Resource and Ore Reserve document and Qualifications is released on www.medusamining.com.au



MINERAL RESOURCE AND RESERVE QUALIFICATIONS

Notes:

1. Mineral Resources are inclusive of Ore Reserves.
2. Co-O and Bananghilig Mineral Resources and Co-O Ore Reserves estimated under guideline of JORC 2012.
3. Saugon Mineral Resources were previously prepared and first disclosed under the JORC 2004, and have not been updated to comply with JORC 2012 on the basis that the information has not materially changed since it was last reported.
4. Rounding to the nearest 1,000 may result in some slight apparent discrepancies in totals

MINERAL RESOURCES:

Co-O:

- a minimum lower block cut-off of 3.2 gram*metres/tonne accumulation, which incorporates minimum mining widths of 1.25m or 1.5m (depending on vein attitude) above cut-off grade, in its derivation;
- various high cut gold grades, up to 300 g/t gold, have been applied to different veins, and
- a gold price of US\$1,500 per ounce has been applied

Bananghilig:

- Indicted Resource: a lower block cut-off of 0.75 g/t gold has been applied to mineralisation within a US\$1,500/oz Whittle pit shell, reflective of open pit mining costs.
- Inferred Resource: a lower block cut-off of 3.0 g/t gold has been applied to mineralisation outside of the US\$1,500/oz Whittle pit shell, to a maximum depth of 100 metres below the pit shell walls and base, reflective of underground mining costs.
- a high cut of 40 g/t gold has been applied to all mineralisation.
- Allowance for artisanal mining depletion of 18,300 oz gold applied within the Whittle pit shell
- a gold price of US\$1,500 per ounce has been applied

Saugon:

- a lower cut-off of 2.0 g/t gold has been applied
- a gold price of US\$1,500 per ounce has been applied

ORE RESERVES:

Ore Reserves are a subset of Mineral Resources

Co-O:

- minimum mining widths of 1.25 metres (stopes $\geq 50^\circ$) and 1.5 metres (stopes $< 50^\circ$) have been applied, and where the vein width was equal to, or greater than, the minimum mining width, an extra 0.25 metres dilution was added to the hanging wall,
- a further 10% dilution has been allowed for slabbing in mining of low angle stopes under draw,
- shape dilution of 7% of extra tonnage at 2 g/t gold applied, to reflect pinch and swell of veins, and faulting,
- an allocation for extra development 'on-vein' at a grade of 2 g/t gold has been applied.
- an allocation for extra development 'off-vein' at a grade of 1 g/t gold has been applied.
- 85% mining recovery for stopes < 10 g/t gold,
- 90% mining recovery for stopes ≥ 10 g/t gold,
- 80% average recovery factor for pillars in empty stopes are included in reserve, for the three major veins, at the grade of their respective stopes, to reflect improved current pillar robbing mining practice, together with high grade pillars for minor veins.
- stopes containing < 500 tonnes were removed to account for ore loss,
- a cut-off grade of 4.4 g/t gold has been applied to all stopes,
- a gold price of US\$1,250 per ounce has been applied.



MEDUSA

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Board of Directors:

Andrew Teo (Non-executive Chairman)
Raul Villanueva (Executive Director)
Ciceron Angeles (Non-executive Director)
Roy Daniel (Non-executive Director)

Management:

Boyd Timler (Chief Executive Officer)
Raul Villanueva (President, Philippines subsidiaries)
Peter Alphonso (Chief Financial Officer & Company Secretary)
James Llorca (Manager Geology and Resources)

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