MEDUSA

Gold producer focused on organic growth in the Philippines

MORGAN STANLEY
Twelfth Annual Asia Pacific Summit

November 2013

SNAPSHOT OF MEDUSA

- Un-hedged, low cost gold producer focused on organic growth
- Growth path to production of 200,000 ounces per year in FY 2015
- Cash Costs forecast at $US320 per ounce for FY 2014
- Future growth from Tambis Region:
  - Bananghilig Gold Deposit - 1,000,000 ounce resource
  - B2 Gold Deposit - still drilling out resource

CAPITAL STRUCTURE

SHARE CAPITAL

- Ordinary Shares: 198,349,106
- Unlisted Options: 1,715,000
- Market Capitalisation (as at 07 November 2013) ~ A$365M

SHAREHOLDER INFORMATION

Substantial Shareholders *

Wellington	7.85%
Van Eck	5.47%

* Information based on substantial shareholder notices provided to the Company

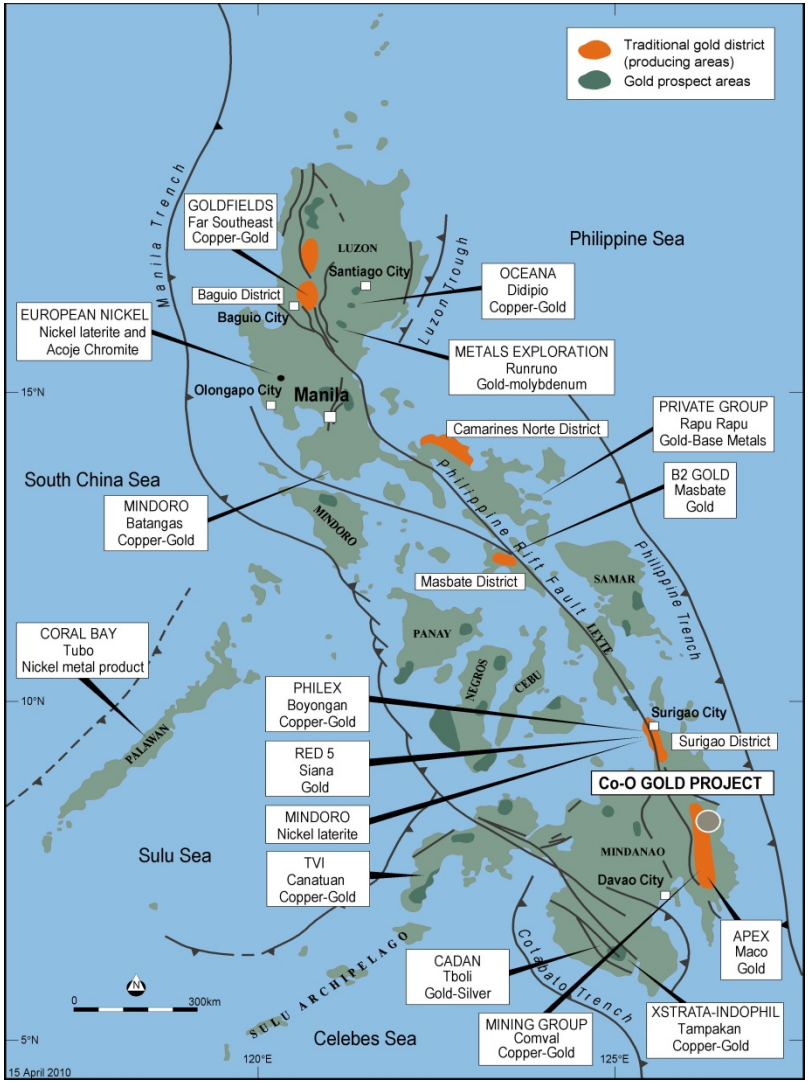
FINANCIALS AND PRODUCTION STATISTICS

Description	Unit	30 June 2013	30 June 2012
Financials:			
Revenues	US$	US$100.7M	US$81.2M
EBITDA	US$	US$63.2M	US$58.0M
NPAT	US$	US$50.2M	US$49.2M
EPS (basic)	US$	US$0.266	US$0.261
Dividend paid	A$	Nil	A$0.07
Production Statistics:			
Tonnes mined	wet tonnes	346,257	274,185
Ore milled	dry tonnes	309,648	253,138
Head grade	gpt	7.02	8.10
Recovery	%	90%	92%
Gold produced	ounces	62,243	60,595
Cash costs (1)	US$	$313	$261
Gold sold	ounces	77,488	55,446
Average gold price received	US$	$1,610	$1,658

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

PHILIPPINES MINING INVESTMENTS

- Government support revitalising mining
- Increasing foreign investment
- Projects in feasibility studies and development
- New projects commenced production
- Co-O project south of typhoon belt
- Fraser Institute 2011 rates Philippines as 34th safest country to conduct business



NEW INFRASTRUCTURE

New Admin Office

New Junior Staff House

New Geology Office

New Core Shed

Co-O MILL

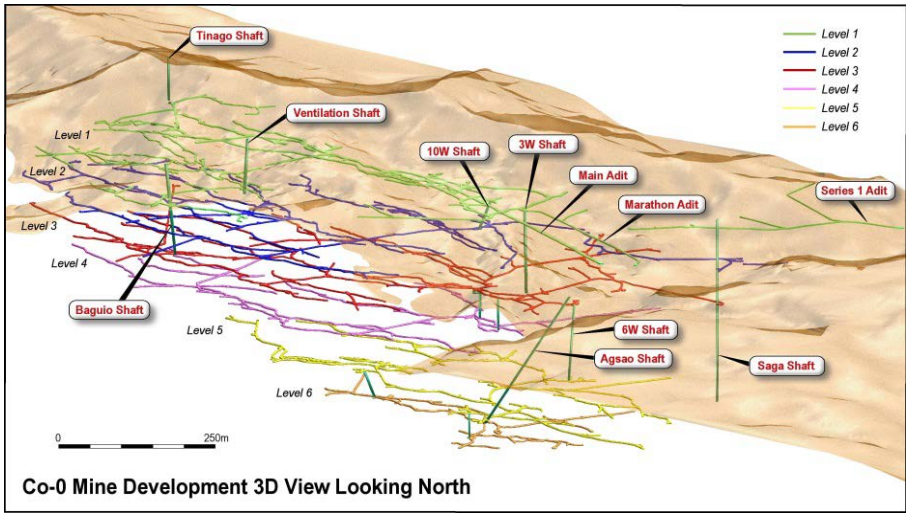
- Previous Mill capacity 1,000 tonnes per day
- New Mill capacity is 2,500 tonnes per day
- Grid hydro power at Mine and Mill
  (standby diesel power at Mine and Mill)
- 99% local workforce
- On site assay laboratory and support services

Sag Mill

Crushed ore

Co-O MINE

- 25 year Mining Licence
  (renewable by another 25 years)
- 8 levels at 50 metre spacing
  - ~ 50 headings on ore
  - ~ 7 headings on waste
  - ~ 0 stopes on breaking cycle
- Development of ≥1,500 metres per month being achieved
- L8 Shaft operational
- 350m of development completed on 8L to the end of June



Co-0 Mine Development 3D View Looking North

UNDERGROUND MINING

Underground Miner

Underground Loader

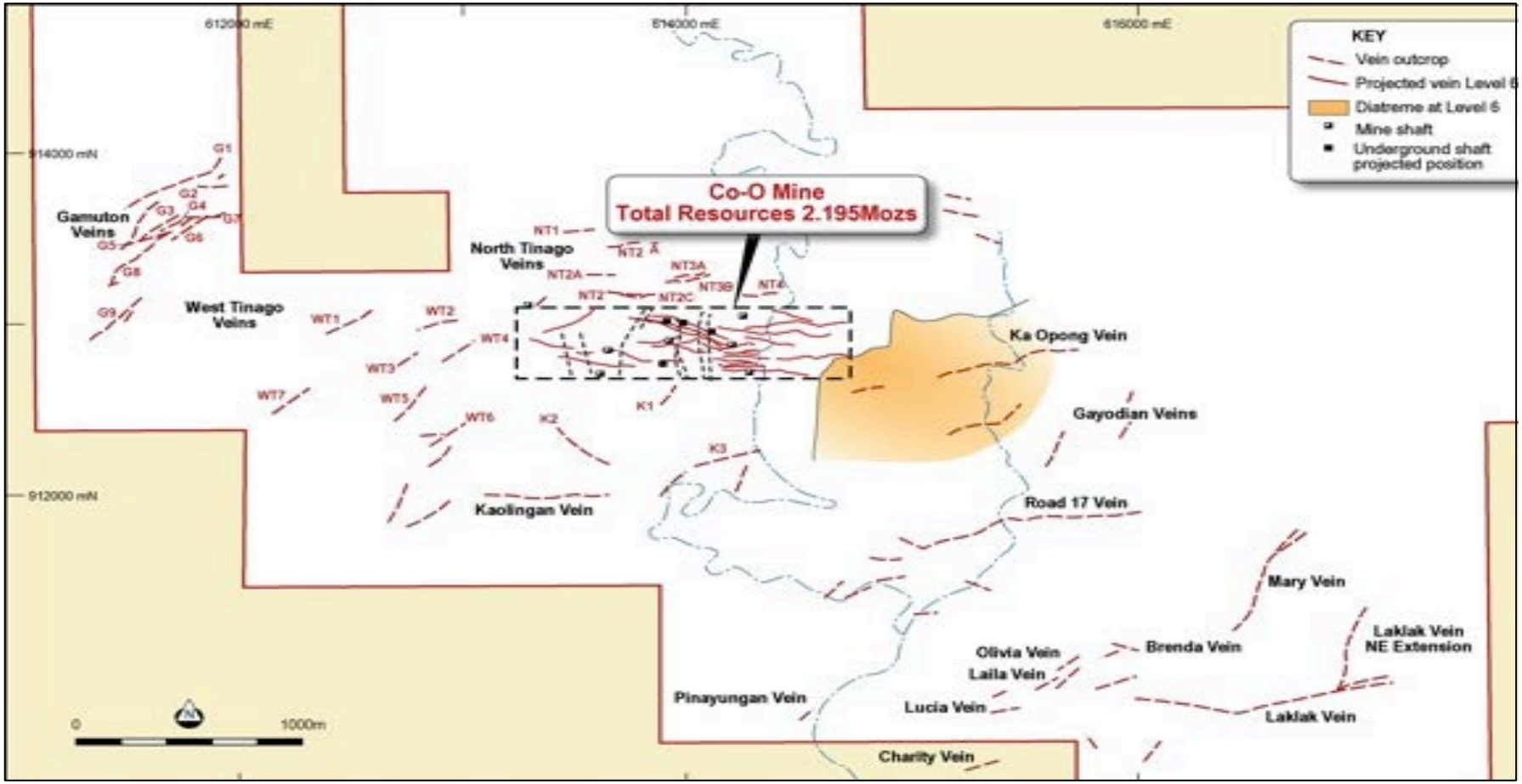
Miners headed to work

Underground train unloading

Loading ore truck

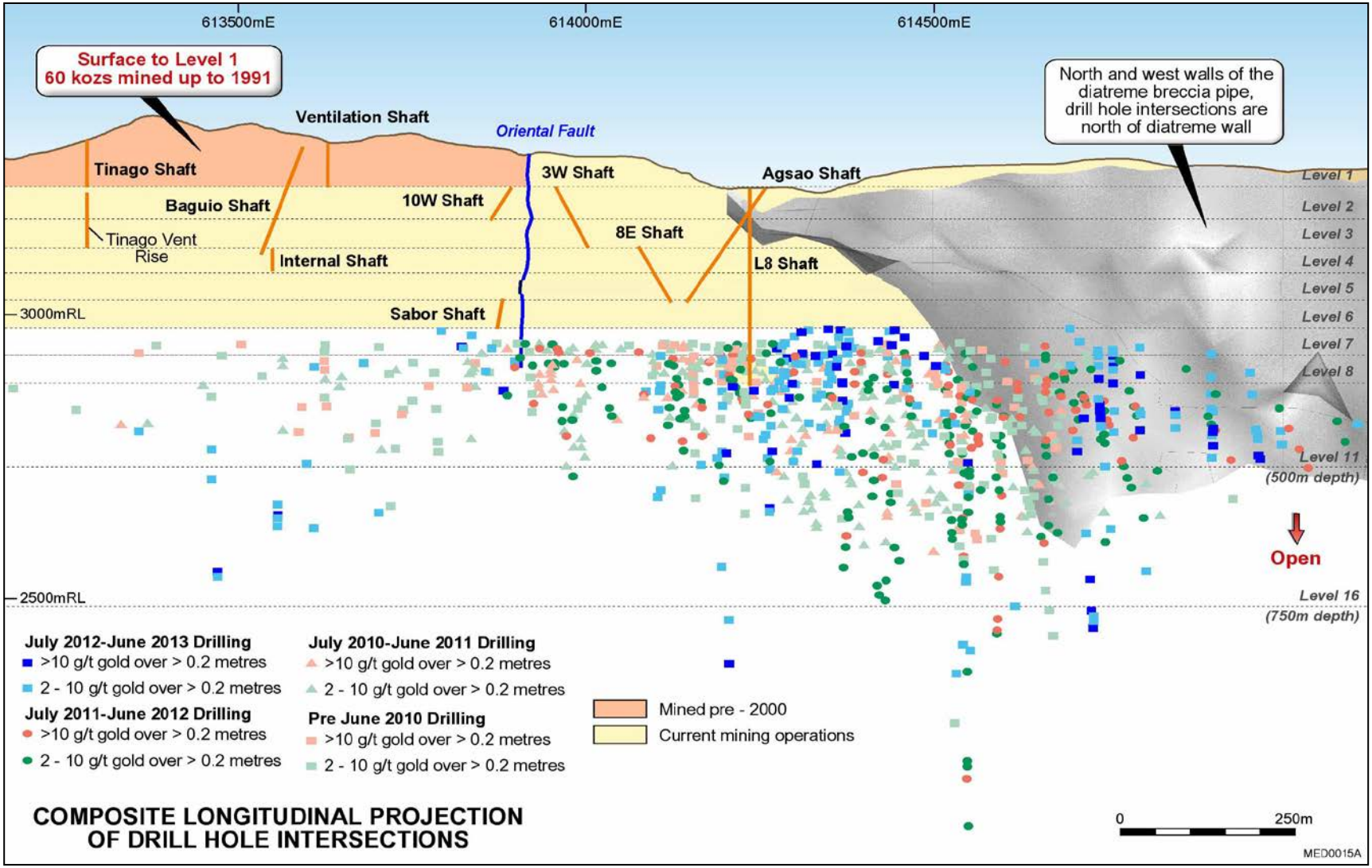
Safety at minesite

Co-O REGIONAL SETTING

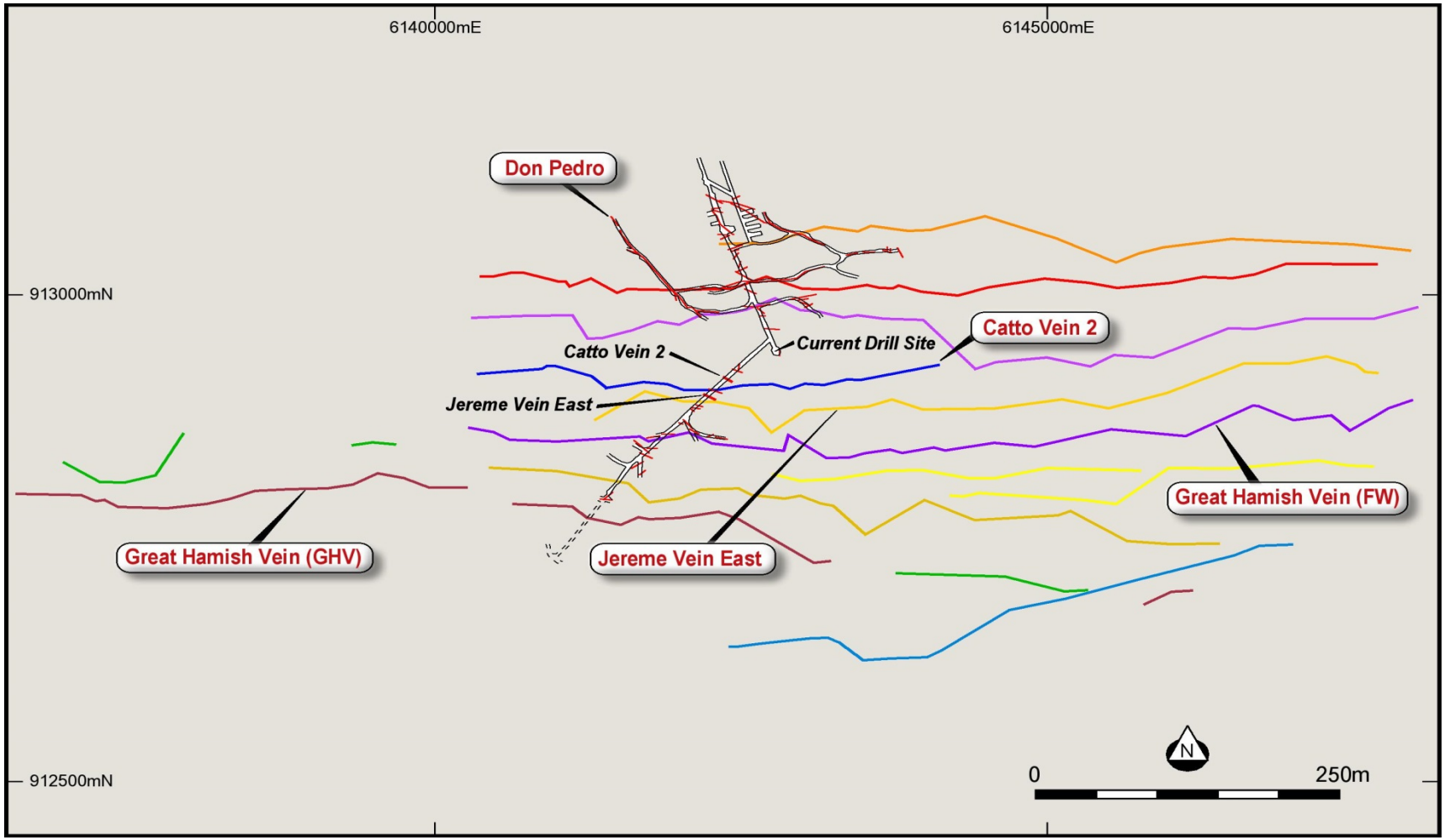


The potential exploration target size and grade of the Co-O Mine is conceptual indefine nature and there has been insufficient exploration to a mineral resource.
It is also uncertain if further exploration will result in the target being defined as a mineral resource.

Co-O MINE LONG PROJECTION (Drilling up to 30 June 2013)

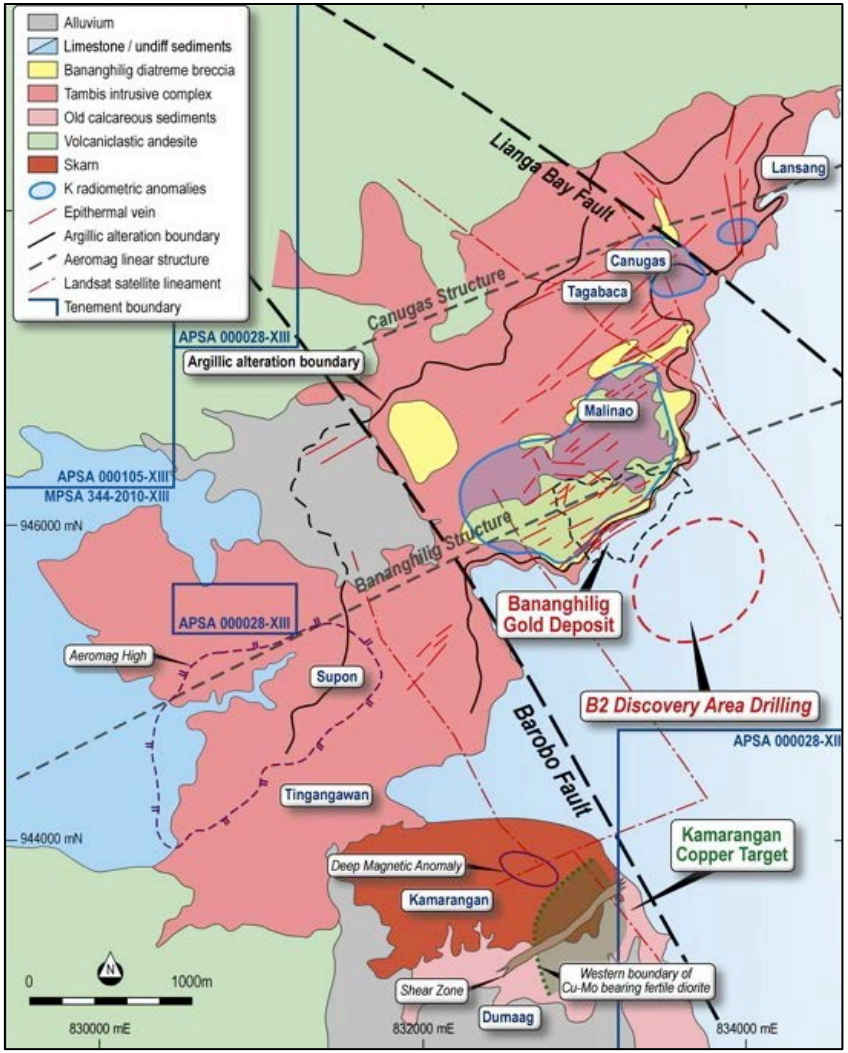


8 LEVEL DEVELOPMENT



TAMBIS INTRUSIVE-BRECCIA COMPLEX

- Intermediate sulphidation, epithermal gold, breccia type system approximately 7km x 3km
- Extensive argillic alteration, K-radiometric and aeromagnetic anomalies
- Gold mineralisation:
  - extensive vein systems
  - stockworks
  - disseminated (Bananghilig)
- Two drill rigs still drilling at B2 on a 150m x 150m pattern



SOCIAL PROGRAMMES

- **Education**
  - Scholarships and assistance
  - Adopt-a-school programs in 23 schools
  - Over 5,500 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

Back to school

Sampling water

ENVIRONMENTAL

Environmental Protection Enhancement

- Environmental monitoring
- Re-afforestation using rubber plantations
- Rehabilitation of Tailings Dam

Rubber plantation

Water monitoring

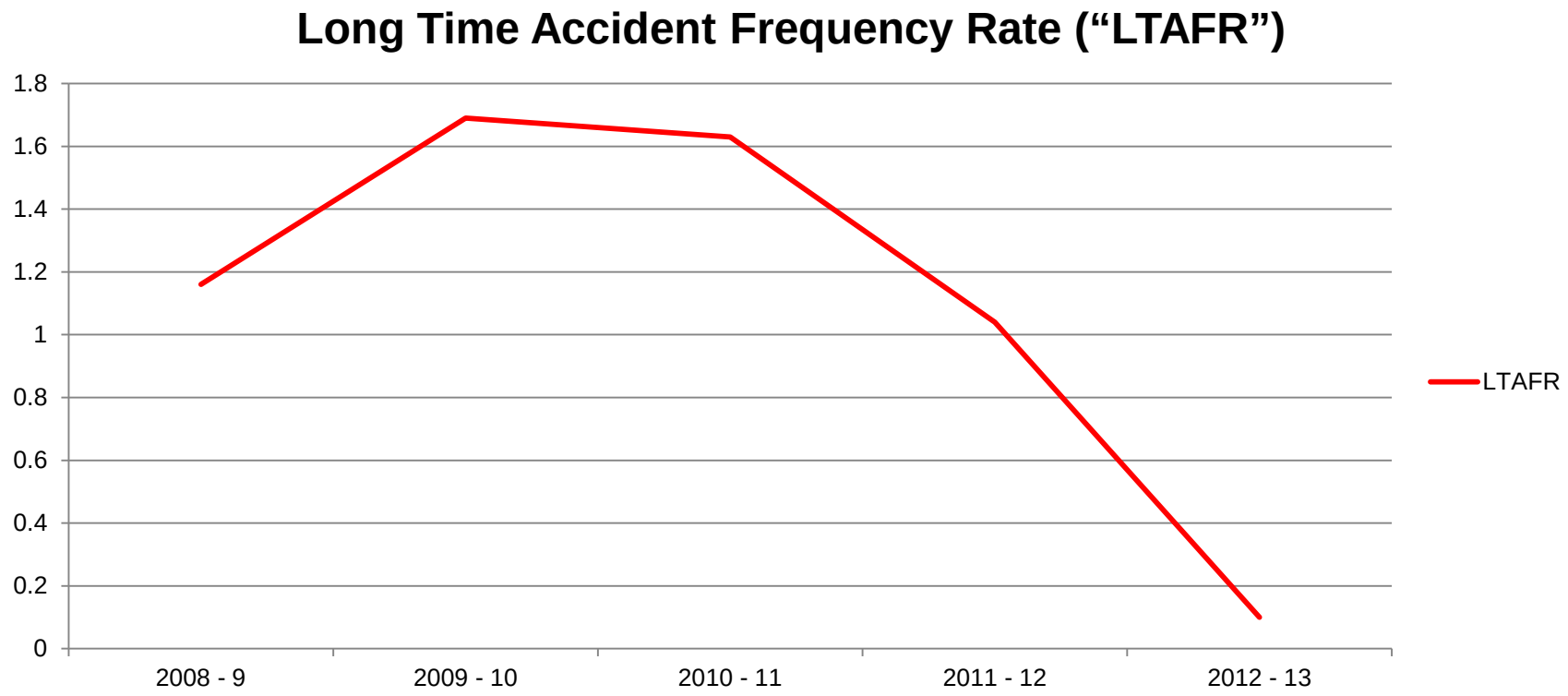
Tailings dam rehabilitation

SAFETY

During the year the following activities were undertaken:

- a comprehensive Safety Review of the Company's operations by an external consultant (this is the 3rd audit completed and is conducted annually)
- continued 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
- mine rescue and fire fighting teams and equipment have been upgraded with the teams participating in annual national competitions
- regular safety meetings that emphasise workforce participation in ensuring safety and hazard minimisation

SAFETY GRAPH - LTAFR



The 12 month LTAFR to 30 June 2012 was 1.04, and to 30 June 2013 was 0.10, which is better than industry standards for manually intensive, narrow vein, underground mines and shows the continuing progress achieved in Safety during the year.

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JORC COMPLIANCE - CONSENT OF COMPETENT PERSONS

Information in this report relating to **Exploration Results** has been reviewed and is based on information compiled by Mr Geoffrey Davis, who is a member of The Australian Institute of Geoscientists. Mr Davis is the Non-Executive Chairman of Medusa Mining Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposits 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". Mr Davis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report relating to **Mineral Resources** has been estimated and compiled by Mr Mark Zammit of Cube Consulting Pty Ltd of Perth, Western Australia. Mr Zammit is a member of The Australasian Institute of Mining & Metallurgy and has sufficient experience that 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". 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.

Information in this report relating to **Ore Reserves** is based on information compiled by Dr Spero Carras, FAusIMM of Carras Mining Pty Ltd. Dr Carras has 30 years of experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 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

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Geoffrey Davis (Non-Executive Chairman)

Peter Hepburn-Brown (Managing Director/CEO)

Raul Villanueva (Executive Director)

Robert Weinberg (Non-Executive Director)

Andrew Teo (Non-Executive Director)

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