

## Medusa uncovers high-grade gold

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**GOLD miner Medusa Mining has identified what it thinks will be its third mine development in the Philippines, following drilling results that revealed a "definite zone of high-grade gold mineralisation" at its Sinug-ang gold project.**

Medusa said the new results supported exploration from the late 1980s and showed a zone of >5 grams per tonne gold over a strike length of about 500 metres, open along strike at both ends, and from the surface down to a depth of between 100 and 250m.



Philsaga Mining, which is in a merger agreement with Medusa, conducted the drilling and underground sampling at the project, which produced results including an intersection of 5.75m at 13.5gpt of uncut gold and 2.9m at 10.52gpt uncut gold.

Medusa's managing director Geoff Davis said the Sinug-ang project mineralisation was comparable to the company's Co-O mine mineralisation, where the central vein contains 240,000 ounces of gold at 29.7gpt.

"The drilling and underground sampling results are being assessed in respect to the planning of underground exploration via a shaft to verify the mineralisation," Davis said.

"This is being undertaken in preparation for a new underground mine, initially on the Banbanon prospect, being developed, with the aim of producing ore in the second or third quarter of next year."

Current drilling is underway at the Banbanon prospect within the Sinug-ang project, which also contains the Sinug-ang prospect where drilling is proposed in the near future.

Medusa will merge with privately owned Phisaga following Medusa's listing on London's AIM board.

Medusa is mining at Co-O and has ambitions to produce 100,000 ounces per annum late next year, and has earmarked the Tambis prospect as the next likely operation.

Shares in Medusa remained unchanged at 72c at the close of trade yesterday, and were steady in morning trading today.

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