



MEDUSA

MEDUSA MINING LIMITED

ABN: 60 099 377 849

Unit 7, 11 Preston Street
Como WA 6152

PO Box 860
Canning Bridge WA 6153

Telephone: +618-9367 0601
Facsimile: +618-9367 0602

Email: admin@medusamining.com.au
Internet: www.medusamining.com.au

10 June 2008

The Manager
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

LINGIG PORPHYRY DRILLING TO COMMENCE

Medusa Mining Limited ("Medusa" or the "Company"), the Australian based company operating and developing gold mines in the Philippines, advises that permits have now been received and the Company has begun preparations for drilling at the Lingig Porphyry Copper discovery. The rig that will be used has a capacity for 1,200 metres vertical depth. Drilling is expected to commence at the end of June.

The first new drill hole will repeat and drill past the 1974 bottom of the discovery hole intersection of 150 metres of 0.4% copper, which had increasing grades at depth.

Outcropping, oxidised, intensely quartz and sulphide veined porphyry has recently been located approximately 500 metres to the north of the discovery hole.

Detailed information from the compilation of historical drilling and mapping data is provided in the Company's announcement of 13 November 2007, the key points of which were:

- A 150 metre intersection of 0.4% copper ended in high grade mineralisation;
- higher grade mineralisation of 0.65% copper in the bottom 52 metres of the hole; and
- a 98 metre wide halo of 0.27% copper mineralisation in the overlying volcanic rocks suggests an intense mineralising system.

Figure 1 shows the location of the Lingig discovery to the east of the Company's main tenement block, Figure 2 shows the geology and the location of discovery hole DDH1 and Figure 3 shows the graphic log of discovery hole DDH1

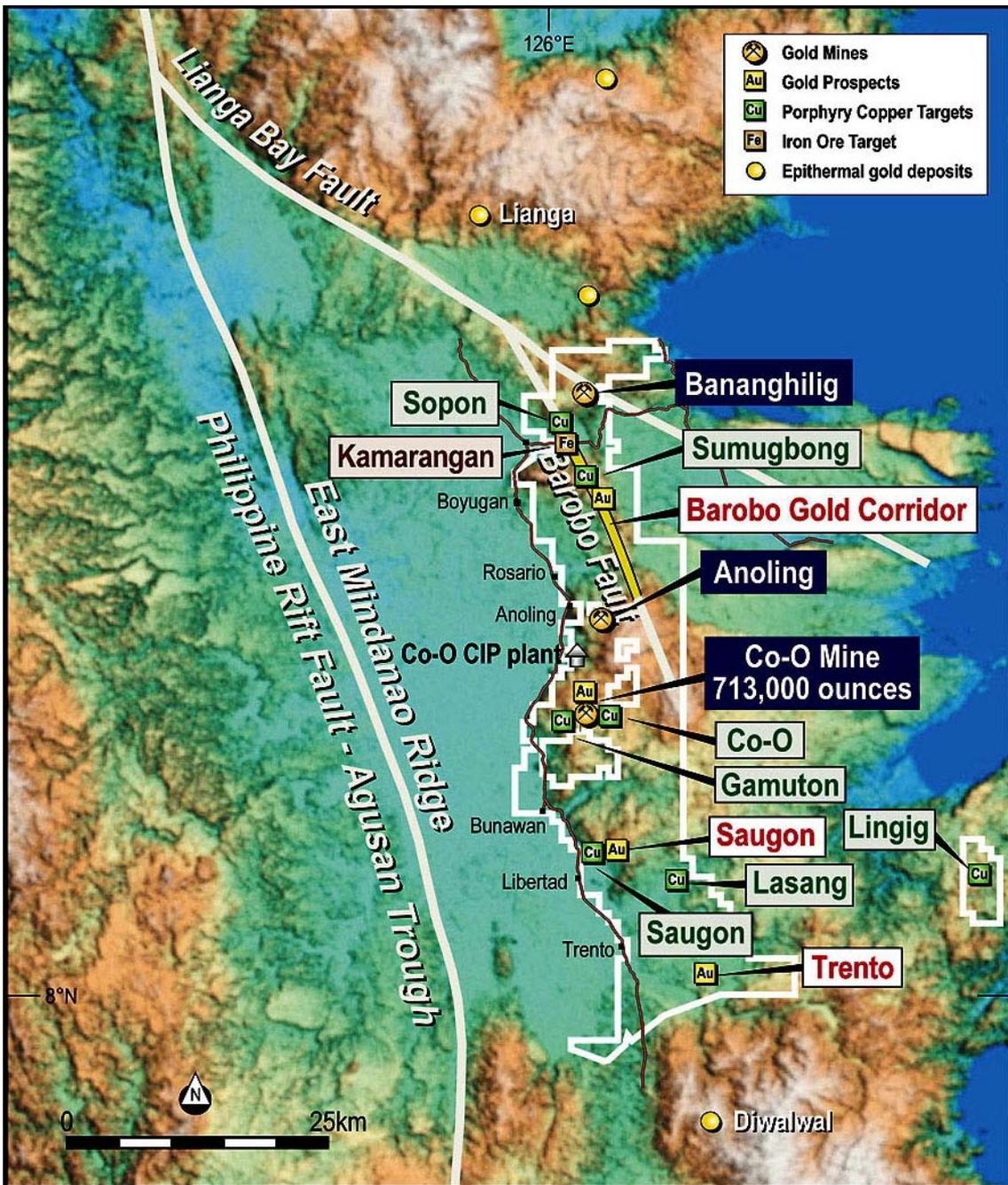


Figure 1: Location map

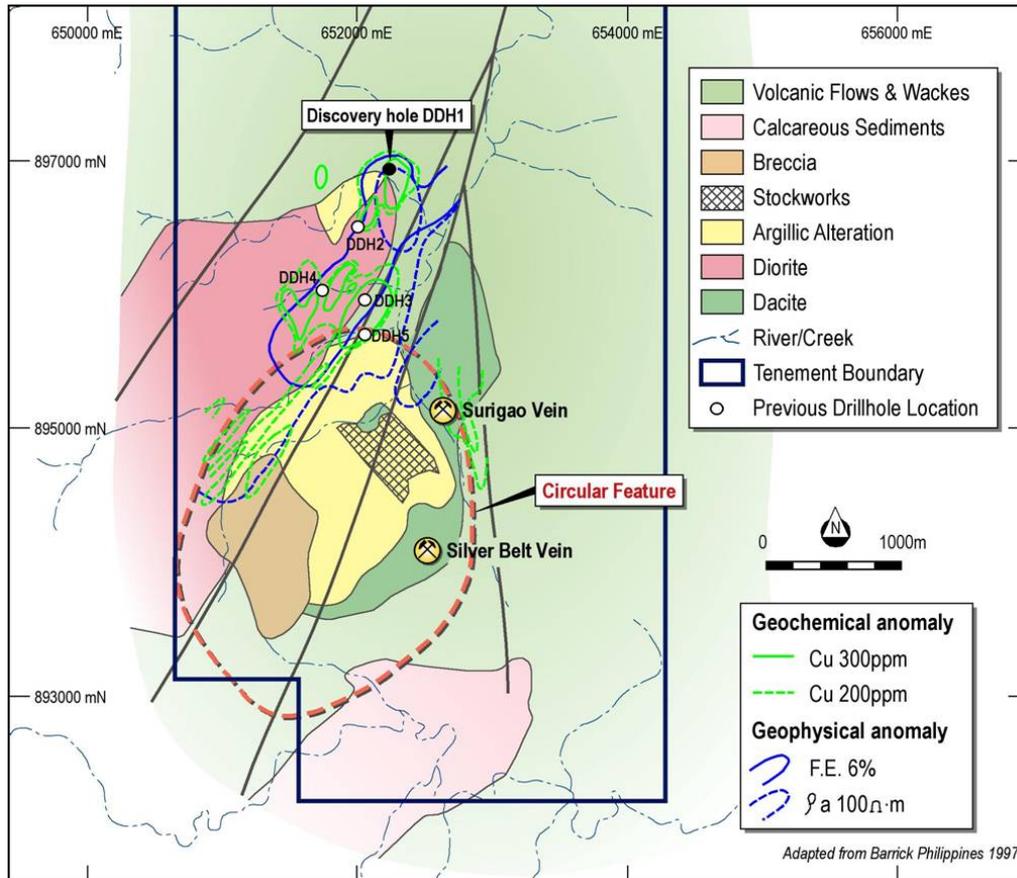


Figure 2: Geological map of the Lingig area

Discovery Drill hole DDH1

After passing through 100 metres of propylitically and argillically altered doleritic and basaltic rocks with erratic copper mineralisation, drill hole **DDH1** intersected disseminated and stringer style pyrite and chalcopyrite (copper sulphide) mineralisation for 98 metres in increasingly argillically altered basaltic and doleritic rocks before entering higher grade mineralisation in phylitically altered quartz diorite porphyry. The graphic log of the drill hole is shown in Figure 3.

Table I: Summary of intersections in drill hole DDH 1

Depth (metres)	Intersection	Host rocks, alteration & mineralisation
0 to 100	Erratic values to 0.89% Cu	Propylitically (chlorite and epidote) and argillically altered dolerite and basalt with disseminated and stringer pyrite, rare chalcopyrite.
100 to 198	98 metres @ 0.27% Cu	Propylitically and argillically (clay) altered dolerite and basalt with a moderate increase of disseminated and stringer pyrite and chalcopyrite.
198 to 250	52 metres @ 0.65% Cu	Phylitically altered (silica-sericite) quartz diorite porphyry with disseminated and stringer pyrite and chalcopyrite increasing with depth.
Incl. 248 to 250 [End of Hole]	2 metres @ 4.93% Cu, 0.4g/t Au, 10g/t Ag	
TOTAL: 100 to 250	150 metres @ 0.40% Cu	

A further four holes were drilled to the south of **DDH 1** and intersected minor copper mineralisation. DDH 5 intersected increasing amounts of copper including 18.80 metres at 0.34% copper, and several two to four metre intersections of 0.34 to 0.69% copper.

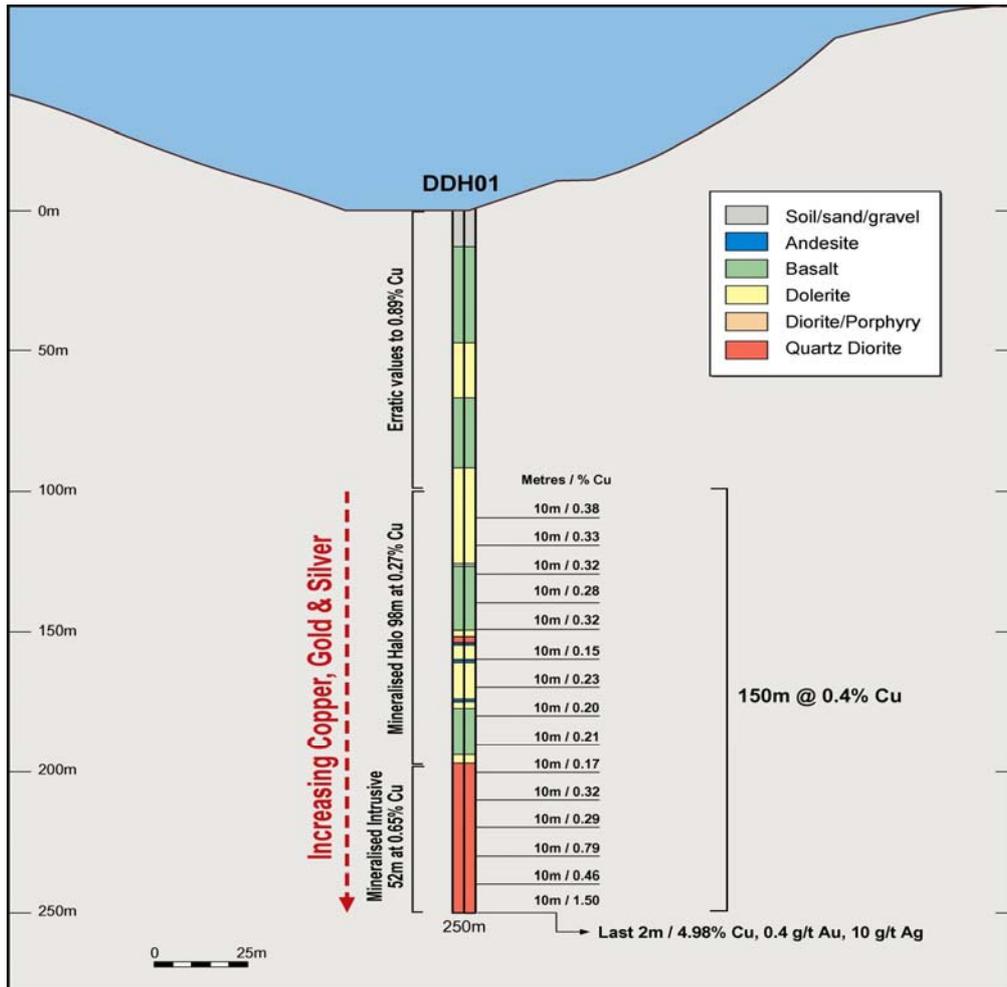


Figure 3: Lingig DDH 1 graphic log.

Discussion

Discovery drill hole DDH1 has intersected and stopped in the top of a mineralised copper-gold-silver quartz diorite porphyry.

Of particular note is the 98 metre disseminated copper halo above the quartz diorite, suggestive of an intense mineralising system, as well as the erratic copper values in the propylitic alteration envelope above this disseminated zone. This has similarities to the Lutopan orebody of the Atlas Toledo Mine where ore grade replacement mineralisation is hosted in volcanics for a width of 120 metres along a strike length of 900 metres (Reference: Mines & Geosciences Bureau, 1982: Geology and Mineral Resources of the Philippines).

Yours faithfully,

Geoff Davis
Managing Director

Information in this report relating to Exploration Results is based on information compiled by Mr Geoff Davis, who is a member of The Australian Institute of Geoscientists. Mr Davis is the Managing Director 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 "Australian 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.