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To: Medusa Mining Limited (ASX: MML)
Attention: Company Secretary
Australian Securities Exchange
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Date: 9 March 2017

Our Ref: B6706

Doc ID: 71726916.1

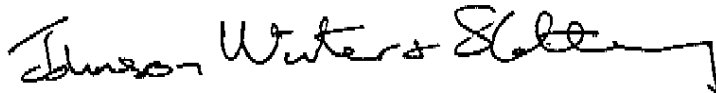
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Dear Sirs

Notice of Initial Substantial Shareholder

Attached is a copy of Form 603 – Notice of Initial Substantial Holder, for holdings in Medusa Mining Limited (ASX: MML) by Arbiter Partners Capital Management, LLC & Arbiter Partners QL, LP.



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Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme Medusa Mining LimitedACN/ARSN 099 377 849**1. Details of substantial holder (1)**Name Arbiter Partners Capital Management, LLC & Arbiter Partners QP, LP

ACN/ARSN (if applicable)

The holder became a substantial holder on 28/02/2017**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (5)
Ordinary shares	10,678,237	10,678,237	5.14%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Arbiter Partners QP, LP	Relevant interest in securities held by a custodian, pursuant to ss608(1)(b) and/or (c) of the Corporations Act	10,678,237 ordinary shares
Arbiter Partners Capital Management, LLC	Relevant interest in securities pursuant to s608(1)(c) of the Corporations Act as Investment Manager of Arbiter Partners QP, LP	10,678,237 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Arbiter Partners QP, LP	Merrill Lynch Professional Clearing Corp.	Arbiter Partners QP, LP	10,678,237 ordinary shares
Arbiter Partners Capital Management, LLC	Merrill Lynch Professional Clearing Corp.	Arbiter Partners QP, LP	10,678,237 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
See Annexure A	See Annexure A	See Annexure A	See Annexure A	See Annexure A

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Arbiter Partners Capital Management, LLC	530 Fifth Avenue, 20 th Floor, New York, NY 10036, USA
Arbiter Partners GP, LP	530 Fifth Avenue, 20 th Floor, New York, NY 10036, USA

Signature

print name Joshua Musher capacity COO

sign here  date 3/8/17

DIRECTIONS

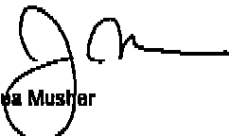
- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

XXXXX

Annexure A

This is Annexure A of two pages referred to in the Form 503: Notice of initial substantial holder
by Arbitr Partners Capital Management, LLC & Arbitr Partners QP, LP

Signature: 
 Name: Joshua Musther
 Capacity: COO
 Date: 3/8/17

Holder of relevant Interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash per share (\$)	Non-cash	
Arbitr Partners QP, LP	9/09/2016	0.74		300,000 ordinary shares
Arbitr Partners QP, LP	12/09/2016	0.72		400,000 ordinary shares
Arbitr Partners QP, LP	14/09/2016	0.7		200,000 ordinary shares
Arbitr Partners QP, LP	16/09/2016	0.72		200,000 ordinary shares
Arbitr Partners QP, LP	19/09/2016	0.71		6,062 ordinary shares
Arbitr Partners QP, LP	20/09/2016	0.71		196,980 ordinary shares
Arbitr Partners QP, LP	21/09/2016	0.69		150,000 ordinary shares
Arbitr Partners QP, LP	6/10/2016	0.65		100,000 ordinary shares
Arbitr Partners QP, LP	7/10/2016	0.64		100,000 ordinary shares
Arbitr Partners QP, LP	12/10/2016	0.64		26,882 ordinary shares
Arbitr Partners QP, LP	13/10/2016	0.64		938 ordinary shares
Arbitr Partners QP, LP	14/10/2016	0.64		72,200 ordinary shares
Arbitr Partners QP, LP	19/10/2016	0.63		1,642 ordinary shares
Arbitr Partners QP, LP	28/10/2016	0.63		100,000 ordinary shares
Arbitr Partners QP, LP	31/10/2016	0.62		100,000 ordinary shares
Arbitr Partners QP, LP	2/11/2016	0.61		81,229 ordinary shares
Arbitr Partners QP, LP	3/11/2016	0.61		42,733 ordinary shares
Arbitr Partners QP, LP	15/11/2016	0.61		15,141 ordinary shares
Arbitr Partners QP, LP	16/11/2016	0.61		54,281 ordinary shares
Arbitr Partners QP, LP	17/11/2016	0.61		100,000 ordinary shares
Arbitr Partners QP, LP	18/11/2016	0.57		17,396 ordinary shares
Arbitr Partners QP, LP	18/11/2016	0.59		100,000 ordinary shares
Arbitr Partners QP, LP	23/11/2016	0.6		31,710 ordinary shares
Arbitr Partners QP, LP	24/11/2016	0.57		145,000 ordinary shares
Arbitr Partners QP, LP	25/11/2016	0.56		55,000 ordinary shares
Arbitr Partners QP, LP	1/12/2016	0.54		150,000 ordinary shares
Arbitr Partners QP, LP	5/12/2016	0.52		50,000 ordinary shares

Arbiter Partners QP, LP	6/12/2016	0.5		118,308 ordinary shares
Arbiter Partners QP, LP	7/12/2016	0.49		1,137 ordinary shares
Arbiter Partners QP, LP	8/12/2016	0.49		799 ordinary shares
Arbiter Partners QP, LP	9/12/2016	0.49		135,330 ordinary shares
Arbiter Partners QP, LP	12/12/2016	0.49		134,426 ordinary shares
Arbiter Partners QP, LP	14/12/2016	0.48		50,000 ordinary shares
Arbiter Partners QP, LP	14/12/2016	0.47		15,492 ordinary shares
Arbiter Partners QP, LP	15/12/2016	0.46		40,000 ordinary shares
Arbiter Partners QP, LP	16/12/2016	0.42		60,000 ordinary shares
Arbiter Partners QP, LP	16/12/2016	0.43		60,000 ordinary shares
Arbiter Partners QP, LP	16/12/2016	0.44		40,000 ordinary shares
Arbiter Partners QP, LP	19/12/2016	0.43		80,000 ordinary shares
Arbiter Partners QP, LP	19/12/2016	0.43		29,278 ordinary shares
Arbiter Partners QP, LP	20/12/2016	0.45		37,098 ordinary shares
Arbiter Partners QP, LP	20/12/2016	0.46		50,000 ordinary shares
Arbiter Partners QP, LP	22/12/2016	0.47		60,000 ordinary shares
Arbiter Partners QP, LP	22/12/2016	0.46		50,000 ordinary shares
Arbiter Partners QP, LP	23/12/2016	0.47		50,000 ordinary shares
Arbiter Partners QP, LP	23/12/2016	0.45		70,000 ordinary shares
Arbiter Partners QP, LP	23/12/2016	0.46		60,000 ordinary shares
Arbiter Partners QP, LP	28/12/2016	0.47		60,000 ordinary shares
Arbiter Partners QP, LP	28/12/2016	0.46		22,733 ordinary shares
Arbiter Partners QP, LP	29/12/2016	0.47		60,000 ordinary shares
Arbiter Partners QP, LP	30/12/2016	0.49		74,352 ordinary shares
Arbiter Partners QP, LP	4/01/2017	0.52		60,000 ordinary shares
Arbiter Partners QP, LP	4/01/2017	0.51		50,000 ordinary shares
Arbiter Partners QP, LP	4/01/2017	0.5		50,000 ordinary shares
Arbiter Partners QP, LP	5/01/2017	0.51		60,000 ordinary shares
Arbiter Partners QP, LP	6/01/2017	0.53		163,117 ordinary shares
Arbiter Partners QP, LP	9/01/2017	0.54		60,000 ordinary shares
Arbiter Partners QP, LP	9/01/2017	0.53		37,844 ordinary shares
Arbiter Partners QP, LP	10/01/2017	0.55		104,549 ordinary shares
Arbiter Partners QP, LP	11/01/2017	0.54		40,000 ordinary shares
Arbiter Partners QP, LP	11/01/2017	0.55		50,000 ordinary shares
Arbiter Partners QP, LP	11/01/2017	0.56		60,000 ordinary shares
Arbiter Partners QP, LP	11/01/2017	0.56		100,000 ordinary shares
Arbiter Partners QP, LP	12/01/2017	0.48		160,000 ordinary shares
Arbiter Partners QP, LP	13/01/2017	0.47		270,000 ordinary shares
Arbiter Partners QP, LP	16/01/2017	0.45		60,000 ordinary shares
Arbiter Partners QP, LP	17/01/2017	0.45		70,000 ordinary shares
Arbiter Partners QP, LP	18/01/2017	0.45		201,847 ordinary shares
Arbiter Partners QP, LP	19/01/2017	0.43		70,000 ordinary shares
Arbiter Partners QP, LP	20/01/2017	0.43		240,000 ordinary shares
Arbiter Partners QP, LP	23/01/2017	0.42		177,703 ordinary shares
Arbiter Partners QP, LP	24/01/2017	0.43		200,000 ordinary shares
Arbiter Partners QP, LP	25/01/2017	0.41		160,000 ordinary shares
Arbiter Partners QP, LP	30/01/2017	0.4		300,000 ordinary shares

Arbiter Partners QP, LP	31/01/2017	0.4		184,043 ordinary shares
Arbiter Partners QP, LP	1/02/2017	0.41		160,138 ordinary shares
Arbiter Partners QP, LP	2/02/2017	0.4		180,000 ordinary shares
Arbiter Partners QP, LP	3/02/2017	0.41		6,046 ordinary shares
Arbiter Partners QP, LP	3/02/2017	0.42		180,000 ordinary shares
Arbiter Partners QP, LP	6/02/2017	0.43		80,000 ordinary shares
Arbiter Partners QP, LP	6/02/2017	0.42		26,854 ordinary shares
Arbiter Partners QP, LP	7/02/2017	0.43		60,000 ordinary shares
Arbiter Partners QP, LP	8/02/2017	0.41		370,000 ordinary shares
Arbiter Partners QP, LP	9/02/2017	0.41		200,000 ordinary shares
Arbiter Partners QP, LP	10/02/2017	0.41		220,000 ordinary shares
Arbiter Partners QP, LP	15/02/2017	0.43		120,000 ordinary shares
Arbiter Partners QP, LP	16/02/2017	0.42		300,000 ordinary shares
Arbiter Partners QP, LP	17/02/2017	0.4		80,000 ordinary shares
Arbiter Partners QP, LP	17/02/2017	0.41		80,000 ordinary shares
Arbiter Partners QP, LP	20/02/2017	0.4		240,000 ordinary shares
Arbiter Partners QP, LP	21/02/2017	0.4		300,000 ordinary shares
Arbiter Partners QP, LP	22/02/2017	0.4		141,543 ordinary shares
Arbiter Partners QP, LP	23/02/2017	0.39		189,874 ordinary shares
Arbiter Partners QP, LP	24/02/2017	0.39		118,572 ordinary shares
Arbiter Partners QP, LP	27/02/2017	0.39		200,000 ordinary shares
Arbiter Partners QP, LP	28/02/2017	0.37		340,000 ordinary shares