

ACTIVITIES REPORT FOR JUNE 2014 QUARTER

Executive Summary

Perseus Mining Limited (ASX/TSX: PRU) (“Perseus” or the “Company”) reports on its activities for the three month period ended 30 June 2014 (the “Quarter”).

Overview

Perseus’s corporate strategy of creating value by pursuing organic earnings growth and risk diversification through exploration and mine development, while optimising the operating efficiency of its core operating asset, is taking effect. The Company achieved drilling success at the Bokitsi South deposit in Ghana, advanced development planning for the Sissingué Gold Project in Côte d’Ivoire (“SGP” or “Sissingué”) and made significant operational improvements at the Edikan Gold Mine in Ghana (“EGM” or “Edikan”) during the Quarter.

Edikan Operations

- Operating efficiency at Edikan continued to improve during the Quarter, particularly in terms of gold recovery and mill run time (excluding down time caused by abnormal events);
- Gold production totalled 42,543ozs, 86,330ozs and 180,519ozs for the Quarter, Half Year and full financial year respectively;
- Production costs and all-in site costs were impacted by unscheduled processing downtime and repairs to fire damage and as a result, production and all-in site costs averaged US\$1,150/oz and US\$1,324/oz for the Quarter respectively;
- 45,767ozs of gold were sold during the Quarter at an average sales price of US\$1,333/oz;

Exploration – Edikan

- High grade drill intercepts recorded from a 37 drill hole programme on the Bokitsi South deposit confirm the potential for high grade mill feed to be mined earlier than envisaged in the current Edikan Life of Mine Plan;

Development - Sissingué Gold Project, Côte d’Ivoire

- Metallurgical test work and preliminary economic assessment of alternative project configurations and flow sheets has been completed and a selection of the preferred process route for detailed feasibility assessment is imminent;

Corporate

- VAT refunds totalling GH¢47.6M (USD15.8M) including GH¢30.0M during the Quarter and GH¢17.6M subsequent to the end of Quarter, have been received from the Ghanaian government;
- Available cash and bullion of \$48.7M as at 30 June 2014 (excluding \$10.0M of funds in escrow and GH¢17.6M VAT receivable received after end of the Quarter);
- 125,000ozs of gold sold forward at an average price of US\$1,468/oz, valued at US\$19.0M at year end.

Operations

Edikan Gold Mine - Ghana

Overview

During the last twelve months, Perseus's operating strategy at the EGM has been to focus on improving the fundamental operating performance of the mine and the process plant, while restricting capital investment to only those initiatives (including pre-stripping waste) that were considered essential to the sustenance of the business in the short to medium term. This strategy has yielded the following results:

Parameter	Unit	March 2014 Quarter	June 2014 Quarter	June 2014 Half Year	2014 Financial Year
Total material mined:					
• Volume	bcm ¹	2,419,626	2,284,242	4,703,868	10,146,576
• Weight	tonnes	6,543,278	6,183,813	12,727,092	27,109,398
Ore mined:					
• Oxide	tonnes	-	-	-	47,792
• Primary	tonnes	1,426,165	1,564,548	2,990,713	6,100,615
Ore grade mined:					
• Oxide	g/t ² gold	-	-	-	0.95
• Primary	g/t gold	1.11	1.16	1.14	1.07
Strip ratio	t:t	3.6	3.0	3.3	3.4
Ore stockpiles:					
• Quantity	tonnes	3,624,825	3,682,405	3,682,405	3,682,405
• Grade	g/t gold	0.55	0.58	0.58	0.58
Ore crushed	wet tonnes	1,522,031	1,435,504	2,957,535	6,196,201
Ore milled	dry tonnes	1,723,143	1,506,968	3,230,111	6,650,421
Milled head grade	g/t gold	0.95	1.02	0.98	1.00
Gold recovery	%	84	86	85	84
Gold produced	ozs	43,787	42,543	86,330	180,519
Gold sales ³	ozs	43,873	45,767	89,640	183,325
Average sales price	US\$/oz	1,294	1,333	1,314	1,322
Unit Costs:					
Mining cost	US\$/t mined	4.08	4.49	4.28	4.09
Processing cost	US\$/t milled	9.94	11.80	10.81	10.99
G & A cost	US\$/month	1.67	1.45	1.55	1.59
All-In Site Cash Cost					
Production cost	US\$/oz	1,071	1,150	1,100	1,126
Royalties	US\$/oz	<u>87</u>	<u>82</u>	<u>85</u>	<u>84</u>
Sub-total	US\$/oz	1,158	1,232	1,185	1,210
Capital costs:					
Inventory and stripping	US\$/oz	44	23	42	(1)
Sustaining capital	US\$/oz	<u>84</u>	<u>69</u>	<u>77</u>	<u>85</u>
Sub-total	US\$/oz	128	92	119	84
Total All-In Site Cost	US\$/oz	1,286	1,324	1,304	1,294
Site Exploration Cost	US\$M	0.313	0.700	1.013	1.490

Notes: 1. Denotes bank cubic metres 2. Denotes grams of gold/tonne of ore 3. Gold sales are recognised in Perseus's accounts when the contracted gold refiner takes delivery of gold in the gold room. For accounting purposes, the sales price is the spot price of gold on the day of transfer, adjusted to reflect the realised gold price.

Mining

During the Quarter, mining occurred in Stage 2 of the Fobinso Pit and Stage 3 of the AG pit, both of which are located on the western side of the Edikan mining leases, adjacent to the processing plant.

A total of 2,284,000 bcm of ore and waste was mined during the Quarter, nearly 6% less than in the March 2014 quarter. The reduction in mining rates was consistent with the Company's plan of conserving capital by reducing investment in waste stripping. Ore mined during the Quarter included 1,564,548 tonnes of transitional and primary ore grading 1.16g/t gold. Ore movements were nearly 10% higher and the grade of ore mined was 5% higher than in the previous quarter which is consistent with mine plans.

During the Quarter, the ROM ore stockpiles that include both high and low grade ore (but not mineralised waste) plus crushed ore increased by 57,580 tonnes to 3,682,405 tonnes grading 0.58g/t gold, and containing approximately 68,500ozs of gold. The addition to stockpiles reflected the significant increase in ore mined during the Quarter. These ore stockpiles were made up of approximately 32% oxide ore and 68% transitional/primary ore. Approximately 10% of the remaining stockpiled ore is classified as medium/high grade, containing greater than 0.6g/t gold, while 90% of the ore is classified as low grade containing 0.4 to 0.6g/t gold.

Processing

As previously advised, processing activities during the Quarter were temporarily interrupted by a fire in the processing plant in April 2014 and the failure of the Ghanaian electricity transmission company, GridCo's substation in June 2014, as well as unreliable grid power supply on a regular basis throughout the Quarter.

The fire occurred in the cyclone nest of the plant during a routine maintenance shutdown in April and caused damage to equipment and control systems that took about seven days to repair. While processing operations recommenced within seven days, operations were impacted for several more days while circuit stability was re-established. In June, operations were once again interrupted, this time by the failure of a current transformer in the substation that services the Edikan site and is owned and operated by GridCo. The transformer failure resulted in damage to three voltage transformers on the circuit, failure of insulators and damage to several of the cables that feed power to the Edikan processing plant, resulting in a total power outage to the plant for seventy three hours while repairs were carried out.

In addition, the power generating capacity of the Ghanaian power company, Volta River Authority, was affected by a major maintenance shut-down of one of its generators during the Quarter. This meant that at frequent intervals, the power supply to the site through the national electricity grid was either erratic or restricted as part of a campaign by the government owned electricity provider to redistribute power from industrial consumers to domestic users during periods of peak demand. Due to power restrictions placed on the Edikan operation, and to avoid down time caused by power fluctuations, it was necessary for the SAG Mill to be operated at less than full capacity. This was a major factor in limiting the average hourly mill throughput rate during the Quarter to 869dmtph.

Subsequent to the end of the Quarter, the availability and reliability of the power supply has returned to acceptable levels.

Notwithstanding the challenges described above, Perseus's tactic of vigorously pursuing productivity improvements at Edikan wherever possible has yielded positive results, particularly in the Quarter, as illustrated by the changes achieved in key productivity indicators as follows:

Table 2: Plant Performance Statistics

	June 2013 Quarter	June 2014 Quarter	Change
Crusher			
Run time	46%	51%	Up 11%
Hourly throughput rate (wmt)	1,158	1,294	Up 12%
SAG Mill			
Run time	75%	91% ¹	Up 21%
Hourly throughput rate (dmt)	869	869	steady
Gold recovery rate	81%	86% ²	Up 6%

1. Excludes run time lost due the fire in the cyclone nest and failure of Gridco's substation from calculation.

2. Recovery achieved while processing a blend of fresh (89%) and oxide (11%) ore

While improved productivity has to some degree offset the impact of the production interruptions summarised above gold production during the Quarter was 42,543ozs and the June 2014 Half Year production of 86,330ozs of gold was 3.0% below the revised production guidance range of 89,000ozs to 99,000ozs for the period.

Production Costs

Both the unit production costs and the unit all-in site costs incurred at the EGM during the Quarter were materially impacted by several factors including (for the reasons cited above) reduced quarter-on-quarter quantities used to calculate the unit costs.

As a consequence, the all-in site unit cash costs for the Quarter (including production, royalties, investment in pre-stripping and inventory, development and sustaining capital) totalled US\$1,324/oz. For the June 2014 Half Year, all-in site unit costs were US\$1,304/oz, 0.3% above the upper end of the guidance range. Production costs for the Quarter at US\$1,150/oz were 7% higher than the previous quarter. For the Half Year and full Financial Year to 30 June 2014, production costs averaged US\$1,110/oz and US\$1,126/oz respectively.

During the Quarter, approximately 53% of the EGM's production costs were incurred by the mining department while a further 37% were incurred by processing and maintenance.

With respect the cost base of mining, unexpected cost increases were incurred in the following areas:

- Rise and fall charges applicable under the mining contract, due to labour outcomes unilaterally agreed by the mining contractor, AMS as well as escalation in the cost of explosives and spare parts;
- Consumption of diesel fuel per bcm of material moved by AMS;
- Drill and blast costs arising from a trial involving decreasing the spacing of blast holes and increasing the powder factor to confirm whether improved rock breakage could generate sustained increases in mill throughput rates as ore hardens with depth in the pits.

Considerable focus is being placed on implementing cost savings in the mining area, with the view to realising improvements by late 2014 and prior to the planned commencement of development works on Fetish and Bokitsi South pits.

Processing and maintenance costs increased quarter-on-quarter largely as a result of increased maintenance costs associated with completing repairs to damage caused by the mill fire and also higher than expected maintenance charges, including contract labour hire and maintenance consumables.

EGM Production and Cost Guidance

Production and cost guidance for the EGM for the forthcoming six months to 31 December 2014 (“December 2014 Half Year”) and the financial year ending 30 June 2015 (“FY2015”) are as follows:

Table 5: FY 2015 Production and Cost Guidance

Parameter	Units	December 2014 Half Year	June 2015 Half Year	FY2015
Gold Production	Ounces	95,000-105,000	115,000-125,000	210,000-230,000
All-In Site Cash Costs	US\$/oz	1,160-1280	1,050-1,150	1,100-1,200

This forecast represents a material improvement in gold production in FY2015 relative to FY2014 which is expected to be driven largely by improved head grade of ore processed in the second six months of FY2015 as high grade ore is mined from the AG pits.

Mine Planning

Work is well advanced on re-estimating Edikan’s Mineral Resources taking into account mining depletion, recent drill results (including those from the Bokitsi South deposit) and changes to assumptions based on operating experience to date. It is expected that a revised Mineral Resource estimate will be published during the September 2014 Quarter.

Using the revised Mineral Resource estimate as a basis, the existing designs of each of the pits will be updated taking into account assumptions based on recent operating experience. Detailed consideration will also be given to rescheduling the order in which new pits are developed in order to optimise the overall value of the mine. This work will result in a revision to the Edikan Life of Mine Plan which based on the current schedule, will be published later this year.

Key Personnel Changes at EGM

Mr John Seaward has been appointed to the role of Executive General Manager at the EGM. John Seaward is a very experienced manager of gold mining operations in Ghana having spent nearly seven years as General Manager of Kinross’s Chirano Gold Mine as well as periods at Golden Star’s Bogoso and Wassa Gold Mines, and Ashanti Goldfield’s Bibiani Gold Mine. He has also served with mining contractors PW Mining in Africa and Roche Brothers Mining Contractors and MIM Holdings Limited in Australia. This experience will be important in formulating and implementing plans to reduce mining costs at EGM in the short to medium term.

Project Development

Sissingué Gold Project (“SGP”) – Côte d’Ivoire

In November 2010, Perseus announced details of a Feasibility Study for the development of its Sissingué gold deposit located near Tengréla in northern Côte d’Ivoire, which confirmed robust project economics based on selected assumptions as well as the upside potential from ongoing resource definition drilling.

In the period that followed, Perseus sought to negotiate a fiscal stability agreement with the Ivorian government to ensure that the fiscal terms that had been assumed as part of the Feasibility Study would remain in force for the duration of the project. Before such an agreement could be finalised a significant fall in the price of gold together with start-up challenges at the EGM, eliminated internal cash flows as a source of funding for the project. In addition, the ongoing resource definition drilling failed to generate the incremental increases in the Mineral Resource and Mineral Reserves that had been anticipated. At this point the project was placed on care and maintenance.

Since late 2013, Perseus has been reviewing processing options for the SGP with the aim of reducing capital costs and increasing gold recoveries as a prelude to reassessing the Feasibility Study model. A smaller, higher grade operation with significantly reduced capital costs has been targeted and relevant metallurgical test work has been carried out to assess the following processing options:

1. A smaller version of the originally planned crush, grind, CIL process route;
2. Heap leaching;
3. Gravity recovery or combined gravity and CIL process; and
4. A grind, gravity or flotation, fine grind, followed by a CIL process.

Work on the preliminary economic assessment of the above processing options was completed following the end of the Quarter and selection of a preferred process flow sheet is imminent.

In the coming months, the technical study of the chosen flow sheet will be advanced and the project Feasibility Study will be revised to reflect not only the new processing flow sheet, but also revised assumptions related to mining and various service functions associated with the project. Perseus will take particular note of the commissioning and operating experience gained through the development and operation of the Company’s first gold mine at Edikan in Ghana.

During this period, the Company will also re-engage with the Ivorian Government to finalise a Mining Convention for the project. While the SGP has been on hold, a new mining code came into effect in March 2014 which provided a framework for obtaining fiscal stability for mining projects and the Government granted Perseus’s request for an extension of time of two years until March 2016 to develop the SGP.

Based on current plans, it is estimated that Management will be in a position to table a project development proposal conditional on financing for consideration by the Board of Perseus in early 2015.

Exploration

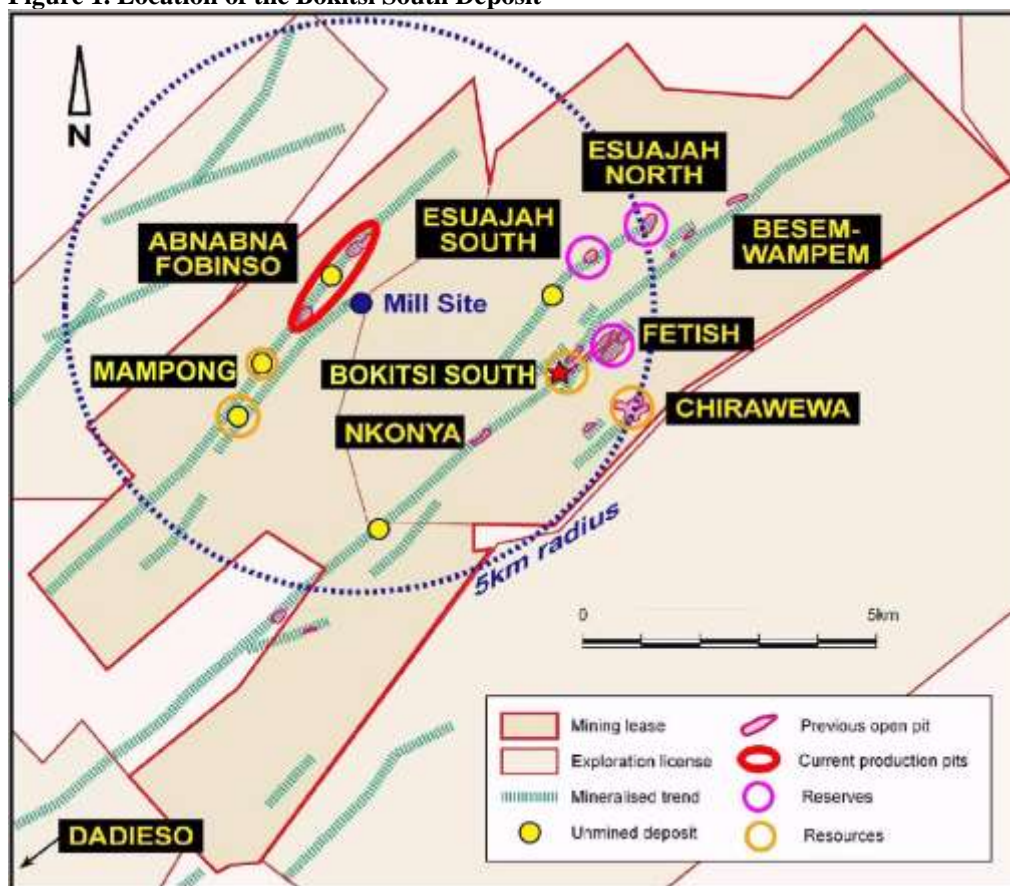
Ghana

During the Quarter, US\$0.70M was spent on exploration activities in Ghana at the EGM and on adjoining licence areas, including 4,866m of drilling, with the following results.

Ayanfuri Mining Lease

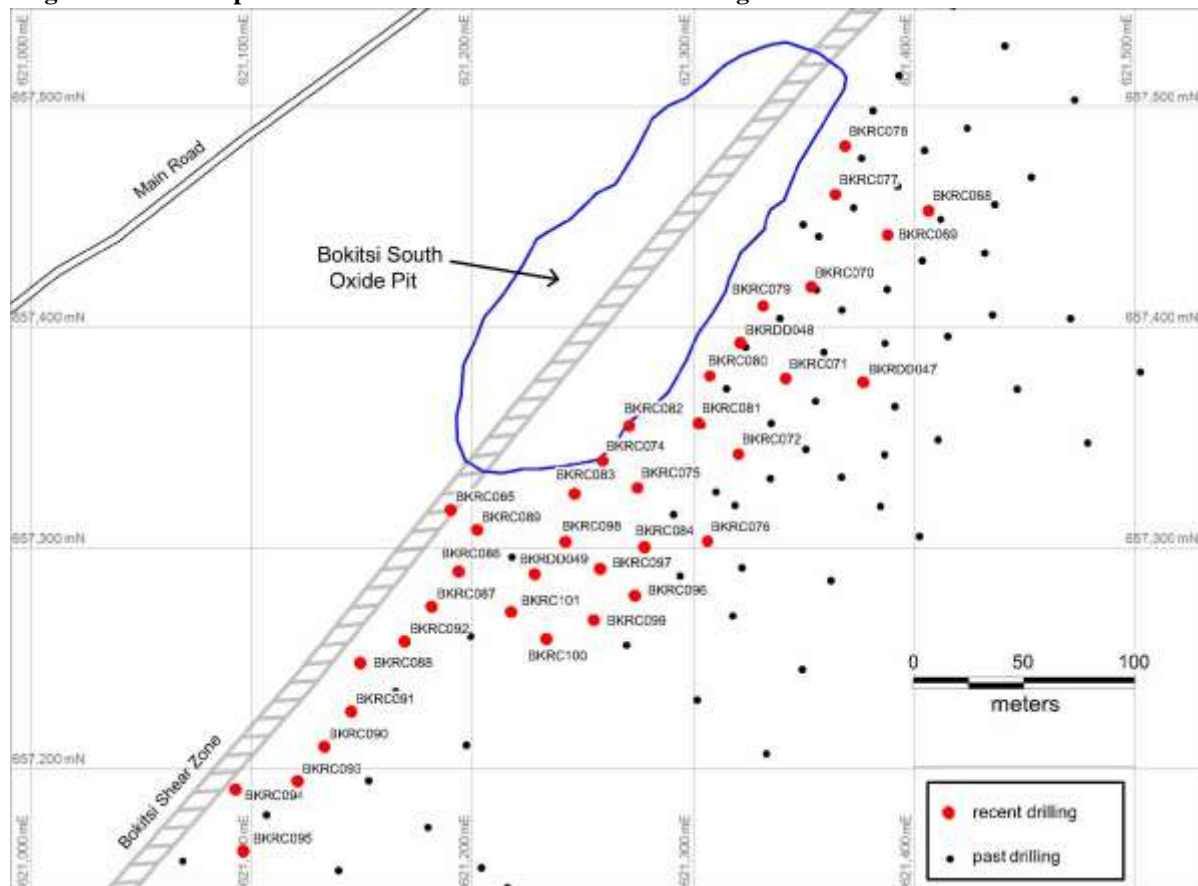
A program of Mineral Resource infill drilling was conducted on the Bokitsi South deposit on the Ayanfuri Mining Lease which hosts the EGM, with 2,870m of reverse circulation drilling (“RC”) and 103m of diamond (“DD”) drilling in 37 holes. Bokitsi South is the first of a number of targets to be drill tested with the aim of identifying high grade mineralisation that can be included in mill feed for the EGM processing plant.

Figure 1. Location of the Bokitsi South Deposit



The drilling programme targeted areas containing Inferred Mineral Resources at Bokitsi South, as well as testing the southern extent of the lode. The drill results from the programme will be incorporated into a revised estimation of the Mineral Resources at Bokitsi South which is expected to be published in August 2014. A maiden Mineral Reserve estimate for the Bokitsi South deposit based on the updated Mineral Resource data will be included in a re-estimation of the EGM’s Mineral Reserves which will also take into account mining depletion and revised cost and gold price assumptions and will be published later this year. Results from the Bokitsi South drilling program are listed in the Table in Attachment 1. Figures 1 to 3 show the location of the drilling and highlighted results. These exploration results were released to the market in parts on 19 June and 7 July 2014 and readers should refer to those releases for the relevant JORC Code Table 1 disclosures.

Figure 2. Plan Map of the Bokitsi South Resource Infill Drilling



Nsuaem Prospecting Licence

RC drilling commenced at the Pokukrom Prospect on the Nsuaem Prospecting Licence, located 10 to 13km northeast of the Edikan plant site, to follow up on significant results from past drilling. Previous RC drilling at Pokukrom conducted in early 2013 returned several significant intercepts including 26m at 1.5g/t, 24m at 1.2g/t and 11m at 2.6g/t gold. A total of 1,893m in 23 drill holes out of a planned 2,450m program were completed during the Quarter with all assays pending. Figure 4 depicts the location of the Pokukrom prospect.

Agyakusu Prospecting Licence

A small soil sampling program consisting of 325 samples was completed on the Agyakusu Prospecting Licence (Refer to Figure 4) targeting the north-eastern strike extension of the Abnabna-Fobinso granite dike 2.8 to 6.4km northeast of the Fobinso pit. Soil sampling was conducted at 50m intervals on 400m spaced lines from 40-50cm deep hand-dug pits. Whole samples were crushed and analysed for gold by 24 hour “BLEG” bottle roll. All assays were received and a zone of gold anomalous soils with high values including 5,170ppb, 2,890ppb, 980ppb and 870ppb gold and with coincident arsenic anomalism was delineated. This encouraging soil anomaly relatively close to the Edikan plant site will be followed up in the next quarter with a first-pass scout RC drilling program.

Figure 3. Vertical Longitudinal Section of the Bokitsi South Deposit with Recent Infill Drilling Highlighted

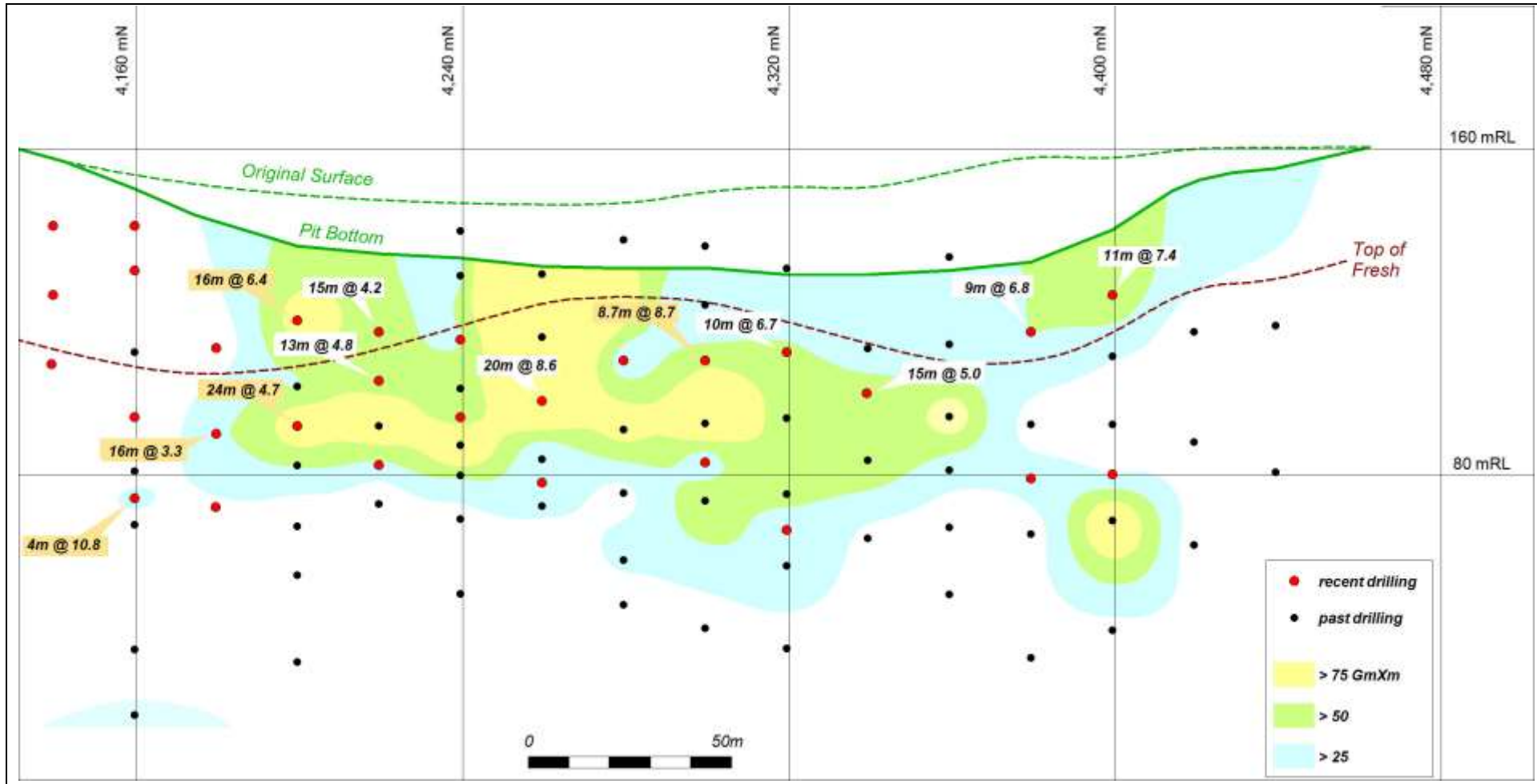
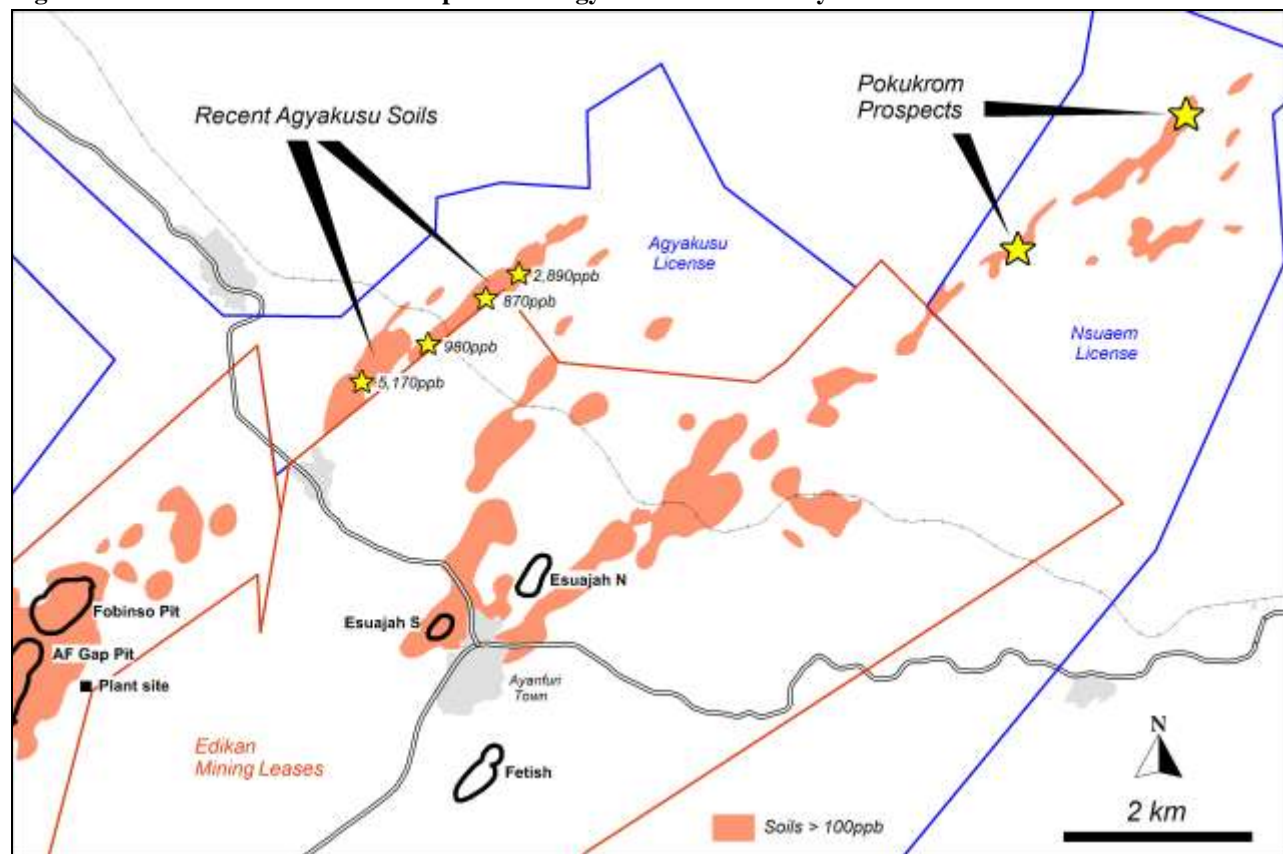


Figure 4. Location of Pokukrom Prospects and Agyakusu Soil Anomaly



Côte d'Ivoire

During the Quarter, a total of US\$0.37M was spent by Perseus on exploration activities in Côte d'Ivoire, including the following:

Mahalé Exploration Permit

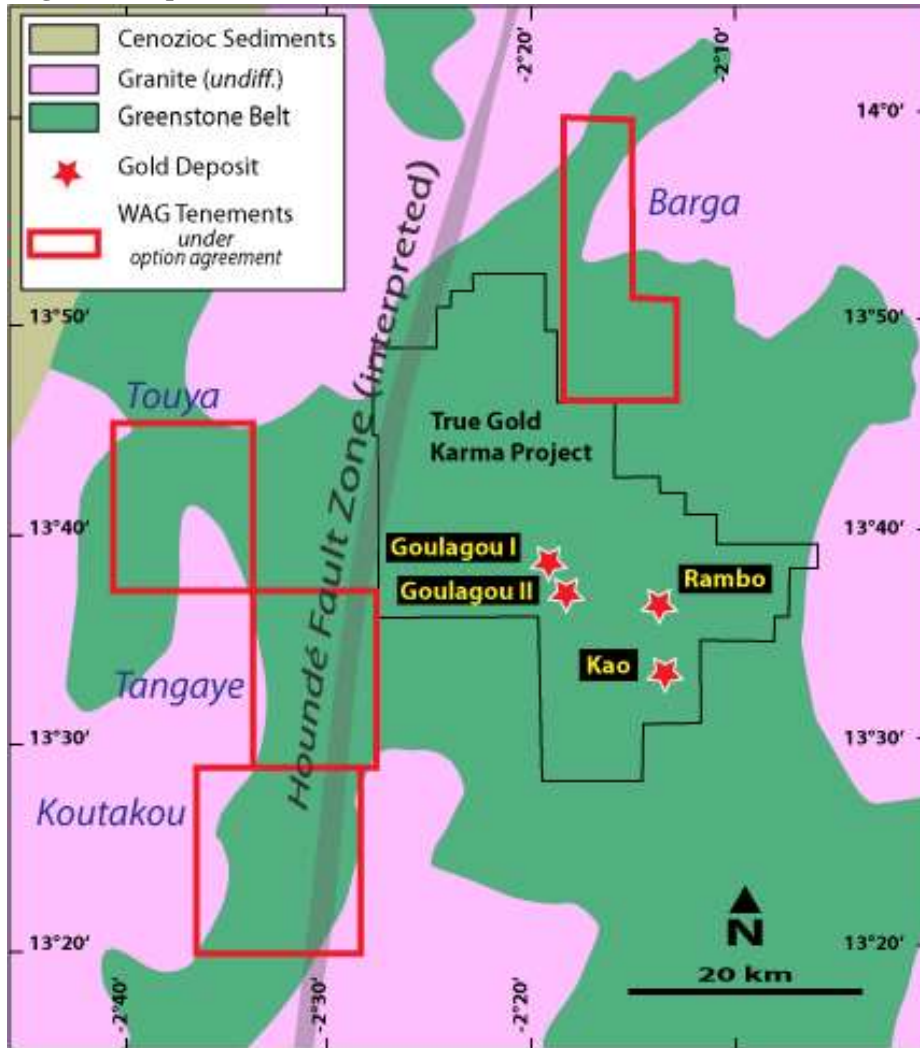
A program of auger drilling was completed on Mahalé licence during the Quarter to test gold in lag anomalism on the eastern side of the permit, 5 to 7 km east of the Bélé prospect. Forty-seven auger holes totalling 279 meters were drilled during the Quarter. All assay results were received and were largely insignificant. At the Bélé prospect, a program of gradient induced polarisation (“IP”) geophysics commenced with 84 line kilometres completed. The IP geophysics is intended to help target follow up drilling at the Bélé prospect.

Burkina Faso

The Koutakou tenement plus the Tangaye, Touya and Barga tenements in north-western Burkina Faso are being explored under an earn-in agreement with unlisted Australian company West African Gold Limited. Assays were received for 1,354 soil samples collected in the March quarter to infill and extend the existing Koutakou gold in soil anomaly and confirmed the 13km long anomaly with gold values comparable to the historic values.

During the Quarter, a small program of geological mapping, prospecting and rock sampling was conducted on the West African Gold Limited tenements. A number of active artisanal mining sites were identified on the Koutakou, Touya and Barga tenements. A total of 82 grab samples of rock outcroppings and material from artisanal mine workings were obtained with seven samples returning values between 1 and 5 g/t gold. A program of scout RAB drilling has been planned to evaluate the Koutakou anomaly plus explore several of the artisanal mining sites and is expected to commence in the December 2014 quarter after the rainy season.

Figure 5 - Exploration Tenements Burkina Faso



Corporate

Cash, Bullion

Based on the gold price on 30 June 2014 of US\$1,315/oz and an A\$:US\$ exchange rate of 0.9439, the total value of cash and bullion on hand at the end of the June 2014 Quarter was \$48.7M, approximately \$1.1M more than at the end of the March 2014 quarter (\$47.6M). In addition to the above, the Group had a further \$10.0M of cash on deposit in escrow accounts providing security for various matters including future environmental commitments.

The Group's available cash balance as at 30 June 2014 was \$36.9M. In addition, 8,430oz of gold were held either on site, in the process of being refined or in the Company's metal account on 30 June 2014. Based on the parameters described above, this bullion was valued at \$11.8M at 30 June 2014 giving the combined balance of cash and bullion on hand of \$48.7M.

Gold Sales and Price Hedging

Of the 45,767ozs of gold sold during the Quarter (March 2014 Quarter: 43,873ozs) at a weighted average delivered price of US\$1,333/oz (December 2013: US\$1,294/oz), a total of 8,000ozs were delivered into forward sales contracts at an average price of US\$1,278/oz with the remaining gold sales occurring at prevailing spot prices.

As at 30 June 2014, the Company's gold price hedging position included 125,000ozs of gold deliverable up to and including 31 December 2015 at a weighted average price of US\$1,468/oz. This includes a total of 70,000oz of gold deliverable in quarterly instalments during the 2015 calendar year at a price of US\$1,600/oz.

The total hedge position was "in the money" to the extent of US\$19.0M as at 30 June 2014 (31 March 2014: US\$24.4M). In the September 2014 quarter, 19,000ozs of gold is scheduled to be delivered at an average price of US\$1,287/oz under the company's mandatory hedge programme.

VAT Receivable

During and subsequent to the end of the Quarter, Perseus has received three cash payments totalling GH¢47.6M (USD15.8M) as partial payment of the outstanding VAT debt owed to the Company by the Government of Ghana.

Following receipt of the agreed payments, the outstanding VAT position is as follows:

	<u>GH¢ Million</u>	<u>USD Million*</u>
Approved VAT claims	39.711	13.093
VAT claims pending audit	21.563	7.109
VAT Refunds Due and Payable	61.274	20.202
Less: Statutory Tax payments deferred	<u>(15.132)</u>	<u>(4.989)</u>
Net Refund Due for Payment	46.142	15.213

*Assumes USD1.00=GH¢3.0331 as at 17 July 2014

The Company is continuing to work with the Government to agree repayment terms for the balance of the outstanding debt and also to avoid the current situation where a large VAT receivable has accumulated and remained unpaid for an extended period.

Program for the September 2014 Quarter

Edikan Gold Mine

- Produce gold at a total all-in site cash cost that is in line with Half Year guidance;
- Continue to fine-tune plant metallurgical performance and maximise SAG mill throughput;
- Continue training of operating and maintenance staff;
- Continue drilling to delineate potential higher grade mill feed at Mampong South-west, approximately 1 km south of the Abnabna pit, and exploration targets on the Agyakusu licence; and
- Continue to implement business improvement initiatives across all departments of the EGM.

Sissingué Gold Mine Development Project

- Update Feasibility Study for the SGP based on preferred development configuration and flow sheet;
- Re-convene discussions with the Ivorian government about a Mining Convention covering the revised SGP; and
- Continue exploration for Mineral Resources on Mahalé exploration licence and the Sissingué exploitation permit.

Jeff Quartermaine
Managing Director and Chief Executive Officer

29 July 2014

To discuss any aspect of this announcement, please contact:

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Investor Relations: Nathan Ryan at telephone +61 4 20 582 887 or email nathan.ryan@nwrcommunications.com.au (Melbourne).

Competent Person Statement:

All production targets for the Edikan Gold Mine (EGM) referred to in this report are underpinned by estimated Ore Reserves which have been prepared by competent persons in accordance with the requirements of the JORC Code.

The information in this report that relates to EGM Ore Reserves and Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by Mr Kevin Thomson, a Competent Person who is a Professional Geoscientist with the Association of Professional Geoscientists of Ontario. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report and the attachment that relates to exploration results at its Bokitsi South deposit in Ghana was first reported by the Company in compliance with the JORC Code 2012 in market releases on 19 June 2014 and 7 July 2014. The Company confirms that it is not aware of any new information or data that materially affects the information in those market announcements. The information in this report that relates to other exploration results is based on, and fairly represents, information and supporting documentation prepared by Mr Kevin Thomson, a Competent Person who is a Professional Geoscientist with the Association of Professional Geoscientists of Ontario. Mr Thomson is an employee of a subsidiary of the Company. Mr Thomson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken, 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') and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr Thomson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. For a description of Perseus' data verification process, quality assurance and quality control measures, the effective date of the mineral resource and mineral reserve estimates contained herein, details of the key assumptions, parameters and methods used to estimate the mineral resources and reserves set out in this report and the extent to which the estimate of mineral resources or mineral reserves set out herein may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues, readers are directed to the technical report entitled "Technical Report - Central Ashanti Gold Project, Ghana" dated May 30, 2011 and the technical report entitled "Technical Report - Tengréla Gold Project, Côte d'Ivoire" dated December 22, 2010 in relation to the Edikan Gold Mine (formerly the Central Ashanti Gold Project) and the Tengréla Gold Project respectively.

Caution Regarding Forward Looking Information: This report contains forward-looking information which is based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management of the Company believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Assumptions have been made by the Company regarding, among other things: the price of gold, continuing commercial production at the Edikan Gold Mine without any major disruption, development of a mine at Tengréla, the receipt of required governmental approvals, the accuracy of capital and operating cost estimates, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used by the Company. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of current exploration, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. The Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Assumptions have been made regarding, among other things, the Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the price of gold, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers should not place undue reliance on forward-looking information. Perseus does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

ATTACHMENT 1 – JUNE QUARTER DRILLING RESULTS
Table: Bokitsi South Deposit, Edikan Gold Mine, Ghana, June Quarter Resource Drilling Results

Hole	East (m)	North (m)	RL (mASL)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
BKRC068	2,807	4,400	157	115	307	-50	97	104	7	3.6
BKRC069	2,800	4,380	155	105	307	-55 <i>incl.</i>	92 92	96 94	4 2	9.2 17.7
BKRC070	2,786	4,340	156	95	307	-45 <i>incl.</i>	75 77	88 82	13 5	5.7 12.6
BKRC071	2,803	4,300	159	110	307	-55	91	100	9	2.1
BKRC072	2,808	4,260	157	110	307	-55 <i>incl.</i>	83 83	94 85	11 2	4.4 9.1
BKRC073	2,793	4,240	151	120	307	-50	56 92	82 94	26 2	1.6 2.9
BKRC074	2,770	4,220	149	72	307	-45 <i>incl.</i> <i>and</i>	44 47 56	59 50 58	15 3 2	4.2 7.4 11.6
BKRC075	2,781	4,220	149	84	307	-55 <i>incl.</i> <i>incl.</i>	32 53 54 63 64	33 60 56 66 65	1 7 2 3 1	9.5 5.4 12.4 8.6 17.6
BKRC076	2,819	4,220	153	100	307	-55 <i>incl.</i>	90 91	97 94	7 3	6.4 12.8
BKRC077	2,769	4,380	154	65	307	-45 <i>incl.</i>	53 55	62 57	9 2	6.8 12.1
BKRC078	2,759	4,400	155	60	307	-45 <i>incl.</i>	40 40	51 44	11 4	7.4 14.3
BKRC079	2,775	4,320	157	90	307	-45 <i>incl.</i>	66 71	76 74	10 3	6.7 12.3
BKRC080	2,774	4,280	154	120	307	-45	66 71 111	68 72 118	2 1 7	2.6 24.8 1.0
BKRC081	2,783	4,260	153	110	307	-45 <i>incl.</i> <i>and</i>	45 67 67 79	47 87 70 83	2 20 3 4	1.5 8.6 30.5 11.4
BKRC082	2,774	4,240	150	112	307	-45 <i>incl.</i>	55 59 63 80	56 66 65 84	1 7 2 4	6.9 5.8 10.0 1.0
BKRC083	2760.1	4199.9	148.3	96	270	-50 <i>incl.</i>	14 43 44	18 59 47	4 16 3	1.3 6.4 26.7
BKRC084	2800.0	4199.8	149.5	100	270	-50 <i>incl.</i>	60 68 77	84 70 80	24 2 3	4.6 18.9 13
BKRC085	2720.4	4159.9	150.7	36	270	-55	5	9	4	1.2
BKRC086	2740.4	4140.0	151.5	30	270	-55	27	30	3*	5.6
BKRC087	2740.6	4120.0	153.3	30	270	-55	NSI			
BKRC088	2730.6	4080.0	166.6	36	270	-55	NSI			
BKRC089	2735.0	4159.9	149.1	45	270	-50	NSI			

Hole	East (m)	North (m)	RL (mASL)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
BKRC090	2738.9	4039.9	168.1	36	270	-55	3	8	5	1.2
							32	35	3	6.1
BKRC091	2740.2	4060.0	167.1	36	270	-55	29	36	7*	2.8
BKRC092	2740.5	4099.9	161.7	36	270	-55	35	36	1*	1.9
BKRC093	2740.4	4020.0	166.1	36	270	-55	9	15	6	8.7
							10	13	3	16.1
BKRC094	2720.1	3999.9	165.2	24	270	-55	14	15	1	5.7
BKRC095	2740.2	3979.9	157.9	30	270	-55	NSI			
BKRC096	2810.0	4180.5	150.0	114	270	-55	75	86	11	1.9
BKRC097	2790.1	4179.9	149.6	95	270	-50	30	46	16	3.3
							56	58	2	48.2
							58	59	1	3.2
							64	68	4	2
BKRC098	2769.7	4179.9	149.9	90	270	-45	40	42	2	1.7
							58	60	2	2.1
BKRC099	2801.7	4160.0	149.4	102	270	-50	72	76	4	10.8
							73	74	1	36
							92	96	4	2
BKRC100	2788.7	4140.0	149.7	96	270	-50	54	67	13	1
							80	88	8	2.6
BKRC101	2769.3	4140.2	149.7	90	270	-45	NSI			
BKRDD047	2832.3	4320.0	162.7	136	270	-55	114	124	10	1.4
BKRDD048	2776.7	4299.8	155.3	130	270	-45	67.5	76.2	8.7	8.7
							72.6	75	2.4	18.6
BKRDD049	2768.0	4160.0	150.0	81	270	-50	NSI			

Notes:

1. NSI means "No significant intercept"
2. * denotes drill hole ends in mineralisation