

NEWS RELEASE

28 January 2015

ACTIVITIES REPORT FOR DECEMBER 2015 QUARTER**Executive Summary**

Perseus Mining Limited (ASX/TSX: PRU) (“Perseus” or the “Company”) reports on its activities for the three-months ended 31 December 2015 (the “Quarter”).

OPERATIONS – EDIKAN GOLD MINE, GHANA (“EDIKAN”)

- Increased mining activity at Fetish, Chirawewa and Fobinso open pits to accelerate access higher grade fresh ore supplies;
- Pending access to higher grade ore zones, lower grade ore plus stockpiled ore provided mill feed resulting in quarterly gold production of 32,426ozs, and 76,693ozs of gold for the December 2015 Half Year;
- Significant operating cost improvements achieved in prior quarters maintained with unit mining and processing costs of US\$2.45/tonne mined and US\$9.28/tonne processed respectively;
- All-in site costs (including all development and sustaining capital) of US\$1,208/oz for the December 2015 Half Year, close to midpoint of Half Year cost guidance range;
- Quarterly gold sales of 32,616ozs at an average sales price of US\$1,247/oz;
- Infrastructure works for housing to relocate former residents of the Eastern Pits and Esuajah North mine take areas is on schedule and under budget.

DEVELOPMENT - SISSINGUÉ GOLD MINE, CÔTE D’IVOIRE (“SISSINGUÉ”)

- Spent US\$5.1M of capital on an early works programme, pending decision on full-scale project construction;
- Full scale development decision deferred due to weakening global economic environment and a desire to preserve balance sheet in a volatile capital market;
- Continued implementing integrated security and community development programs in the Sissingué area to maintain social licence to operate.

CORPORATE

At 31 December 2015, Perseus’s \$164.9M of working capital included:

- Immediately available cash and bullion of \$99.1M;
- Gold forward sales contracts for 120,267ozs of gold sold forward at an average price of US\$1,276/oz and valued at \$35.3M;
- No third party debt (other than accounts payable in the ordinary course of business).

Note: All dollar amounts are expressed in Australian dollars unless notified otherwise.

Operations

Edikan Gold Mine - Ghana

Overview

The performance of Perseus's flagship operation during the Quarter, the six months to 31 December 2015 (the "December 2015 Half Year"), and 2015 Calendar year respectively is summarised as follows:

Table 1: Quarterly Performance Statistics

Parameter	Unit	September 2015 Quarter	December 2015 Quarter	December 2015 Half Year	Calendar Year 2015
Production & Sales:					
Total material mined:					
• Volume	bcm ¹	3,776,440	3,867,785	7,644,225	10,596,367
• Weight	tonnes	7,555,548	7,605,825	15,161,373	21,775,619
Ore mined:					
• Oxide	tonnes	272,989	498,219	771,208	771,208
• Fresh/Transitional	tonnes	427,257	854,309	1,281,566	4,161,480
Ore grade mined:					
• Oxide	g/t ² gold	0.68	0.63	0.65	0.65
• Fresh/Transitional	g/t gold	1.49	0.95	1.13	1.26
Strip ratio	t:t	9.8	4.6	6.4	3.4
Ore stockpiles:					
• Quantity	tonnes	2,418,200	1,956,773	1,956,773	1,956,773
• Grade	g/t gold	0.6	0.5	0.5	0.5
Ore crushed	tonnes	1,441,917	1,453,485	2,895,402	5,498,403
Ore milled	tonnes	1,723,294	1,813,921	3,537,215	6,582,810
Milled head grade	g/t gold	0.93	0.68	0.80	1.03
Gold recovery	%	86	81	84	87
Gold produced	ozs	44,267	32,426	76,693	188,812
Gold sales ³	ozs	45,344	32,616	77,960	190,203
Average sales price	US\$/oz	1,291	1,247	1,280	1,313
Unit Costs:					
Mining cost	US\$/t mined	2.35	2.45	2.40	3.01
Processing cost	US\$/t milled	9.10	9.28	9.19	9.91
G & A cost	US\$/month	1.42	1.34	1.38	1.40
All-In Site Cost					
Production cost	US\$/oz	851	1,216	1,006	782
Royalties	US\$/oz	<u>133</u>	<u>74</u>	<u>108</u>	<u>82</u>
Sub-total	US\$/oz	984	1,290	1,114	864
Sustaining capital	US\$/oz	<u>76</u>	<u>118</u>	<u>94</u>	<u>87</u>
Total All-In Site Cost	US\$/oz	1,060	1,408	1,208	951
Site Exploration Cost	US\$M	0.81	0.65	1.46	2.56

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.

Mining

During the Quarter, mining activities occurred in Stage 3 of the Fobinso pit, and Stage 1 of the Fetish and Chirawewa pits. A total of 3,867,785 bcm of ore and waste was mined during the Quarter, 91,345bcm more than in the September 2015 quarter. The significant majority (82%) of the material moved was waste material. A total of 1,352,528 tonnes of ore were mined (including 37% oxide ore and 63% transitional and fresh ore), giving a waste to ore strip ratio of 4.6 for the Quarter. The benefits of the current investment in waste stripping will be reflected in the future when the stripping ratio will materially decline.

As previously reported, a delay in the receipt of statutory approval to develop open pits on the eastern side of Perseus's mining lease has impacted Edikan's mine production schedule. Since obtaining the formal approval to mine on 12 August 2015, Perseus and its mining contractors have worked to mitigate the impact of the delay by accelerating mining in each of the Fobinso Stage 3, Fetish and Chirawewa pits.

Waste stripping for Stage 3 of the Fobinso pit by the mining contractor, Rocksure International Ltd ("Rocksure"), was accelerated during the Quarter to 1.124Mbcm of material in line with forecasts. Small quantities of ore were also mined from Fobinso during the Quarter. The tonnes and the grade of ore mined from Fobinso are scheduled to increase in coming quarters.

Despite best efforts in mining of 2.532Mbcm of material from the Fetish and Chirawewa pits, mining fell short of forecasts as mud clearing from historically-mined Chirawewa and Fetish pits (that until recently were flooded) and grade control activities limited access to the higher grade ore zones. As a consequence, higher grade ore has taken longer than expected access and this has had a direct impact on the quantity and grade of fresh ore available for processing.

To address the issue, eastern pits mining contractor African Mining Services ("AMS") was requested to mobilise additional drill rigs for grade control drilling. Three rigs are currently deployed and additional rigs may also be deployed if required to ensure that grade control drilling remains sufficiently well in advance of mining. Perseus has also engaged the services of a grade control consultant to advise local staff on methods of improving the efficiency and effectiveness of our grade control activities. It is expected that higher grade ore will be accessed in coming quarters and that this will materially improve the grade and quantity of ore mined and processed from the Fetish and Chirawewa pits.

Improvements in efficiency are also being sought in the transport of ore from the eastern pits to the ROM stockpile located adjacent to the Edikan plant site, including efforts to maximise the amount of ore tipped directly to the crusher to reduce rehandling.

In addition to mining activities in Fobinso and the eastern pits, 280,000 tonnes of oxide ore was mined from decommissioned heap leach pads located near former workings on the mining lease. This material which on average grades 0.64g/t, has been used to supplement stockpiled oxide ore as a means of optimising mill throughput rates.

During the Quarter, ore stockpiles that include both high and low grade ore (but not mineralised waste) plus crushed ore, decreased by 461,400 tonnes to 1,956,800 tonnes grading 0.5g/t gold on average. The stockpiles contain approximately 34,243ozs of gold. The decrease in stockpiles reflects the deficit of ore mined relative to ore milled during the Quarter as a result of the later than planned approval for mining of the Eastern Pits. At the end of the Quarter, the ore stockpiles were made up of approximately 34% oxide ore and 66% transitional/primary ore. The increase in stockpiled oxide ore relative to prior periods is partially a result of the material being mined from decommissioned heap leach pads. Approximately 8% of the remaining stockpiled ore is classified as medium/high grade, containing greater than 0.6g/t gold, while 92% of the ore is classified as low grade containing 0.4 to 0.6g/t gold.

Processing

As noted, with limited quantities of higher grade fresh ore being mined from the Fobinso, Fetish and Chirawewa pits during the Quarter, the majority of ore processed at Edikan was drawn from our relatively low grade ore stockpiles. At an average head grade of 0.68g/t, the grade of ore processed during the Quarter was 27% below the average grade of ore processed in the September 2015 quarter which accounts for the 27% quarter-on-quarter decrease in gold production.

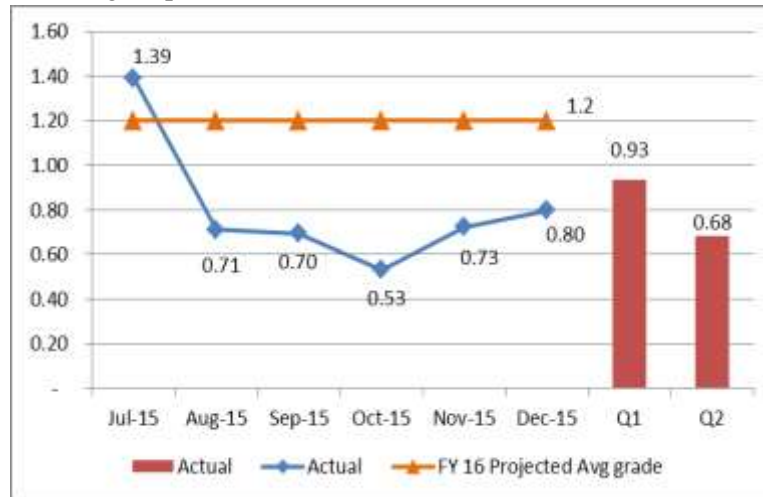
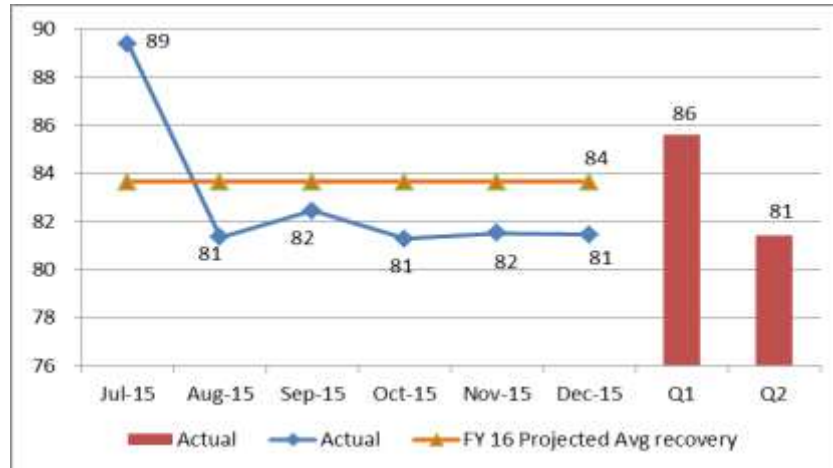


Figure 1 - Head Grade (g/t) of Mill Feed

During the Quarter, a total of 32,426ozs of gold were recovered at Edikan by processing 1,813,921 tonnes of ore grading on average 0.68g/t gold. In the December Half Year, when 3,537,215 tonnes of ore grading 0.8g/t were processed, gold production totalled 76,693ozs, 32% less than in the June 2015 Half Year when 3,045,595 tonnes of ore grading 1.29g/t or 61% higher than in the current Half Year was processed. This period-on-period gold production reflects a 16% increase in tonnes of ore processed and a material improvement in the overall operating efficiency of the Edikan milling operation, notwithstanding the fall in the head grade of ore processed. This improved efficiency together with the current investment being made in waste stripping should, subject to gold price, ensure strong cash flows in coming years.

Crusher run time was down during the Quarter relative to the prior period mainly as a result of a series of maintenance shutdowns of the crusher and associated conveying equipment. However, compensating for the additional down time, throughput rates increased to 1,471dtp (31% higher than in the September 2015 quarter) and at no time did the additional downtime of the crusher negatively impact our milling operation. A thorough assessment of the crushing operation has been conducted by engineering consultants, Lycopodium and a number of small scale remedial projects are being planned to improve equipment availability and reduce the future cost of crusher maintenance.

Edikan's SAG mill operated for 86% of the time at a throughput rate of 956dtp resulting in 1,813,921 tonnes of ore being processed during the Quarter, a new quarterly record for Edikan. This strong performance was slightly better than that of the prior quarter when runtime was 6% less and the throughput rate was 1% higher than this Quarter, respectively. The average blend of ore processed during the Quarter included 85% fresh ore and 15% oxide ore, very similar to the 86%-14% fresh/oxide blend processed in the September 2015 Quarter. While this processing strategy enabled an increase in the quantity of ore to be processed due to the relative softness of the oxide ore, the benefits of higher throughput were slightly offset by a decrease in the quarter-on-quarter average gold recovery rate from 86% to 81%. This decrease reflected several factors including lower head grade of ore, higher oxide/fresh blend plus the presence of further oxidised material in the transitional ore fed to the mill.


Figure 2 - Gold Recovery (%)

Recent key plant operating statistics are summarised as follows:

Table 2: Plant Performance Statistics

	March 2015 Quarter	June 2015 Quarter	September 2015 Quarter	December 2015 Quarter
Crusher				
Run time (%)	49	55	51	45
Hourly throughput rate (t)	1,112	1,189	1,119	1,471
Oxide Circuit				
Run time (%)	53	51	57	75
Hourly throughput rate (t)	118	138	154	163
SAG Mill				
Run time (%)	69 ¹	82	81	86
Hourly throughput rate (t)	926	926	969	956
Gold recovery rate (%)	88	89	86	81

Notes:

1. Due to one third power restrictions, the SAG Mill could only be operated on 69 days out of a possible 90 days during the Quarter, giving an availability of 76.7% and total actual utilisation of 69%. Power issues have since been addressed.

Production Costs

During the Quarter, approximately 47% of Edikan's production costs were incurred by the mining department (47% in the September 2015 quarter), while 43% was incurred by processing and maintenance (42% in the September 2015 quarter), with the balance funding general and administration functions.

The strong improvements in unit operating costs achieved in the September 2015 quarter were maintained during the Quarter, as shown below:

Table 3: Unit Costs

Unit Cost		March 2015 Quarter	June 2015 Quarter	September 2015 Quarter	December 2015 Quarter
Mining ¹	US\$/t mined	4.59	4.28	2.35	2.45
Processing & Maintenance	US\$/t milled	10.77	10.73	9.10	9.28
G & A	US\$/month	1.49	1.36	1.42	1.34

Note 1: Unit mining cost includes the weighted average cost of mining as charged by the mining contractors plus overheads (including but not limited to staff costs) incurred by Perseus's mining department.

All-in Site Unit Costs

As expected during the Quarter, payments for royalties returned to the regular schedule and, as a result, royalties of US\$74/oz were 44% lower than the abnormally high cost of US\$133/oz recorded in the prior period. In the Quarter, expenditure on sustaining and development capital increased to US\$118/oz as work accelerated on the construction of infrastructure and relocation housing required for mining access to some of the Fetish, Chirawewa and Esuajah North deposits.

After taking production, royalties, development and sustaining capital expenditure into account, Edikan's all-in site unit costs for the Quarter were US\$1,408/oz, approximately 33% higher than in the September 2015 quarter. To put this in perspective, the vast majority of this quarter-on-quarter increase was driven by the 27% decrease in gold production during the period. Increases in waste stripping and development capital contributed to the remainder of the increase.

On a Half Yearly basis, and following a low cost September 2015 quarter, all-in site unit costs were US\$1,208/oz which was close to the mid-point of the cost guidance range of US\$1,100-US\$1,300/oz for the December 2015 Half Year.

Provided that a reasonable portion of this unit cost reduction can be sustained, when gold production increases in the June 2016 Half Year as higher grade ore is mined and processed, some material reductions in unit all-in site costs are to be expected.

FY2016 Production and Cost Guidance

Taking into account actual production and cost performance for the December 2015 Half Year, the production and cost guidance for the next Half Year and for the 12 month periods ending 30 June 2016 is as shown below.

Table 4: FY 2016 Production and Cost Guidance

Parameter	Units	December 2015 Half Year	June 2016 Half Year	Financial Year 2016
Gold Production	Ounces	76,693	95,000-115,000	172,000 – 192,000
All-In Site Cash Costs	US\$/oz	1,208	1,100-1,300 ¹	1,130-1,250 ¹

¹ This compares to Perseus's current hedge position of 120,267ozs of gold sold forward at a weighted average price of US\$1,276/oz

The above represents a change from previous guidance as it incorporates the impact of the Quarter's production on the gold production schedule going forward. In terms of costs, a number of significant, sustainable cost savings have been achieved in recent periods but this improved cost performance is also impacted by the reduced production forecast when reported on a cost per ounce basis.

Relocation Housing Project

During the Quarter, civil construction contractor PW Ghana Ltd continued to develop the site on which housing to relocate residents impacted by mining in the Eastern Pits and Esuajah North mining areas will be built. By the end of the Quarter, stripping of vegetation and topsoil was complete and bulk earthworks are expected to be complete by the end of January 2016. All infrastructure works are on schedule for completion by the contracted date of 30 June 2016.

Work by the Ghanaian construction company Wilhelm Construction Limited on building Lot 1 of the relocation housing, comprising 46 dwellings and six institutional structures, commenced during the Quarter. By the end of the Quarter, substructure construction was in progress on 15 dwellings and building slabs were laid for a further 7 houses. Houses in Lot 1 are expected to be available from June 2016 to enable residents to commence occupancy.

Tenders for the construction of Lot 2 of the relocation housing project were evaluated and a contract for the construction of the 33 dwellings and 5 institutional structures has been awarded to a Ghanaian construction company PPP Construction and Engineering Co Ltd. Pending the receipt of requisite building permits, construction of the Lot 2 housing is expected to start early in the March 2016 quarter.

Tenders for the construction of Lot 3 buildings were evaluated and subsequent to the end of the Quarter a contract for the construction of 50 dwellings was awarded to a Ghanaian contractor David Walter Limited. Pending the receipt of requisite building permits, construction of the Lot 3 housing is expected to start towards the middle of the March 2016 Quarter.

Construction of the houses required for both the Eastern Pits residents and Esuajah North residents is scheduled for completion by the end of December 2016. The forecast cost to complete the Eastern Pits and Esuajah North relocation housing is now expected to be less than the previously announced budget of approximately US\$23M. To date actual costs plus commitments total US\$11.5M.

Development

Sissingué Gold Mine – Côte d'Ivoire (“Sissingué”)

The potential development of Sissingué provides Perseus with a relatively low cost, low technical risk opportunity to pursue its strategy of diversifying its production base by establishing a second financially robust, producing mine in Côte d'Ivoire.

In the context of a progressively weakening global economic environment, Perseus has adopted a disciplined approach to taking a development decision on this project, having established a well-defined set of criteria to be achieved before major capital is deployed.

During the Quarter, Perseus advanced towards a development decision by undertaking the following:

- A well-structured programme of early works, including a material part of the front end engineering and design (“FEED”) programme, construction of site access roads, initial earthworks, site clearing and fencing, design and procurement of elements of the mine camp and certain items of mobile equipment. The cost of the early works programme to 31 December 2016 of US\$7.5M of which US\$5.1M was spent during the Quarter, will reduce the total funding required to complete the development to less than US\$100M;
- A community engagement programme continued with all national, regional and local government and local community security stakeholders to ensure that all parties are adequately briefed on details of the project and committed to maintaining peace and security in the vicinity of Sissingué. The pictures below show the installation of works undertaken in the Sissingué area as part of these community relations initiatives.



In addition, a decree was issued during the Quarter by the Ivorian government, prescribing arrangements for the compensation of the local owners of land required for the development of Sissingué. While the decree has been well received by some sections of the community who have accepted the specified compensation, it does not have universal acceptance in the community. A satisfactory resolution of this matter is an essential element of establishing and maintaining a healthy social licence to operate Sissingué project and it is, therefore, a prerequisite for advancing the project.

Perseus conducted a formal review of its development plans for Sissingué at the end of the Quarter. While a number of the defined criteria for development had been achieved including a peaceful Presidential election which looks likely to ensure political stability in Côte d'Ivoire in the foreseeable future, Perseus elected to defer a decision on full scale development largely on commercial grounds.

The weakening global economic environment is a concern and with the Company's desire to preserve its balance sheet strength in a volatile capital market, a full scale development decision has been temporarily deferred until a clearer line of sight is available to economic development and operation of Sissingué.

Exploration

Ghana

During the Quarter, a total of US\$0.651M was spent on exploration activities on the Edikan mining leases in Ghana, as follows.

Several small exploration drilling programs were conducted on the Edikan mine leases and neighbouring licenses with a total of 3,802 metres of reverse circulation (“RC”) plus 893 metres of diamond drilling (“DD”) completed. A number of exploration targets were tested near the Fetish and Bokitsi South deposits with generally modest results, although some assays are still pending. A small exploration RC drilling program also unsuccessfully tested the Kwadwo San prospect on the neighbouring Nkotumso Prospecting License, approximately 6.7 kilometres west of the Edikan plant site, and RC drilling around the Besem North prospect, 3 kilometres northeast of the Fetish pit returned marginal results. Refer to *Figure 3*.

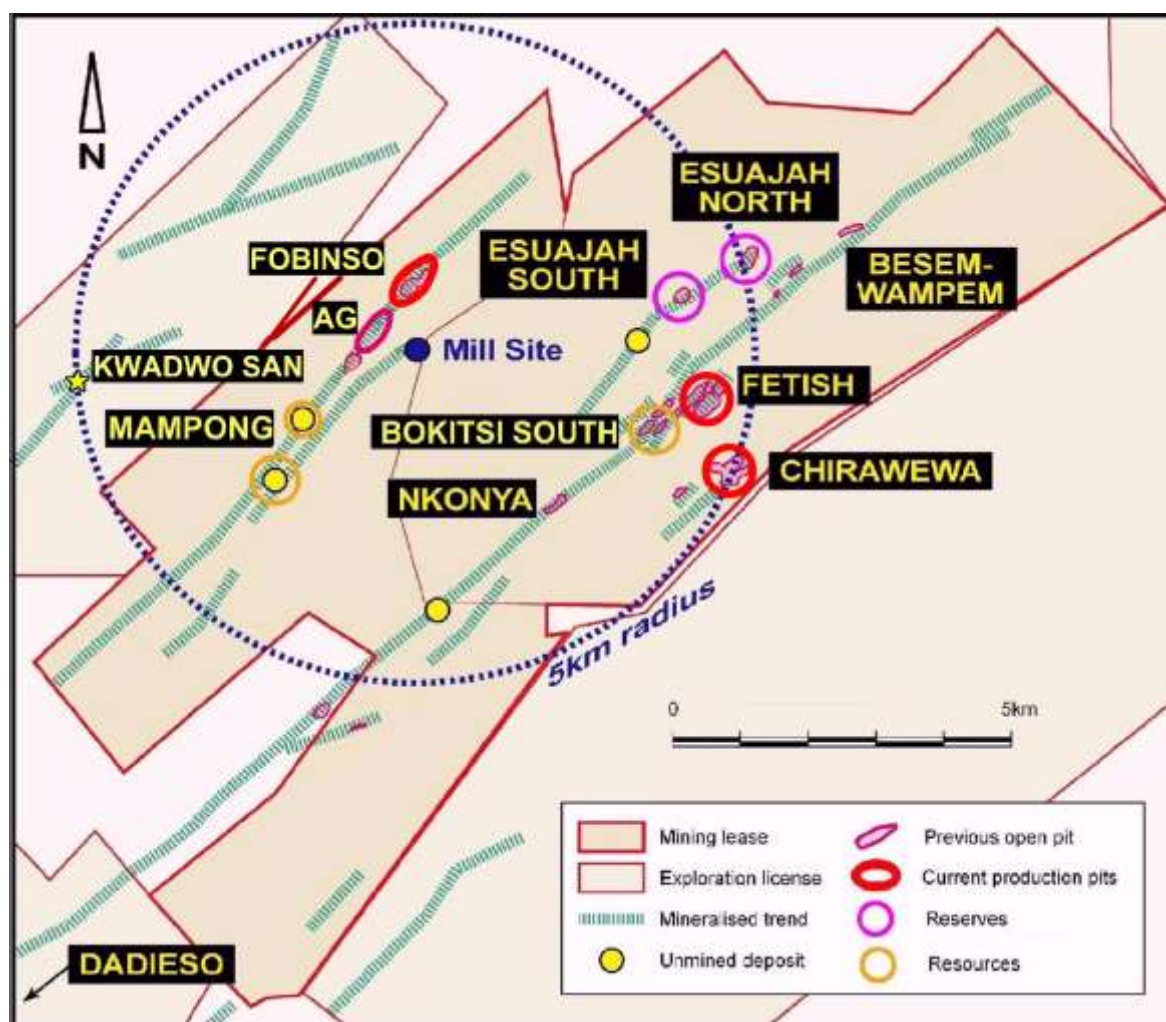


Figure 3. Location of the Deposits at the Edikan Mine

A detailed review of all available data sets from the Edikan mining leases and prospecting licences is being undertaken to determine how best to target future exploration at Edikan.

Côte d'Ivoire

During the Quarter, US\$0.404M was spent by Perseus on exploration activities on the Sissingué Exploitation and Mahalé Exploration Permits in Côte d'Ivoire with the following results.

Sissingué Exploitation Permit

An auger drilling programme designed to evaluate spotty soil anomalism between the Sissingué deposit and the Papara prospect 20 kilometres to the north-northwest continued at a slow pace during the Quarter, with 129 auger holes drilled for a total of 841 metres.

Two auger holes drilled approximately 6.4 kilometres north-northwest of the Sissingué deposit returned significant assays of 933 and 1,003ppb gold, with this anomaly remaining open on strike. Auger drilling will continue next quarter to follow up these results. Refer to *Figure 4 below*.

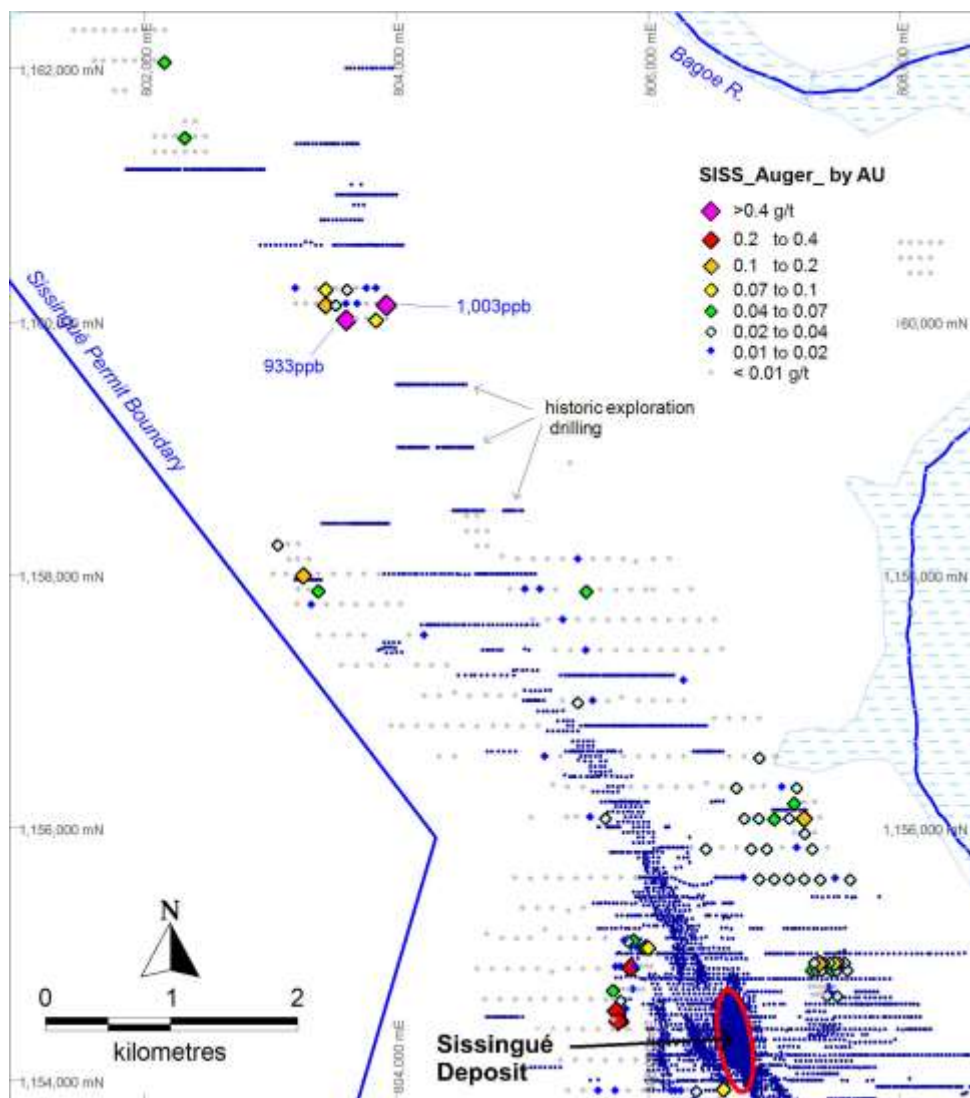


Figure 4. Auger Drilling Results from Sissingué

A rotary air blast (“RAB”) sterilization drilling program at Sissingué designed to sterilize a new proposed location for the tailings dam site was completed with 1,516 metres drilled. All assays were received and as anticipated results were negligible.

Mahalé Permit

A small drilling program of RC and DD commenced late in the Quarter on the Mahalé Permit to further test the Bélé East and West prospects with the aim of ultimately defining a Mineral Resource which might be trucked to and processed at the Sissingué Gold Project. A total of 538 metres of RC drilling in 9 holes was completed at the Bélé West prospect, with assays pending. Drilling resumed in early January 2016.

Kounahiri Permit

A stream sediment sampling program was largely completed on the new Kounahiri permit issued in September 2015. The 392 square km Kounahiri permit is held under a joint venture between Perseus and Générale des Mines et Carrières Sarl (“Gemica”) with Perseus holding a 93% interest in the permit. The stream sediment sampling returned several anomalous assays clustered together covering a drainage area of 26 square km in the north-central part of the permit. The stream sediment sampling program will be completed in the next quarter with follow up soil sampling planned as warranted. Refer to **Figure 3**.

New Permits

Perseus has a number of exploration permits under application in Côte d’Ivoire in its own name and under joint venture farm-in arrangements. The Zouan-Hounien permit was granted in December to Gemica. Perseus has a 93% interest in the permit under a joint venture agreement with Gemica with exploration expenditure being sole funded by Perseus. The 173 square km Zouan-Hounien permit covers highly favourable geology in southwestern Côte d’Ivoire, adjacent to Endeavour Mining’s Ity Gold Mine. Programs of reconnaissance stream sediment and soil geochemical sampling will commence on the permit in the March quarter. Refer to **Figure 5 below**.

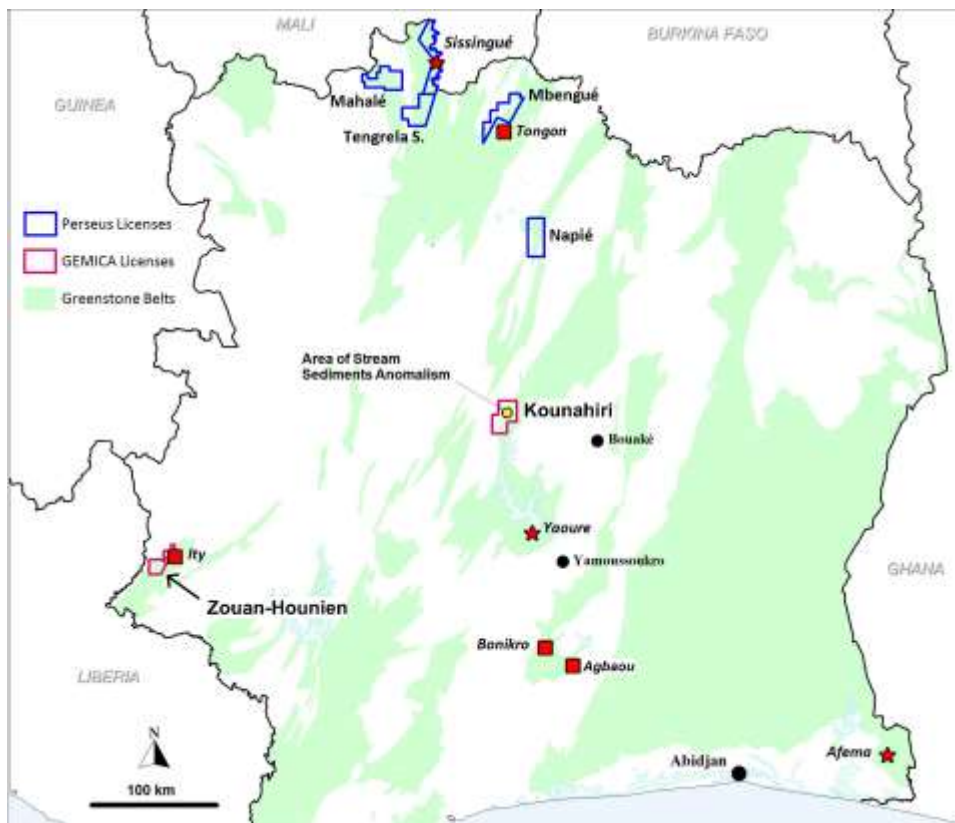


Figure 5. Location of the Kounahiri and Zouan-Hounien Permits

Corporate

Working Capital

Perseus's net working capital (i.e. current assets less current liabilities) totalled \$164.9M at 31 December 2015 and included amongst other things, the following key components:

Cash, Bullion

Based on the gold price of US\$1,062/oz and an A\$:US\$ exchange rate of 0.7300, the total value of available cash and bullion on hand at the end of the Quarter was \$99.1M. As previously advised, FY2016 and FY2017 are forecast to be periods of material investment for Perseus and during the December 2015 Half Year, cash has been deployed as follows:

Table 5: Uses of Cash Reserves

Description	Amount (A\$M)
Opening balance at 1 July 2015	127
Net Investment in Edikan Gold Mine including un-refunded VAT	(24)
Investment in Sissingué Gold Project	(10)
Investment in Exploration	(3)
Corporate overheads Australia, Ghana and Côte d'Ivoire	(5)
Movement in working capital	7
FX gain on foreign currency denominated cash deposits	7
Closing Balance at 31 December 2015	99

The group's available cash balance at 31 December 2015 was \$94.6M. In addition, 3,073oz of gold were held either on site, in the process of being refined or in the Company's metal account at Quarter end. Based on the gold price and A\$:US\$ exchange rate at 31 December 2015, this bullion was valued at \$4.5M giving the combined balance of cash and bullion on hand of \$99.1M at Quarter-end.

In addition, the Perseus group had a further \$13.0M of cash on deposit in escrow accounts providing security for various matters including future environmental commitments.

Gold Sales and Price Hedging

A total of 32,616ozs of gold were sold during the Quarter into a combination of spot and spot deferred contracts at a weighted average delivered price of US\$1,247/oz (September 2015 Quarter: US\$1,291/oz).

As at 31 December 2015, Perseus's gold price hedging included 120,267ozs of gold sold forward at a weighted average price of US\$1,276/oz. The total hedge position was "in the money" to the extent of \$35.3M as at 31 December 2015.

Third Party Debt

Aside from trade creditors and accruals of \$46.1M incurred in the ordinary course of business, Perseus remained debt free during the Quarter and has no current plans to borrow money to fund its activities.

Program for the March 2016 Quarter

Edikan Gold Mine

- Produce gold at a total all-in site 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 to implement business improvement initiatives across all departments at Edikan;
- Continue construction of houses to relocate former residents of the Eastern Pits mine take area;
- Complete a feasibility study for mining the Esujah South deposit using a selective underground mining method in preference to the currently planned open pit mining method; and
- Complete the current re-assessment of geological datasets with the aim of formulating near mine exploration programmes targeting high grade mineralisation that can be mined using either underground mining or open pit mining methods.

Sissingué Gold Mine Development Project

- Complete early works programme including, but not limited to, certain site works at Sissingué;
- Continue to engage with all national, regional and local government and community security stakeholders to ensure that peace and security is maintained in the vicinity of Sissingué;
- Review development plans and take a decision regarding the timing of the development of Sissingué;
- Continue exploration on the Mahalé exploration licence and at Sissingué.

Corporate

- Continue to evaluate corporate opportunities for creating wealth without materially reducing balance sheet strength and in particular preserving cash reserves.

Jeff Quartermaine
Managing Director and Chief Executive Officer

28 January 2016

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

Competent Person Statement:

All production targets for the 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 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 a consultant 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 has an economic, financial or pecuniary interest in the Company in the form of an immaterial number of shares in the Company and of performance rights issued to him when he was an employee of the Company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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 Sissingué, 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.