February 14, 2011

MANAGEMENT'S DISCUSSION & ANALYSIS
For the three months ended December 31, 2010.

This Management's Discussion and Analysis ("MD&A") of Perseus Mining Limited and its controlled entities ("Perseus" or the "Company") is dated February 14, 2011 and provides an analysis of the Company's performance and financial condition for the three months ended December 31, 2010 (the "Quarter" or "December 2010 quarter").

This MD&A should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended 30 June 2010, and the Company's unaudited interim consolidated financial statements for Quarter. The financial statements (and the financial information contained in this MD&A) comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These documents are available under the Company's profile on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at sedar.com and on the Company's website, www.perseusmining.com.

This MD&A may contain forward-looking statements that are subject to risk factors set out in a cautionary note contained herein. Examples of some of the specific risks associated with the operations of the Company are set out under "Risk Factors". All monetary amounts are stated in Australian dollars, except as otherwise stated.

COMPANY OVERVIEW

Perseus was incorporated in Australia on October 24, 2003 and its corporate office was established in Perth, Western Australia. On September 22, 2004, the Company's shares were listed for trading on the Australian Securities Exchange ("ASX") and on February 3, 2010 the Company's shares commenced trading on the Toronto Stock Exchange ("TSX"). The Company's shares are also listed on the Frankfurt Stock Exchange.

Perseus is a gold exploration, evaluation and development corporation with activities focussed on under-explored gold belts in West Africa.

Its principal assets are:

- A 90% interest in the Central Ashanti gold deposit - previously referred to as the Ayanfuri gold deposit, (the ''Central Ashanti Gold Project'' or "CAGP"), a development stage gold project located in Ghana. In July 2009, the Company completed a feasibility study (''FS'') on developing a mine and associated treatment facility for the CAGP and based on the positive outcome of that FS, construction of a gold mine and associated processing facility has commenced. The targeted date for commencement of gold production from the CAGP is the September 2011 quarter.

- A 90% interest in the Tengrela gold deposit (the ''Tengrela Gold Project'' or "TGP"), an advanced stage gold exploration and evaluation project located in the north of Côte d'Ivoire. During the Quarter, the Company completed a feasibility study in relation to the Sissingue deposit which forms part of the TGP and the summary results of the study are referred to elsewhere in this MD&A. The Company's interest in the project will reduce to 80% in the event that a mining lease is granted by Ivorian authorities, as under Ivorian mining laws the host government is entitled to receive a 10% free carried interest in any project for which it issues a mining lease.

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In addition to the above, Perseus also owns: (i) a 100% interest (reducing to 90% on the granting of a mining licence) in the Grumesa gold deposit (the ''Grumesa Gold Project''), an exploration stage project located 30 kilometres to the east of the CAGP in Ghana. A pre-feasibility study completed in September 2007 indicated that the Grumesa Gold Project represents a potential satellite production opportunity to the larger mine under construction at the CAGP; (ii) a 19% interest in Burey Gold Limited ("Burey"), an ASX-listed company holding a portfolio of gold exploration properties in the Republic of Guinea in West Africa; and (iii) a 24% interest in Manas Resources Limited (''Manas''), an ASX-listed company holding a portfolio of gold properties in Central Asia that were sold to Manas by Perseus in mid-2008.

As mining operations have not yet commenced on any of its properties, the Company does not currently have any mining revenues. Perseus currently has no long-term debt obligations, although a project finance facility has been negotiated (details of which are provided elsewhere in this MD&A), however no amounts had been drawn down up to the date of this MD&A.

The Company's principal short to medium term objectives are to:

- complete the construction and commissioning of the CAGP and, by 2012, to be producing gold at an average rate of at least 200,000 ounces per year at this project;
- subject to Board approval, the Company plans to advance the development of the TGP as fast as practicable, and will start with regulatory permitting, engineering design and procurement of long lead items; and
- expand the Company's Mineral Resource base through successful exploration of the area covered by the Company's existing tenements and the acquisition of prospective new projects.

PERFORMANCE HIGHLIGHTS

The key highlights of the Company's performance during the Quarter were:

***Central Ashanti Gold Project and elsewhere in Ghana*:**

CAGP in Ghana is progressing in line with expectations:

- Site works are well advanced with the process plant mechanical installation and steelwork installation commencing. Nearly all plant and equipment is now on site.
- Mining infrastructure activities and contract mining fleet mobilisation has commenced.
- Construction of the 161kv transmission pylon has commenced and the switch yard is well advanced, including placement of the main transformer.
- Earthworks are progressing on all tailings and water storage dams.

At the end of the Quarter overall development progress was nominally estimated to be 60%, with the lump sum turn key ("LSTK") plant works at about 80% complete.

A total of 43,334m of drilling was completed on the CAGP during the Quarter, mainly as infill and step-out drilling of known deposits. Notable intercepts included:

- Below the new Esuajah South pit design - 101.9m at 2.6g/t, 7m at 12.2g/t plus 22m at 4.2g/t, 11m at 5.7g/t, 18m at 4.0g/t plus 4m at 7.4g/t and 17m at 3.9g/t Au.
- Fetish - 13m at 13.3g/t, 22m at 4.0g/t, 19m at 7.6g/t, 22m at 3.6g/t and 19m at 3.3g/t Au.
- Chirawewa - Hole CHDD006 intercepted 31m at 3.0g/t, 10m at 2.0g/t, 4m at 9.5g/t and 1m at 30.8g/t Au.

The Company released Mineral Resource and Reserve updates for the CAGP and Grumesa during the Quarter. Highlights included:

- **1.4Moz (42%)** increase in Measured and Indicated ("M&I") mineral resources.
- Total M&I mineral resources at the CAGP now 118Mt containing **4.3Moz of gold (38% increase)** including reserves of 87Mt containing **3.3Moz of gold (1.2Moz or 54% increase)**.
- Total M&I mineral resources for all Perseus' projects now totals 159Mt containing **5.7Moz of gold**.
- Total reserves for all projects are now 97Mt containing **3.9Moz of gold**.
- Total Inferred mineral resources for all projects now stand at 73Mt containing **2.2Moz of gold**.

The planned 2011 resource and reserve upgrades for CAGP will be focussed on a number of other deposits, outside the existing reserve areas, drilled over the past 12 months. Drilling of these deposits is continuing, with seven rigs on site.

***Tengrela Gold Project and elsewhere in Côte d'Ivoire**:*

Due to rig availability and access issues, only 4,249m of reverse circulation (RC) and diamond drilling and 2,578m of RAB and air core drilling was completed during the Quarter. Although the political uncertainty in Côte d'Ivoire has delayed the Company's planned drill program aimed at resource-reserve growth and exploration, the Company intends to make up as much lost time as possible when drilling recommences.

Significant drill intercepts from Sissingue for the Quarter included 65.8m at 4g/t and 51.2m at 3.3g/t, 20m at 8.5g/t, 19m at 8.1g/t, 22m at 5.1g/t and 9m at 9.8g/t Au.

During the Quarter the Company announced details of its Feasibility Study for the Sissingue deposit, forming part of the TGP. In summary, the Feasibility Study confirmed robust project economics of the TGP. Highlights included:

- Initial Probable Ore Reserve of 657,000oz of gold (using US$950 gold price pit design).
- Anticipated production of 340,000oz (3.5Mt at 3.3g/t) of gold in first two years of a six year mine life.
- Cash costs (C1) in the first two years of US$421/oz, with mine life average cash costs of US$505 per oz.
- EBITDA of US$221M for first two years of production at US$1,100 gold price.
- Start-up capital cost of US$115 million paid back in 14 months at US$1,100 gold price.
- Plans to advance as fast as practicable when the political impasse is resolved, targeting first gold pour Q4 2012.

Corporate

- Raised approximately $2.1m in new equity through the exercise of options to purchase ordinary shares in the Company.
- Perseus maintained its shareholding interest in Burey at 19% by subscribing for a further 11.9 million Burey shares at 10 cents each as part of a wider capital raising by that company during the Quarter. Subsequent to the end of the Quarter, Perseus's interest in Manas reduced from 27% to 23.9% following a capital raising by that company in which Perseus subscribed for an amount less than its proportionate interest.
- Ghana Government approval of the CAGP financing documents was received subsequent to the end of the Quarter. It is expected that execution of the last of the financing documents will be completed by the end of February 2011. Funds from the facility will be available to Perseus after execution of the documents and satisfaction of conditions precedent.
- At December 31, 2010, Perseus had cash and cash equivalent balances of $89 million.

REVIEW OF CENTRAL ASHANTI GOLD PROJECT

The CAGP comprises a group of large gold deposits located in the Ashanti gold belt in Ghana. Site works for the development commenced in June 2010 and construction of the facility continues apace. Initial production is scheduled for Q3 2011. Current Mineral Reserves stand at 3.3Moz and additional Indicated Mineral Resources total 1.5Moz and Inferred Mineral Resources total 1.9Moz, inclusive of Mineral Resources on the nearby Grumesa licence (which is also part of the CAGP). Further Mineral Resource and Reserves upgrades are expected in 2011.

Central Ashanti Gold Project Development

Engineering and procurement activities for the CAGP are now almost complete. Construction works have progressed well, with a significant amount of structural steel and mechanical items installed. All major components, including the SAG mill, have been delivered to site.

Significant progress has been achieved with concrete work. Only minor structural concrete pours remained to be completed at Quarter's end. All plant site buildings were assembled and nearing completion. Structural steel for most of the elevated conveyors was installed. The flotation tanks, CIL tanks and thickener were all installed during the Quarter. Mechanical fit-out of these facilities is continuing. The assessed progress by value of the lump sum plant design, supply and construction contracts was 80% at the end of the Quarter.

Works controlled by Perseus subsidiary, Central Ashanti Gold Ltd ("CAGL"), have also progressed well. The high voltage ("HV") switchyard concrete works are nearly complete. Steel erection within the substation has commenced. The HV transformer was received and installed on site during the Quarter. The control room has also been water-proofed to enable installation of switchboards. Erection of HV towers has commenced. All major HV substation components are now on site. Earthworks have commenced for all tailings storage facility embankments.

The project remains on schedule to commence processing ore in the 3rd quarter of 2011. Photos of the construction process at CAGP are available on the Company's website www.perseusmining.com.

Mining Contract

African Mining Services Ghana (AMS), a subsidiary of Ausdrill Limited, has commenced infrastructure construction and equipment mobilization to site. Grade control drilling is expected to commence in February 2011.

Fuel Supply Contract

The fuel contract has been awarded to Total, which is installing temporary fuel supply facilities that are expected to be operational in the current quarter.

Project Financing

The CAGP is being financed though a mixture of debt and equity capital, with current funding coming from the Company's significant cash reserves established through a series of prior year capital raisings. Full form documentation for a debt facility of up to US$85 million from Macquarie Bank Limited and Credit Suisse AG (together, the "Lenders") was submitted to the Ghana Government for its approval, which was received subsequent to the end of the Quarter. It is expected that execution of the last of the financing documents will be completed by the end of February 2011. Funds from the facility will be available to Perseus after execution of the documents and satisfaction of conditions precedent

Ghana Exploration

A total 43,334m of RC and diamond drilling was completed on the Ghanaian projects during the Quarter, bringing the total for calendar year 2010 to 143,118m. Encouraging grades from deeper drilling at Esuajah South highlight the potential for underground bulk mining. Intercepts below the new Esuajah South pit design during the Quarter included 101.9m at 2.6g/t, 7m at 12.2g/t plus 22m at 4.2g/t, 11m at 5.7g/t, 18m at 4.0g/t plus 4m at 7.4g/t and 17m at 3.9g/t Au.

Several significant intercepts were obtained at Fetish, Chirawewa, Bokitsi South and Chirawewa South, highlighting the potential of the Fetish-Chirawewa group of deposits. Intercepts from the area included:

- Fetish - 13m at 13.3g/t, 22m at 4.0g/t, 19m at 7.6g/t, 22m at 3.6g/t and 19m at 3.3g/t Au.
- Chirawewa - Hole CHDD006 intercepted 31m at 3.0g/t, 10m at 2.0g/t, 4m at 9.5g/t and 1m at 30.8g/t Au.
- Bokitsi South - 8m at 11.8g/t and 12m at 5.4g/t plus 12m at 2.7g/t Au.
- Chirawewa South – 12m at 3.2g/t, 10m at 3.6g/t and 16m at 2.6g/t Au.

Drilling on these deposits has a southeast orientation, and drill hole intercepts generally have true widths of 70% to 90% of drill length, depending upon drill hole inclinations and the dip of mineralisation. Drill samples were assayed by 50g fire assays by Intertek Minerals Limited, an independent laboratory in Ghana.

Significant infill and extensional drill results are summarized in Table 3 and significant exploration results are summarised in Table 4 (all Tables referred to in this MD&A are presented at the end of the Report).

CAGP Resource Estimate

Extensive drilling on the Abnabna-Fobinso and the Esuajah South deposits during the past 18 months enabled the re-estimation of mineral resources for those deposits in December 2010. The new resource estimates are detailed in Tables 6 to 11.

Measured and Indicated resources at CAGP increased by 54% to 4.3Moz, while Inferred resources were estimated at 1.7Moz.

Reserve Estimate CAGP

New pit designs were completed for the Abnabna-Fobinso deposits and an initial pit design was completed for the Esuajah South deposit, nominally based on US$1,000 gold price optimisation shells. Details of the reserve estimates are contained in Tables 1 and 12.

Grumesa Resource Estimate

Infill drilling undertaken at the Kayeya gold deposit on the Grumesa Gold Project during 2008 was used to complete a new mineral resource estimate in December 2010. A summary of the resource estimate is set out in Tables 13 and 14.

The large, low-grade Kayeya gold deposit is amenable to low cost heap leach processing and the Company has applied for a mining lease with the aim of developing a modest satellite heap leach operation. Considerable potential exists for further resources, given that the upper 45m of the deposit as currently defined contains more than 12,000 ounces of gold per vertical metre and there is limited drilling below 45m. In addition, about a third of the deposit's 3sq km footprint remains under-explored.

REVIEW OF THE TENGRELA GOLD PROJECT

The TGP is an under-explored project with a current open-ended gold resource containing Reserves of 0.66Moz and an additional 0.28Moz of Measured and Indicated Mineral Resources and 0.26Moz of Inferred Mineral Resources at Sissingue, one of a number of prospects that comprise the TGP. The feasibility study at Sissingue was completed in November 2010 and production is targeted for late 2012.

Exploration

Due to rig availability and access issues, only 4,249m of RC and diamond drilling and 2,578m of RAB and air core drilling was completed during the Quarter. All forms of drilling at TGP totalled 118,336m for calendar year 2010.

The political uncertainty before and following the presidential election in Côte d'Ivoire has delayed the Company's planned drill program aimed at resource-reserve growth and exploration, however the Company intends to make up for as much lost time as possible.

Significant core intercepts from Sissingue included 65.8m at 4g/t and 51.2m at 3.3g/t Au. Significant RC intercepts from Sissingue that ended in mineralisation included 20m at 8.5g/t, 19m at 8.1g/t, 22m at 5.1g/t and 9m at 9.8g/t Au, refer Table 5.

Drill samples were assayed by 50g fire assays by Intertek Minerals Limited in Ghana. Recent significant drill intercepts on the Sissingue deposit typically have true widths of 60 to 90% of drill length. Locally, drill intercept length may equate to actual true width, depending upon the variable dip of the mineralisation. Mineralisation is structurally complex, such that true thickness may occasionally be better measured as a range. Most recent drilling results at Sissingue are from holes oriented to the west and mineralisation generally dips to the east, so true thickness is usually significantly greater than 60% of drill length.

Feasibility Study – Sissingue Deposit

During the Quarter the Company announced details of its FS for the Sissingue deposit forming part of the TGP.

The FS was completed ahead of finalising the Resource drill-out to enable development of the project to be fast tracked. It confirmed the robust project economics of the TGP as well as the upside potential that exists from ongoing resource definition drilling.

Provided access is available, the Company plans to continue drilling in and around the initially designed pits during the anticipated two year period prior to production with a view to increasing ore reserves and head grades beyond year three of the project. The average head grade for the 5.2M tonnes of ore projected to be treated in the first three years of the mine life is 2.9 g/t gold, after allowance for ore loss, dilution and the heavy top cutting applied to high grade drilling results during resource modelling.

Outline of FS Results

The TGP involves the development of a 1.75 Mtpa open cut mining operation, with conventional CIL gold processing plant and related infrastructure to mine and process ore contained in the Sissingue gold deposit. The FS assumes a contract mining operation and a process plant with a processing capacity of between 1.6 (fresh) and 2.0 million (oxide) tonnes per annum (Mtpa), to give approximately 5.6 years of mine life based on currently defined Mineral Reserves.

The commercial results from the FS are summarised in Table 2. Opportunities to improve the FS results include:

- Drilling out Inferred resources in and around the preliminary pit designs with the view to increasing reserves;
- Consideration of selective mining, by adopting resource blocks smaller than the 20m x 10m x 5m blocks adopted in the FS, to increase head grade; and
- Investigating the possibility of processing ore through the plant at faster than "name plate" rates.

Project Implementation and Procurement

The engineering pre-qualification process was finalised in December and tender documentation is expected to be released in the March 2011 quarter.

The Environmental Impact Statement is progressing, with a draft expected during April 2011. The public consultation process is scheduled for the March 2011 quarter.

Perseus plans to commence developing the project in Q4 2011, subject to resolution of the current political impasse and the Government approval process. It is expected that after accessing the site it will take approximately 50 weeks to construct the project plant and infrastructure and commission the processing plant, assuming timely ordering of long lead items.

Impact of Ivorian Elections

The Company suspended exploration in November for the Presidential elections and has not yet recommenced due to travel security precautions. The primary drilling contractor has used the down-time to undertake rig maintenance and import equipment, including another drill rig. The Company is assessing the situation with the view to recommencing exploration during the March 2011 quarter if reasonably possible.

The Company's neighbour in Cote d'Ivoire, Randgold Resources, continues to produce gold from its new Tongon mine. It is understood that Newcrest Limited and La Mancha Resources are both planning to recommence activities at their mines in the March quarter.

OUTLOOK FOR THE MARCH 2011 QUARTER

Plans and targets for the March 2011 quarter are:

At CAGP

- Continue construction of the process plant and related infrastructure.
- Commence grade control and waste mining.
- Continue active exploration.

At TGP

- Release tenders for TGP construction engineering.
- Receive tenders for manufacture and supply of the SAG mill.
- Complete first draft of Environmental Impact Statement.
- Resume exploration.

FINANCIAL PERFORMANCE

The financial performance of the Company is expected to be affected by ongoing exploration and evaluation activities being conducted on its properties and the proposed development of the CAGP and TGP. Until such time as commercial production is achieved, the Company will continue to incur administrative costs and exploration and development expenditures, resulting in continuing operating losses. The financial performance of the Company will be closely linked to the gold price following the development of the CAGP and, potentially, the TGP. The gold price also affects the economic viability of the Company's other projects and prospects. To protect against changes in gold price the Company has put in place a quantity of hedging using Put Options and Forward sales contracts which are discussed in further detail under "Financial Instruments and Related Risks".

The Company reports its financial results in Australian dollars (AUD). However, the Company's costs and funding are currently incurred in several currencies including AUD, United States dollars (USD), Ghanaian New Cedis, and CFA francs and if, as expected by management, the CAGP or any of the Company's other projects commence production future metals sales revenue will be denominated in US dollars. Fluctuations in the rates of exchange between the Australian dollar and the currencies in which the Company transacts may therefore significantly affect the results of operations of the Company and are discussed further under "Financial Instruments and Related Risks".

The exploration and development of the Company's properties will require substantial additional financing. Failure to obtain sufficient financing in the future may result in delay or indefinite postponement of the exploration or development of any or all of the Company's properties. There can be no assurance that bank financing, equity capital or other types of financing will be available when needed or that, if available, the terms of such financing will be acceptable to the Company.

See ''*Risk Factors*'' for a further discussion of these and other risk factors associated with the Company and an investment in the Company's shares.

FINANCIAL CONDITION

Cash and cash equivalents

As at December 31, 2010 the Company had cash or cash equivalent resources of $88.796 million plus a further $5.964 million of funds on deposit securing environmental obligations and an international trade facility. This represents a significant decrease relative to the position as at June 30, 2010 when cash or cash equivalent resources included $185.592 million plus a further $7.805 million of funds on deposit. This decrease in cash reserves resulted from planned expenditure on the CAGP & TGP projects and a $11.757 million foreign exchange loss on the USD cash held due to a significant devaluation of the USD against AUD.

Property, plant and equipment

The Company capitalised $69.033 million of expenditure on construction of the CAGP, and $1.491 million of expenditure on other plant and equipment during the six months ending 31 December 2010. Due to the significant devaluation of the USD against AUD (December 31, 2010: 1.0184, June 30, 2010: 0.8492) a $21.544 million foreign exchange loss was recorded against property, plant and equipment ("PP&E") as the majority of these assets are recorded in USD in the subsidiary companies' accounts and are translated into AUD on consolidation. As a result, after depreciation ($0.220 million) and the write-off of assets ($0.039 million), the Company recognised on its balance sheet a total of $163.323 million for PP&E as at December 31, 2010, (June 30, 2010: $114.603 million).

Exploration and evaluation expenditure

The Company capitalised $6.530 million of exploration and evaluation expenditure during the six months ending 31 December 2010 before recording a foreign exchange loss of $3.316 million for the same reasons as those discussed above in relation to property, plant and equipment. As a result, the Company recognised on its balance sheet a total of $29.083 million for exploration and evaluation expenditure as at December 31, 2010, (June 30, 2010: $25.869 million).

Other financial assets

As at December 31, 2010, the Company held gold put options recorded at a carrying value of $1.751 million (June 30, 2010: $7.658 million), after marking-to-market the carrying value and recognising a devaluation of the put options of

$10.610 million (June 30, 2010: $5.042 million). The continuing devaluation of the put options is a consequence of the rising gold price during the Quarter and the passage of time reducing the time to maturity of the options.

Derivative financial instruments

As at December 31, 2010 the Company held gold forward contracts for 230,000 ounces of gold and recorded a liability of $47.333 million (June 30, 2010: $0). These contracts were designated as effective hedge contracts beginning October 1, 2010. As some of these contracts were in place prior to October 1, 2010, and given the increase in gold price from the date of the contracts to September 30, 2010, they carried a negative value of $23.043 million which has been recorded in the income statement. The remainder of the movement in mark-to-market has been taken to equity.

Total Liabilities

As at December 31, 2010 the Company had total liabilities of $64.755 million (June 30, 2010: $25.862 million). The increase in liabilities is largely the result of the Company's decision to adopt hedge accounting of its gold forward contracts. Offsetting this increase in liabilities, during the Quarter creditors, relating mainly to the construction of the CAGP that were outstanding at June 30, 2010 ($23.053 million), were reduced significantly to $13.571 million.

The quarter-on-quarter movements in the financial position of the Company over the last eight quarters are shown below.

Financial Position[1] as at:	**Dec 31 2010**	**Sept 30 2010**	**Jun 30 2010**	**Mar 31 2010**	**Dec 31 2009**	**Sep 30 2009**	**Jun 30 2009**	**Mar 31 2009**
Cash and cash equivalents	88.796	130.213	185.591	82.705	67.166	60.626	79.876	10.685
Total Assets	300.718	309.447	346.792	194.031	155.813	136.238	145.903	72.206
Total Liabilities	64,755	14.340	25.862	18.296	4.895	6.350	13.106	3.828
Net Assets	235.963	295.107	320.930	175.735	150.918	129.888	132.797	68.378

[1]All amounts shown are in millions of dollars

The decrease in cash between December 31, 2010 and September 30, 2010 is due to the increased expenditure on the CAGP and TGP projects. The increasing cash balances as at December 31, 2009, March 31, 2010 and June 30, 2010 reflect the increased share placement activity since March 2009 as the Company sourced finance to fund development of the CAGP and increase the level of exploration activity at the TGP.

Total assets have decreased this Quarter by $8.729 million. This is due to the decrease in cash balances of $41.417 million as noted above, which has been offset to a degree by higher closing balances of PP&E and exploration and evaluation expenditure. The increase in capitalised PP&E is lower than the corresponding decrease in cash due to the significant devaluation of the USD against AUD. The majority of PP&E transactions are recorded in USD and are translated to AUD when consolidated. The increase in PP&E from March 31, 2010 quarter related primarily to expenditure incurred with respect to gold plant and infrastructure for the CAGP, including engineering design, equipment specifications and deposits for certain long lead plant items, but also reflects a reclassification of exploration and evaluation expenditure related to the CAGP from Exploration and Evaluation to PP&E. Other assets diminished during the Quarter due to devaluation of gold put options as a result of the rising gold price and the passage of time reducing the time to maturity of the options. This compared unfavourably to the June 2010 quarter during which other assets increased as a result of the purchase of additional put options, being partially offset by a diminution in the value of all options held by the Company (reflecting an increase in the gold price and the passage of time). Receivables in the form of additional cash placed on deposit to secure an international trade facility plus interest decreased in the Quarter ($5.964 million, June 30, 2010: $7.805 million) as a result of the facility being drawn as goods were delivered to site.

The increase in total liabilities at Quarter-end relative to the position at the end of the preceding quarter is largely due to the Company's decision to adopt hedge accounting of its gold forward sales contracts as at 1 October 2010 and recognising a liability as at December 31, 2010 of $47.333 million (September 30, 2010: nil).

CASHFLOW

The eight most recent quarter-on-quarter movements in the cash flow of the Company are as shown below.

Cash flows[1] for three months ended	Dec 31 2010	Sept 30 2010	Jun 30 2010	Mar 31 2010	Dec 31 2009	Sep 30 2009	Jun 30 2009	Mar 31 2009
Operating Activities	(3.528)	(1.096)	(1.345)	(0.236)	(0.687)	(0.788)	(0.268)	(0.322)
Investing Activities	(37.931)	(49.282)	(37.080)	(16.773)	(16.446)	(14.810)	(4.266)	(2.959)
Financing Activities	1.997	4.803	134.280	34.463	23.786	(2.410)	73.849	10.423

[1]All amounts shown are in millions of dollars

The cash outflows attributable to operating activities have been increasing over time reflecting the increase in administration activities across the Group, including payroll and also the increased use of consultants and advisors, as the Company accelerated its transition from a junior explorer to a development and operating company.

This level of activity was also reflected in the cash outflows for investing activities which largely related to payments for assets under construction. In the December 2010 quarter outflows decreased relative to the September 2010 quarter, as expenditure on the CAGP reduced, with the procurement of large items of plant largely complete. Other factors that have contributed to the steady increase in cash outflows include: payments for the purchase of gold put options, payments for investments in associates, Burey and Manas, plus increases in the escrowing of funds as security deposits for the international trade facility and exploration and evaluation expenditure. Unlike prior quarters, no further share placements occurred in the Quarter. However, cash inflows from financing activities did occur as a result of the exercise of options. The increase in cash inflows from financing activities in 2010 ($175.543 million, 2009: $ 105.648 million), is the result of an active programme of equity capital raisings undertaken during the prior year to fund the development of the CAGP and an accelerated programme of exploration on the Company's West African tenements.

As a consequence of the above quarter-on-quarter movements, cash held by Perseus increased from 2009 to 2010 and decreased in the Quarter to a total net available cash balance at December 31, 2010 of $88.796 million.

OPERATING RESULTS

The operating results for the eight most recent quarters are as follows:

Operating Results[1] for the three months ended	Dec 31 2010	Sept 30 2010	Jun 30 2010	Mar 31 2010	Dec 31 2009	Sep 30 2009	Jun 30 2009	Mar 31 2009
Interest Income	0.729	0.897	0.533	0.294	0.501	0.548	0.286	0.026
Other revenue	0.010	-	3.874	-	0.054	-	(1.640)	0.254
Total Operating expenses	(30.822)	(13.240)	(1.166)	(6.742)	(3.145)	(4.478)	0.031	(0.684)
Net Loss	(30.083)	(12.343)	3.186	(6.448)	(2.590)	(3.929)	(0.490)	(0.404)
Basic loss per share (cents)	(7.07)	(2.93)	0.83	(2.04)	(0.82)	(1.31)	(0.24)	(0.23)

[1]All amounts shown above are in millions of dollars

As a pre-production stage company, Perseus's revenues to date have mainly comprised interest income and its expenses have mainly comprised administration and corporate overheads (given the Company's accounting policy to capitalise exploration and evaluation expenditure).

The movements in net interest income for the past eight quarters are a result of both cash balances held in interest-bearing deposits during the period increasing due to equity raisings, offset by increased expenditure on the CAGP and exploration. Slightly increasing interest rates during the current twelve month period have also positively influenced cash balances. "Other revenue" received in the June 2010 quarter consists mainly of foreign exchange gains realised on cash deposits as a result of a decline in the AUD:USD exchange rate, coupled with an increase in the amount of foreign currency, particularly USD, held by the Company following completion of a number of share placements during the prior periods. In the December 2009 quarter, a gain was recognized on disposal of gold projects in the Central Asian Kyrgyz Republic to Manas ($0.833 million). Foreign exchange gains were also recognised.

The sharp increase in operating expenses in the December 2010 quarter is largely the result of the commencement of hedge accounting for gold forward contracts as at 1 October 2010. Other contributing factors include a significant foreign exchange loss and increased share based payments. To an extent this increase has been offset by a reversal in impairment of an investment in an associate (Manas). Prior to this quarter, the increase in operating expenses for the past five quarters compared to prior periods is largely the result of recognition of devaluation of gold put options September 2010 quarter: $3.236 million, 2010: $5.042 million), a foreign exchange loss in the Quarter of $2.431 million on cash deposits due to the weakening of the USD against the AUD, a write-off of capitalised exploration (2010: $0.845 million), and increased share based payments (2010: $3.594 million). The increase in share based payments in the Quarter is due to the issue of options to employees which vested immediately. As such, the total cost related to these options was expensed when issued. Other expenses, including employee benefits and fees paid to professional advisors and consultants, have also increased compared to the corresponding period in 2009 and reflect the growth of the Company's activities as a result of the transition from junior explorer to an integrated exploration, evaluation, development and operating company.

The apparent decrease in operating expenses in the June 2010 quarter compared to the preceding two quarters is a result of several factors, including reduced costs associated with the issue of options to Directors and employees as share based payments in the June 2010 quarter ($0.928 million) (compared to a charge of around $1.595 million in the March quarter and $0.800 million in the prior two quarters combined), and a reduced decrement in the market value of gold put options (approximately $0.74 million in the June 2010 quarter, compared to $4.3m in the previous three quarters combined).

LIQUIDITY AND CAPITAL RESOURCES

During the last two years, the equity capital markets have been the Company's primary source of funding. As at December 31, 2010, the Company had $88.795 million in cash and cash equivalents ($185.592 million as at June 30, 2010).

No major fund raising activities were undertaken by Perseus in the Quarter. However, the Company did receive $2.1 million during the period from the exercise of options. During the June 2010 Full Year, the Company issued a total of 117.6 million shares pursuant to share placements and a Share Purchase Plan. These activities combined raised a total of $204.5 million before deducting share issue expenses. In the corresponding prior period, 122.6 million shares were issued for gross cash consideration of $86.6 million.

As previously stated, the Company's short to medium term plans include development of the CAGP, permitting and development of the TGP, expansion of the Company's Mineral Resources through rapid exploration of existing ground, and the acquisition of prospective new projects.

The capital required to develop the CAGP is estimated to be approximately USD160 million. This cost will be financed with a mix of equity finance from existing cash reserves and debt drawn down under a project debt facility to be provided by the Lenders. The exact mix of debt and equity to be deployed for the CAGP will be determined as the project progresses. As previously noted, the drafting of full form documentation for the project debt facility was completed during the Quarter and submitted to the Ghanaian Government for review, prior to execution by the Company and the Lenders. Late in the Quarter, key project documents were executed and subsequent to the end of the Quarter, the Ghanaian government approved documentation. There have been no changes to the fundamental terms of the facility as described in the 2010 year end MD&A. Subject to the execution of certain ancillary documents and satisfaction of a number of conditions precedent, the project loan facility permits the drawing of up to USD85 million, the amount to be drawn being at the sole discretion of the Company.

As at December 31, 2010 a total of 230,000 ounces of gold had been hedged for settlement between March 2012 to December 2014 at an average price of USD1,250 per ounce. Subject to completion of all other conditions precedent, this level of hedging would enable Perseus to draw the full USD85 million facility. This hedging represents about 25% of expected production from CAGP to the end of 2014 and around 7% of current Mineral Reserves at CAGP. In addition, options granting Perseus the right but not the obligation to sell 100,000 ounces of gold at USD850 per ounce in the period from January 2012 to December 2013 and a further 20,000 ounces of gold at USD1,100 per ounce from July to December 2011 were purchased as part of the Company's financial risk management strategy.

Perseus's objective is to limit the amount of hedging required under the hedging facility to approximately 10% of Proven and Probable Reserves estimated for the CAGP (currently 3.3 million oz of gold). In addition, the Company is continuing infill drilling with the objective of increasing Proven and Probable Reserves at the CAGP. Any such increase will decrease the relative proportion of the Proven and Probable Reserves that are hedged.

COMMITMENTS

The following table sets forth information regarding the Company's contractual obligations as at December 30, 2010.

	Less than 1 Year	1 - 3 Years	4 - 5 Years	After 5 years
Exploration expenditure[1] (US$M)	1.050	2.700	2.700	1.550
Capital construction commitments[2] (US$M)	25.38	-	-	-

Notes:

(1) The Company's mineral rights in Ghana and Ivory Coast are not subject to minimum expenditures on exploration activities and its operating leases are paid annually, in advance. The Company has no long term debt, capital lease obligations or other long term obligations. The Company is however obliged to meet exploration budgets as described in mineral lease applications and the data reported above reflects this obligation.

(2) Under the agreement between the Company and the Central Ashanti Joint Venture ("CAJV") comprising DRA Mineral Projects (Pty) Ltd and Group Five Projects (Pty) Ltd, Perseus authorized CAJV to enter into binding contracts and arrangements with suppliers, subcontractors and manufacturers and to perform work. The Company has also made binding commitments for the performance of certain other works outside of the scope of the CAJV. As at December 31, 2010, total commitments amounted to USD125.483 million (of which USD100.099 million had been either settled or recorded as an actual liability). This commitment forms part of the estimated USD160 million capital cost for the CAGP.

(3) A subsidiary of the Company, Central Ashanti Gold Limited, has entered into gold hedge contracts with the Lenders for 230,000 ounces of gold during the period from March 2012 to December 2014. The contracts are settled on a quarterly basis. Based on a contracted delivery price of USD1,250 per ounce, the total value of gold hedged in the contract period is USD287.5 million.

FINANCIAL INSTRUMENTS AND RELATED RISKS

The principal financial instruments used by the Company as at December 31, 2010 are cash, receivables, payables and prepayments. As a result of the use of these financial instruments, the Company is exposed to credit risk, liquidity risk and market risk.

Credit Risk
Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities. There has been no significant change in the Company's exposure to credit risk or its objectives and policies for managing these risks during the Quarter.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. In the absence of operating revenue, the Company must raise additional capital from time to time in order to fund its exploration activities. The decision to raise capital in the future depends on market conditions existing at that time and the level of forecast activities and expenditures.

Market Risk

(i) Price risk is the risk that changes in market prices will affect the Company's income. The Company is exposed to fluctuations in metal prices (principally gold), and fluctuations in foreign currency and interest rates in the normal course of its business operations. The Company uses metal hedges to mitigate its exposure to fluctuations in gold prices, details of which are discussed in "Liquidity and Capital Resources" above.

(ii) Currency risk is the risk that changes in foreign currency exchange rates will affect the Company's income. The Company reports its financial results in Australian dollars. The Company's costs and funding, however, are mainly incurred and provided in USD, AUD, Ghanaian New Cedis, CFA francs and Canadian dollars. If, as expected by management, the CAGP or any of the Company's other projects commences production, future metals sales revenue will be in US dollars. Fluctuations in these exchange rates may therefore significantly affect the results of operations of the Company. There has been no significant change in the Company's exposure to currency risk or its objectives and policies for managing these risks during Quarter.

(iii) Interest rate risk is the risk that changes in market interest rates will affect the Company's income. There has been no significant change in the Company's exposure to currency risk or its objectives and policies for managing these risks during the Quarter.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements as at December 31, 2010.

TRANSACTIONS WITH RELATED PARTIES

Remuneration (including salaries, directors' fees and the issue of share options) was paid or is payable to the directors of the Company in the normal course of business. The Company pays its non-executive directors consulting fees for extra services, if any, performed outside of normally expected non-executive duties. These transactions are made on commercial terms and conditions and at market rates.

Rent, accounting, secretarial and corporate service fees paid or payable to Corporate Consultants Pty Ltd, a company in which a Director, Mr Gillard, and the company secretary, Mr Susmit Shah, have beneficial interests, totalled $220,557 for the Quarter compared to $85,983, $205,304 and $96,772 for the quarters ended September 30, 2010, June 30, 2010 and March 31, 2010 respectively. The increase in fees reflects the additional corporate activity in relation to share placements and listing on the TSX.

Taxation services paid or payable to Icon Financial Management Pty Ltd, an entity in which Mr Gillard has a beneficial interest, totalled nil for the Quarter compared to $3,014, $4,179 and $ 1,510 for the quarters ended September 30, 2010, June 30, 2010 and March 31, 2010 respectively.

CRITICAL ACCOUNTING ESTIMATES

Management is required to make various estimates in determining the reported amounts of assets and liabilities, revenues and expenses for each period presented, and in the disclosure of commitments and contingencies. Accounting estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company. These estimates and judgements are believed to be reasonable in the circumstances.

Management considers the following to be the Company's most critical accounting estimates.

Exploration and evaluation expenditure

The recoverability of the carrying amount of exploration and evaluation costs carried forward is reviewed by the Directors. In conducting the review, except where the area of interest has not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, the recoverable amount is assessed by reference to the higher of "fair value less costs to sell" and "value in use". In determining value in use, future cash flows are based on:

(i) Estimates of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
(ii) Estimated production and sales levels;
(iii) Estimated future commodity prices;
(iv) Future costs of production;
(v) Future capital expenditure; and/or
(vi) Future exchange rates.

Variations to expected future cash flows, and timing thereof, could result in significant changes to the impairment test results, which in turn could impact future financial results. The Directors determine when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The Directors' decision is made after considering the likelihood of finding economically recoverable reserves.

Share-Based Payments

The Company measures the cost of equity-settled transactions with employees and directors by reference to the fair value of the equity instruments as at the date at which they are granted. The Company measures the cost of cash-settled share-based payments at fair value at the grant date using the Black-Scholes option pricing model and taking into account the terms and conditions upon which the instruments were granted. Differences in estimated future stock price volatility, interest rates and other factors can have a material effect on the calculation of share-based compensation expense and derivative values. As such, the values derived may change significantly from period to period and are subject to significant uncertainty. The Company recorded a total share-based compensation expense of $3.845 million for the half year ended December 31, 2010 compared to $1.168 million for the corresponding period to December 31, 2009. The expense for the December 2010 quarter was $2.693 million compared with $1.152 million for the September quarter and $0.928 million for the June 2010 quarter.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

In the December 2010 quarter, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2010. As a result of this review, the Directors have determined that there is no change necessary to Group accounting policies.

OUTSTANDING SECURITIES DATA

The Company has ordinary shares and stock options on issue. The following is a summary of the Company's capital structure as at the date of this MD&A:

Ordinary shares	423,187,088
Options over unissued shares	8,475,000

At December 31, 2010 there were 422,837,088 (September 30, 2010: 421,307,088, June 30, 2010: 418,032,088) shares and 8,825,000 (September 30, 2010: 9,125,000, June 30, 2010: 12,000,000) options on issue. Since December 31, 2010 and up to the date of this MD&A, the Company has issued 350,000 shares upon conversion of the same number of options. No new options have been issued since December 31, 2010 and up to the date of this MD&A.

CONTROLS AND PROCEDURES

The Company maintains appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable. The Company continues to review and develop internal controls, including disclosure controls and procedures for financial reporting that are appropriate for the nature and size of the Company's business.

Disclosure Controls and Procedures

The Company's disclosure controls and procedures ("**DCP**") are designed to provide reasonable assurance that all relevant information is communicated to the Company's senior management to allow timely decisions regarding external disclosure. Access to material information regarding the Company is facilitated by the small size of the Company's senior management team and workforce. The Company is continuing to develop appropriate DCP for the nature and size of the Company's business. As at December 31, 2010, the Chief Executive Officer and Chief Financial Officer, with participation of the Company's management, concluded that there were no material weaknesses in the design of DCP at that date or changes to the Company's DCP during the Quarter which have materially affected, or are considered to be reasonably likely to materially affect, the Company's disclosure or its DCP.

Internal Controls over Financial Reporting

Internal controls over financial reporting ("**ICFR**") are designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements in compliance with IFRS. The Board is responsible for ensuring that management fulfils its responsibilities in this regard. The Audit Committee fulfils its role of ensuring the integrity of the reported information through its review of the interim and annual financial statements. There has been no change in the Company's internal control over financial reporting during Quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any DCP or ICFR, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion between two or more people, or by unauthorized override of the control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain information contained in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. This forward-looking information is based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. Such forward-looking information includes, but is not limited to, information with respect to the future financial and operating performance of Perseus, its affiliates and subsidiaries, the estimation of mineral reserves and mineral resources, realization of mineral reserve and resource estimates, costs and timing of development of the Central Ashanti Gold Project, timing and receipt of required approvals, consents and permits under applicable legislation, availability of the Facilities (as defined herein), costs and timing of future exploration, results of future exploration and drilling, and the adequacy of financial resources. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information in this MD&A includes, but is not limited to, statements about drill results, commodity prices and core intersection lengths, in that they constitute estimates, based on certain assumptions of mineralization that may be encountered if a deposit were to be mined.

By its nature, forward-looking information speaks only as of the date it is provided, is not a guarantee of future performance and involves known and unknown risks, uncertainties and other factors that are difficult to control or predict, which may cause actual results, performance or achievements, or industry results, to differ materially from those expressed or implied by such forward-looking information and readers should not place undue reliance on such statements.

RISK FACTORS

Some of the risks and other factors that could cause actual results to differ materially from those expressed in the forward-looking information contained in this MD&A, as well as risk factors generally facing the Company, include, but are not limited to:

- risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations;
- results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations;
- risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined;
- mining and development risks, including risks related to accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development;
- the potential for delays in exploration or development activities or the completion of feasibility studies;
- risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses;
- risks related to commodity price, interest rate and foreign exchange rate fluctuations;
- the uncertainty of profitability based upon the cyclical nature of the industry in which the Company operates;
- risks related to failure to obtain adequate financing on a timely basis or on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities;

- the risk of changes to fiscal terms or operating approval conditions;
- risks related to environmental regulation and liability;
- political and regulatory risks associated with mining and exploration; and
- other risks and uncertainties related to the Company's prospects, properties and business strategy.

A detailed discussion of these and other factors that may affect the Company's prospects, actual results, performance, achievements or financial position is contained in the Company's Annual Information Form dated September 28, 2010. Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described in the forward-looking information, readers are cautioned that this list is not exhaustive and there may be other factors that we have not identified. Readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. Forward-looking information is based upon management's beliefs, estimates and opinions as at the date of this MD&A, and no assurance can be given that these will prove to be correct. Furthermore, the Company undertakes no obligation to update or revise forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

TECHNICAL DISCLOSURES

The exploration results in this MD&A have been prepared by or under the supervision of Mark Calderwood, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Calderwood is the Managing Director and full-time employee of the Company. He is a Competent Person within the meaning of the JORC Code and a Qualified Person within the meaning of National Instrument 43-101 — Standards of Disclosure for Mineral Projects (''NI 43-101''). Mr. Calderwood has reviewed the data set out herein, including sampling, analytical and test data underlying the exploration results set out herein. For a description of the quality assurance program and quality control measures applied, please refer to the CAGP Technical Report and the Tengrela Technical Report. Mr Calderwood has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and as a Qualified Person for the purposes of National Instrument 43-101 of the Canadian Securities Administrators. Mr Calderwood consents to the inclusion in this MD&A of the matters based on his information in the form and context in which it appears.

Table 1: CAGP, Mineral Reserve Estimate Summary

Deposit	Proven Reserves[1]			Probable Reserves[1]			Proven & Probable Reserves			W:O Ratio[2]
	Ore Mt	Au g/t	Au ,000 oz	Ore Mt	Au g/t	Au ,000 oz	Ore Mt	Au g/t	Au ,000 oz	
Abnabna-Fobinso	40.2	1.2	1,541	12.3	0.9	345	52.5	1.1	1,885	2.5
Esuajah South	7.5	1.8	433	1.3	1.8	75	8.8	1.8	508	7.6
Esuajah North				11.9	1.0	390	11.9	1.0	390	1.2
Fetish				13.7	1.1	490	13.7	1.1	490	2.5
Total	**47.7**	**1.3**	**1,974**	**39.2**	**1.0**	**1,300**	**86.9**	**1.2**	**3,273**	**2.8**

Notes
1 0.4g/t Au cut-off applied to Abnabna-Fobinso and 0.5g/t Au cut-off applied to other deposits.
2 Inferred mineral resources totalling 3.2Mt at 1.1g/t Au is considered as waste.

Table 2: Tengrela Project Economics Snapshot

Gold price	US$ 950/oz Base Case[3]	**US$ 1,100/oz Base Case[3]**	US$1,250/oz Base Case[3]
Ore processed - tonnes @ g/t Au	9.6Mt @2.1g/t	**9.6Mt @2.1g/t**	9.6Mt @2.1g/t
Strip Ratio	4.1:1	**4.1:1**	4.1:1
Capital Cost	$US 115M	**$US 115M**	$US 115M
Mining Costs	$14.92/t ore, $242/oz	**$14.92/t ore, $242/oz**	$14.92/t ore, $242/oz
Process Recovery	90.7%	**90.7%**	90.7%
Processing Costs	$11.81/t ore, $192/oz	**$11.81/t ore, $192/oz**	$11.81/t ore, $192/oz
Administration & Labour Costs	$4.42/t ore, $72/oz	**$4.42/t ore, $72/oz**	$4.42/t ore, $72/oz
EBITDA[1]	US$250M	**US$337M**	US$424M
EBIT	US$108M	**US$195M**	US$282M
IRR[5]	38%	**65%**	90%
Payback period	17 months	**14 months**	11 months
Royalties paid (State)[2]	$17.0M	**$19.7M**	$22.4M
Average Life of Mine (LOM) Cash Operating Cost/oz (C1)	$505/oz	**$505/oz**	$505/oz

Notes
1) EBITDA is earnings prior to interest, tax, depreciation and amortisation but includes refining costs and Government royalties.
2) Royalties are based on the current industry rate of 3% payable to the Government of Côte d'Ivoire; no allowance has been made for acquisition royalties totalling approximately 0.5%.
3) The Base Case reflects mining of three pits only and a fixed 0.55g/t Au cut-off grade for ore. It treats mined Inferred Resources as waste. A nominal US$950 (Measured and Indicated Resources only) Whittle optimisation was used for the pit design.
4) C1 definition includes operating costs, administration and refining costs, and excludes royalties.
5) IRR is calculated at the commencement of production.
6) Perseus owns 80% of the project after allowance for the Government's right to 10% and 10% held by its joint venture partner. Perseus has an option to acquire a further 5% interest in the project.

Table 3: CAGP Infill and Extensional Drilling

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ABRDD427	AF Gap	26180	13900	408.2	180	-57	280	309	29	1.2
							322	345	23	1.7
						incl.	*338*	*339*	*1*	***18.0***
							367	400	33	1.0
AFRDD087	Fobinso	27200	14107	279.4	180	-60	218	270	52	2.8
						incl.	*231*	*249*	*18*	*5.5*
						incl.	*244*	*245*	*1*	***40.0***
						and	*248*	*249*	*1*	***19.6***
AFRDD088	Fobinso	27200	14160	312.4	180	-60	249	267	18	1.5
						incl.	*253*	*254*	*1*	***14.7***
							273	289	16	1.8
						incl.	*287*	*288*	*1*	***11.6***
FBDD105	Fobinso	27440	14160	359	180	-60	200	229	29	1.1
							257	262	5	2.3
							273	279	6	**14.3**
							299	308	9	1.4
FBDD107	Fobinso	27460	14215	416	180	-60	331	370	39	1.2
							380	388	8	1.3
FBDD110	Fobinso	27160	14105	290	179	-60	219	253	34	1.5
AKRDD247	Esuajah S.	1805	6320	309.3	90	-58	239	297	58	4.0
						incl.	*269*	*270*	*1*	***39.1***
						and	*288*	*295*	*7*	***12.2***
AKRDD248	Esuajah S.	1845	6140	282.4	90	-74	185	236	51	2.0
							244	261	17	1.4
							269	274	5	2.2
AKRDD249	Esuajah S.	1804	6140	363.3	90	-74	225	238	13	1.7
							262	363.9*	101.9	2.6
						incl.	*270*	*271*	*1*	***89.8***
AKRDD250	Esuajah S.	1860	6340	240.3	90	-60	186	195	9	3.1
						incl.	*191*	*192*	*1*	***17.2***
							208	227	19	3.2
						incl.	*216*	*217*	*1*	***12.2***
AKRDD251	Esuajah S.	1800	6260	363.3	90	-67	231	247	16	1.9
							259	288	29	1.7
							304	315	11	5.7
						incl.	*304*	*306*	*2*	***16.6***
							331	353	22	4.2
						incl.	*331*	*334*	*3*	***18.2***
ESDD002	Esuajah S.	1828	6180	307	90	-73	202	251	49	2.1
							260	285	25	1.7
						incl.	*279*	*280*	*1*	***14.9***
							177	200	23	1.9
ESDD004	Esuajah S.	1830	6201	301	90	-70	191	267	76	1.8
						incl.	*200*	*202*	*2*	***10.5***
ESDD005	Esuajah S.	1785	6220	351	90	-66	249	262	13	1.8
							286	290	4	5.4
						incl.	*287*	*288*	*1*	***15.0***
							296	340	44	1.3

Table 3: CAGP Infill and Extensional Drilling (cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ESDD006	Esuajah S.	1789	6300	310	90	-57	240	256	16	3.7
						incl.	*242*	*243*	*1*	***33.7***
							262	301	39	6.5
						incl.	*262*	*263*	*1*	***22.9***
						and	*272*	*273*	*1*	***12.8***
						and	*283*	*284*	*1*	***11.6***
						and	*289*	*294*	*5*	***17.3***
						and	*299*	*301*	*2*	***13.2***
ESDD007	Esuajah S.	1839	6260	274	90	-60	140	251	111	2.0
						incl.	*202*	*203*	*1*	***24.2***
						and	*213*	*214*	*1*	***12.1***
ESDD008	Esuajah S.	1837	6260	301	90	-68	136	287	151	2.8
						incl.	*259*	*260*	*1*	***29.9***
						and	*276*	*278*	*2*	***26.8***
ESDD009	Esuajah S.	1784	6220	374	90	-71	249	261	12	2.9
							272	298	26	2.5
						incl.	*292*	*293*	*1*	***11.0***
							311	364	53	1.8
ESDD010	Esuajah S.	1800	6238	332	90	-65	216	294	78	2.1
						incl.	*262*	*263*	*1*	***10.9***
						and	*285*	*286*	*1*	***17.8***
							306	319	13	3.7
						incl.	*306*	*307*	*1*	***10.0***
						and	*311*	*312*	*1*	***10.9***
ESDD011	Esuajah S.	1829	6220	254	90	-58	153	159	6	1.8
							167	235	68	3.3
						incl.	*210*	*211*	*1*	***25.4***
							228	232	4	**11.6**
ESDD014	Esuajah S.	1780	6299	368	90	-64	270	302	32	2.4
							339	360	21	3.0
						incl.	*344*	*345*	*1*	***23.3***
						and	*357*	*358*	*1*	***13.9***
ESDD015	Esuajah S.	1812	6120	299	90	-71	221	243	22	1.3
							262	271	9	1.6
							280	284	4	9.1
						incl.	281	282	1	**25.2**
ESDD018	Esuajah S.	1879	6100	165	90	-70	135	150	15	3.5
						incl.	*145*	*146*	*1*	***12.8***
ESDD019	Esuajah S.	1752	6300	396	90	-65	294	308	14	2.3
							336	352	16	2.4
							359	379	20	3.0
						incl.	*368*	*369*	*1*	***17.2***
ESDD020	Esuajah S.	1762	6260	404	90	-71	273	290	17	2.8
						incl.	*275*	*277*	*2*	***13.9***
							316	336	20	1.2
							350	385	35	2.0
						incl.	*360*	*361*	*1*	***11.1***

Table 3: CAGP Infill and Extensional Drilling (cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ESDD021	Esuajah S.	1793	6180	350	90	-72	243	298	55	1.9
						incl.	*244*	*245*	*1*	***41.3***
ESDD024	Esuajah S.	1790	6320	341	90	-63	274	292	18	4.0
						incl.	*286*	*289*	*3*	***20.0***
							296	300	4	7.4
						incl.	*298*	*299*	*1*	***16.2***
ESDD025	Esuajah S.	1723	6280	406	90	-67	290	296	6	4.1
						incl.	*294*	*295*	*1*	***16.5***
							301	307	6	1.9
							335	346	11	1.1
							378	403	25	1.8
						incl.	*379*	*380*	*1*	***17.8***
ESDD026	Esuajah S.	1767	6320	395	90	-66	318	335	17	3.9
						incl.	*319*	*320*	*1*	***13.3***
						and	*328*	*329*	*1*	***16.2***
							353	364	11	1.0
ESDD027	Esuajah S.	1727	6320	449	90	-66	372	377	5	5.0
						incl.	*372*	*373*	*1*	***17.8***
							383	403	20	2.3
						incl.	*402*	*403*	*1*	***10.1***
EFDD034	Fetish	3447	5260	322.6	270	-55	112	118	6	9.9
						incl.	*112*	*113*	*1*	***16.4***
						and	*116*	*117*	*1*	***35.4***
							154	162	8	1.9
							184	194	10	1.2
							210	224	14	1.1
							235	243	8	3.8
						incl.	*242*	*243*	*1*	***20.5***
							250	256	6	3.4
						incl.	*254*	*255*	*1*	***11.2***
							275	288	13	2.0
EFDD038	Fetish	3409	5300	263	270	-55	111	126	15	2.3
						incl.	*119*	*120*	*1*	***11.8***
							139	155	16	1.2
							167	189	22	1.7
						incl.	*179*	*180*	*1*	***10.7***
							207	230	23	1.9
EFDD039	Fetish	3388	5258	242.17	270	-50	78	86	8	1.5
							113	125	12	2.0
							188	219	31	1.4
EFDD040	Fetish	3410	5340	232	270	-55	117	129	12	1.1
							187	200	13	**13.3**
						incl.	*196*	*197*	*1*	***157.1***
EFDD042	Fetish	3440	5380	266	270	-55	192	222	30	1.5

Table 3: CAGP Infill and Extensional Drilling (cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
EFDD043	Fetish	3480	5380	296	270	-55	142	144	2	**12.3**
							253	275	22	3.6
						incl.	*262*	*263*	*1*	***16.9***
						and	*270*	*271*	*1*	***15.4***
						and	*274*	*275*	*1*	***18.1***
EFDD044	Fetish	3453	5300	283.6	270	-57	167	182	15	1.3
							201	209	8	1.3
							238	268	30	2.5
						incl.	*242*	*243*	*1*	***13.1***
						and	*254*	*255*	*1*	***11.5***
EFDD045	Fetish	3389	5300	228.4	270	-50	94	98	4	2.6
							177	192	15	2.2
							157	162	5	2.9
							229	243	14	2.8
						incl.	*236*	*237*	*1*	***10.3***
							252	258	6	3.4
EFDD046	Fetish	3410	5258	275.55	270	-55	230	248	18	2.7
						incl.	*235*	*236*	*1*	***18.5***
EFDD047	Fetish	3450	5340	274.58	270	-55	144	162	18	1.4
							229	245	16	2.5
						incl.	*236*	*237*	*1*	***10.3***
							252	258	6	3.4
EFDD048	Fetish	3493	5300	320.68	270	-55	220	244	24	1.6
							263	302	39	1.6
						incl.	*294*	*295*	*1*	***10.8***
EFDD049	Fetish	3492	5260	299.27	270	-55	177	178	1	**12.4**
							219	230	11	3.3
						incl.	*225*	*226*	*1*	***13.9***
							270	276	6	3.3
EFDD050	Fetish	3530	5300	355.59	270	-57	254	280	26	2.1
						incl.	*279*	*280*	*1*	***30.2***
							284	305	21	1.3
							312	349	37	1.5
						incl.	*329*	*330*	*1*	***10.6***
EFDD051	Fetish	3529	5260	338.45	270	-57	255	258	3	3.4
							292	311	19	3.3
						incl.	*293*	*294*	*1*	***29.9***
EFDD052	Fetish	3490	5340	326.34	270	-55	190	209	19	1.0
							224	248	24	1.6
							263	279	16	1.3
EFDD054	Fetish	3400	5360	215.5	270	-50	103	107	4	4.3
						incl.	*106*	*107*	*1*	***12.7***
							131	132	1	**21.7**
EFDD061	Fetish	3370	5500	194.6	270	-50	164	186	22	4.0
						incl.	*167*	*168*	*1*	***59.4***
EFDD062	Fetish	3370	5420	211	270	-50	178	188	10	7.6
						incl.	*184*	*188*	*4*	***17.7***

Table 3: CAGP Infill and Extensional Drilling (cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
EFRDD001	Fetish	3385	5280	250	270	-55	113	124	11	1.3
							203	220	17	1.8
CHDD006	Chirawewa	4005	4480	322	90	-50	105	136	31	3.0
							142	152	10	2.0
							159	163	4	9.5
						incl.	*161*	*162*	*1*	***28.0***
							286	287	1	**30.8**
MPRC119	Mampong	24480	13467	89	180	-50	14	22	8	2.8
							52	62	10	2.7

Notes
1) Except for MPRC119, all holes were core drilled through the mineralised zone.
2) Core holes sampled at 1m intervals; MPRC119 was sampled at 1m intervals and composited to 2m intervals.
3) Oxide samples or low sulphur fresh rock samples analysed using 50grm fire assays by Intertek Minerals Limited.
4) High sulphide content samples analysed using 25gram fire assays by Intertek Minerals Limited.
5) Only holes with combined intercepts of greater than 40 gram metres included.
6) The type of analytical or testing procedures utilized and sample size and the quality assurance program and quality control measures are consistent with those described in the report entitled "Technical Report – Central Ashanti Gold Project, Ghana" dated November 30, 2009.
7) The true width of intercepts from recent drilling at Esuajah South ranges from 55-80% of the intercept width.
8) The true width of intercepts from recent drilling at Abnabna-AF Gap-Fobinso ranges from 58-82% of the intercept width, averaging about 70%.
9) The true width of intercepts from recent drilling at Fetish ranges from 75-85% of the intercept width.
10) The true width of intercepts from recent drilling at Chirawewa ranges from 47-77% of the intercept width.

Table 4: December Quarter Anomalous Exploration Intercepts, CAGP, Ghana

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
BGRC007	Besem Gap	1380	7480	120	270	-60	32	40	8	2.9
BGRC011	Besem Gap	3080	7680	120	270	-60	96	104	8	1.3
BGRC015	Besem Gap	3080	7680	120	270	-60	32	44	12	1.2
BKRC024	Bokitsi SE	2776	4360	95	270	-55	68	76	8	**11.8**
BKRDDD001	Bokitsi SE	2860	4160	210.1	270	-55	84	92	8	1.3
BKRDDD002	Bokitsi SE	2835	4240	180.1	270	-55	97	107	10	1.4
BKRDDD007	Bokitsi SE	2850	4280	235	270	-55	84	96	12	5.4
						incl.	*88*	*92*	*4*	***10.3***
							120	132	12	2.7
BKRDD009	Bokitsi SE	2850	4320	210	270	-55	124	136	12	5.0
BKRDD013	Bokitsi SE	3064	4960	42	270	-50	36	42*	6	3.5
CHRC006	Chirawewa S	3740	4000	90	270	-55	38	58	20	1.3
CHRC007	Chirawewa S	3780	3960	92	270	-55	46	56	10	3.8
CHRC025	Chirawewa S.	3751	3880	90	270	-55	28	36	8	1.6
CHRC028	Chirawewa S.	3780	4000	110	270	-55	44	60	16	2.6
CHRC030	Chirawewa S.	3799	4080	100	270	-55	88	100*	12	3.2
ENS006	Esuajah WD	2881	7480	48	90	-60	28	32	4	5.4
ENS007	Esuajah WD	2840	7480	80	90	-60	0	4	4	3.3
FNS030	Fetish N.	3640	6630	80	90	-60	56	60	4	3.7
PKRC039	Pokukrom	1977	5340	120	90	-60	32	36	4	5.6

Notes
1) All holes are RC holes, except BKRDD holes which are core holes.
2) RC holes sampled at 1m intervals and composited to 2m intervals; core holes are sampled at 1m intervals.
3) Oxide samples or low sulphur fresh rock samples analysed using 50grm fire assays by Intertek Minerals Limited.
4) High sulphide content samples analysed using 25gram fire assays by Intertek Minerals Limited.
5) Only holes with combined intercepts of greater than 10 gram metres included.

6) The true width of intercepts from recent drilling is currently unknown. The true width of intercepts along the Bokitsi zone is about 70% of the intercept width.
7) The type of analytical or testing procedures utilized and sample size and the quality assurance program and quality control measures are consistent with those described in the report entitled "Technical Report – Central Ashanti Gold Project, Ghana" dated November 30, 2009.

Table 5: Significant Intercepts Sissingue Gold Deposit, Côte d'Ivoire

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
SD128	Sissingue	806660	1154640	194.5	272	-55	14.2	23.2	9	1.2
							136	142	6	2.0
							160	177	17	1.1
SD129	Sissingue	806690	1154500	147	272	-56	41.7	49.2	7.5	5.7
						incl.	48.7	49.2	0.5	50.0
SD130	Sissingue	806670	1154540	201.7	272	-56	27.7	42.7	15	1.5
							65.7	76	10.3	1.1
							92	103	11	2.5
						incl.	94	95	1	10.3
SD131	Sissingue	806670	1154560	168.2	277	-56	54.7	103	48.3	1.9
						incl.	61	62	1	14.1
SD132	Sissingue	806700	1154560	155.2	272	-56	59	60	1	17.2
							112	113	1	26.7
SD137	Sissingue	806665	1154550	215.7	274	-56	26.2	92	65.8	4.0
						incl.	*32.2*	*33.7*	*1.5*	***18.1***
						and	*41.2*	*42.7*	*1.5*	***50.0***
						and	*55.15*	*56.7*	*1.55*	***23.4***
							162	172	10	1.5
SD139	Sissingue	806780	1154220	267	272	-56	181	195	14	1.2
							201.7	208	6.3	2.5
							229	241	12	1.1
SD140	Sissingue	806740	1154220	228.7	274	-56	38.2	42.7	4.5	**10.5**
						incl.	*38.2*	*39.7*	*1.5*	***25.9***
							167	194	27	1.9
SD142	Sissingue	806720	1154160	204.7	273	-55	101	152.15	51.15	3.3
						incl.	*129*	*130*	*1*	***50.0***
							179	183	4	7.0
						incl.	*180*	*181*	*1*	***20.0***
SD143	Sissingue	806740	1154160	182.99	273	-55	60.7	77	16.3	1.5
							137	180	43	1.9
						incl.	*138*	*139.1*	*1.1*	***11.1***
						and	*154.6*	*155.15*	*0.55*	***17.3***
SGC020	Sissingue	806655	1154510	62	270	-55	7	21	14	5.9
						incl.	16	17	1	48.4
SGC021	Sissingue	806668	1154510	58	270	-55	21	28	7	13.2
						incl.	22	23	1	55.9
						and	26	27	1	18.2
							34	40	6	10.7
						incl.	35	36	1	58.4
SGC024	Sissingue	806705	1154510	68	270	-55	48	68*	20	8.5
						incl.	57	61	4	36.1
						incl.	59	60	1	125.9
SGC026	Sissingue	806660	1154520	68	270	-55	11	28	17	3.8
						incl.	20	21	1	29.1
						and	26	27	1	13.0
SGC027	Sissingue	806673	1154520	40	270	-55	18	40*	22	5.1
						incl.	25	29	4	14.6
						and	31	32	1	13.4

Table 5: Significant Intercepts Sissingue Gold Deposit, Côte d'Ivoire (cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
SGC029	Sissingue	806698	1154520	56	270	-55	47	56*	9	9.8
						incl.	53	55	2	35.5
SRC978	Sissingue	807100	1153820	60	267	-56	24	26	2	**29.7**
SRC990	Sissingue	806680	1154100	63	270	-54	44	63*	19	8.1
						incl.	*52*	*56*	*4*	***32.6***
						incl.	*54*	*56*	*2*	***47.5***

Notes
1) SGC and SRC holes are reverse circulation drill holes, SD holes are core drill holes.
2) The type of analytical or testing procedures utilized and sample size and the quality assurance program and quality control measures are consistent with those described in the technical report entitled "Technical Report – Tengrela Gold Project, Côte d'Ivoire" dated September 02, 2010.
3) Drill samples were assayed by 50g fire assays by Intertek Minerals Limited.
4) True width of intercepts from the current program at the Sissingue deposits is about 55-77% of the intercept width.
5) * denotes open ended intercept.
6) Only holes from Sissingue with combined intercepts of greater than 40 gram metres included.

Table 6: CAGP, Abnabna-Fobinso, Measured and Indicated Mineral Resources (>0.8g/t Au[1])

Deposit	Measured Resources			Indicated Resources			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	1.1	1.4	48,000	0.4	1.4	18,000	1.5	1.4	66,000
Transition	0.8	1.4	36,000	0.3	1.4	16,000	1.1	1.4	51,000
Primary	26.7	1.5	1,280,000	7.8	1.3	325,000	34.5	1.4	1,604,000
Total[2]	**28.6**	**1.5**	**1,364,000**	**8.6**	**1.3**	**358,000**	**37.2**	**1.4**	**1,722,000**

Notes
1 Reported at 0.8g/t cut-off above -100mRL and 1.2g/t below -100mRL).
2 Rounding applied to totals.

Table 7: CAGP, Abnabna-Fobinso, Measured and Indicated Mineral Resources (>0.4g/t Au[1])

Deposit	Measured Resources			Indicated Resources			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	1.8	1.1	62,000	1.1	0.9	32,000	2.9	1.0	93,000
Transition	1.1	1.2	42,000	0.7	1.0	22,000	1.8	1.1	64,000
Primary	40.0	1.2	1,551,000	21.4	0.9	616,000	61.5	1.1	2,167,000
Total[2]	**42.9**	**1.2**	**1,655,000**	**23.3**	**0.9**	**669,000**	**66.2**	**1.1**	**2,324,000**

Notes
1 Reported at 0.4g/t cut-off above -100mRL and 0.8g/t below -100mRL).
2 Rounding applied to totals.

Table 8: CAGP, Abnabna-Fobinso, Inferred Mineral Resources

Deposit	>0.8g/t Au(1)			0.4g/t-0.8g/t Au(2)			Total Inferred Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.08	1.2	3,000	0.03	0.7	600	0.1	1.1	4,000
Transition	0.02	1.3	900	0.02	0.6	400	0.04	1.0	1,000
Primary	1.9	1.6	92,000	2.6	0.9	75,000	4.4	1.2	168,000
Total(3)	**2.0**	**1.5**	**96,000**	**2.6**	**0.9**	**76,000**	**4.6**	**1.2**	**173,000**

Notes

1 Reported at 0.8g/t cut-off above -100mRL and 1.2g/t below -100mRL).
2 Reported at 0.4-0.8g/t cut-off above -100mRL and 0.8-1.2g/t below -100mRL).
3 Rounding applied to totals.

Table 9: CAGP, Esuajah South, Measured and Indicated Mineral Resources (>0.8g/t Au(1))

Deposit	Measured Resources			Indicated Resources			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.05	1.9	3,000	0.01	1.2	300	0.05	1.8	3,000
Transition	0.15	2.3	11,000	0.05	2.3	4,000	0.2	2.3	15,000
Primary	6.8	2.0	439,000	4.8	1.9	289,000	11.7	1.9	728,000
Total(2)	**7.0**	**2.0**	**453,000**	**4.9**	**1.9**	**293,000**	**11.9**	**1.9**	**746,000**

Notes

1 Reported at 0.8g/t cut-off above -100mRL and 1.2g/t below -100mRL)
2 Rounding applied to totals

Table 10: CAGP, Esuajah South, Measured and Indicated Mineral Resources (>0.4g/t Au(1))

Deposit	Measured Resources			Indicated Resources			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.05	1.9	3,000	0.01	0.9	400	0.06	1.7	3,000
Transition	0.15	2.3	11,000	0.06	2.1	4,000	0.2	2.2	15,000
Primary	8.1	1.8	471,000	6.1	1.7	330,000	14.2	1.8	800,000
Total(2)	**8.3**	**1.8**	**485,000**	**6.2**	**1.7**	**334,000**	**14.5**	**1.8**	**818,000**

Notes

1 Reported at 0.4g/t cut-off above -100mRL and 0.8g/t below -100mRL).
2 Rounding applied to totals.

Table 11: CAGP, Esuajah South, Inferred Mineral Resources

Deposit	>0.8g/t Au[1]			0.4g/t-0.8g/t Au[2]			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Primary	2.7	1.7	146,000	2.6	0.9	79,000	5.3	1.3	224,000
Total[3]	**2.7**	**1.7**	**146,000**	**2.6**	**0.9**	**79,000**	**5.3**	**1.3**	**224,000**

Notes

1 Reported at 0.8g/t cut-off above -100mRL and 1.2g/t below -100mRL).
2 Reported at 0.4-0.8g/t cut-off above -100mRL and 0.8-1.2g/t below -100mRL).
3 Rounding applied to totals.

Table 12: CAGP, Reserves

Deposit	Proven		Probable		Total Reserve			Inferred Resource		Total Rock	Strip Ratio
	Qty (Mt)	Gold (g/t)	Qty (Mt)	Gold (g/t)	Qty (Mt)	Gold (g/t)	Cont. Gold (Moz)	Qty (Mt)	Gold (g/t)	Qty (Mt)	(t/t)
Abnabna/AF Gap	40.2	1.2	12.3	0.9	52.5	1.1	1.9	0.5	0.9	182.5	2.5
Esuajah South	7.5	1.8	1.3	1.8	8.8	1.8	0.5	0.3	0.9	75.2	7.6
Fetish	-	-	13.7	1.1	13.7	1.1	0.5	2.0	1.3	48.0	2.5
Esuajah North	-	-	11.9	1.0	11.9	1.0	0.4	0.4	0.7	25.9	1.2
Total	**47.7**	**1.3**	**39.2**	**1.0**	**86.9**	**1.2**	**3.3**	**3.2**	**1.1**	**331.6**	**2.8**

Notes

1 0.4g/t Au cut-off applied to Abnabna-Fobinso and 0.5g/t Au cut-off applied to other deposits.
2 Inferred mineral resources totalling 3.2Mt at 1.1g/t Au is considered as waste.

Table 13: Grumesa Gold Project, Kayeya Indicated Mineral Resources (>0.6g/t Au)

Deposit	Measured Resources			Indicated Resources			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide				1.8	0.9	53,000	1.8	0.9	53,000
Transition				1.2	0.9	35,000	1.2	0.9	35,000
Primary				5.9	0.9	164,000	5.9	0.9	164,000
Total[1]				**8.9**	**0.9**	**252,000**	**8.9**	**0.9**	**252,000**

Notes

1 Rounding applied to totals.

Table 14: Grumesa Gold Project, Kayeya Indicated Mineral Resources (>0.4g/t Au[1])

Deposit	Measured Resources			Indicated Resources			Total Measured and Indicated Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide				7.4	0.5	121,000	7.4	0.5	121,000
Transition				5.2	0.5	82,000	5.2	0.5	82,000
Primary				12.5	0.7	268,000	12.5	0.7	268,000
Total[2]				**25.1**	**0.6**	**471,000**	**25.1**	**0.6**	**471,000**

Notes

1. Primary reported above 0.4g/t Au cut-off, oxide/transition report above a 0.2g/t Au cut-off.
2. Rounding applied to totals.

Table 15: Grumesa Gold Project, Kayeya Inferred Mineral Resources

Deposit	>0.6g/t Au			0.4g/t-0.6g/t Au[1]			Total Inferred Resources		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.5	0.8	14,000	6.0	0.3	67,000	6.6	0.4	81,000
Transition	0.3	0.7	6,000	2.7	0.4	31,000	2.9	0.4	38,000
Primary	2.1	0.8	54,000	4.8	0.5	74,000	6.9	0.6	128,000
Total[2]	**2.9**	**0.8**	**74,000**	**13.5**	**0.4**	**173,000**	**16.4**	**0.5**	**247,000**

Notes

1. Primary reported above 0.4g/t Au cut-off, oxide/transition report above a 0.2g/t Au cut-off.
2. Rounding applied to totals.

Table 16: Total Mineral Resources (Including Reserves)

Deposit (cut-off g/t Au)	Measured & Indicated			Inferred		
	Tonnes (million)	g/t Au	Ounces Au (,000)	Tonnes (million)	g/t Au	Ounces Au (,000)
CAGP-(Ayanfuri) [1] >0.8g/t	71.2	1.4	3,307	24.4	1.5	1,144
CAGP-(Ayanfuri) [1] 0.4g/t - 0.8g/t	47.1	0.7	1,012	25.3	0.7	538
Grumesa [1] >0.4 [2]	25.1	0.6	471	16.4	0.5	247
Tengrela[3] >1.0g/t	9.9	2.5	796	3.3	1.7	171
Tengrela[3] 0.5-1.0g/t	5.6	0.8	135	3.6	0.7	86
Totals >0.8g/t (1.0g/t Tengrela)	**81.0**	**1.5**	**4,103**	**27.7**	**1.5**	**1,315**
Totals >0.4g/t (0.5g/t Tengrela)	**158.8**	**1.1**	**5,721**	**73.0**	**0.9**	**2,186**

Notes:

1 Last updated in December 2010.
2 Primary reported above 0.4g/t Au cut-off, oxide/transition report above 0.2g/t Au cut-off.
3 Last updated in November 2010.
4 The Company holds 90% of Ayanfuri, 90% of Grumesa and 80% of Tengrela after allowing for Government equity at mining stage.

Table 17: Total Mineral Reserves

Deposit	Proven			Probable			Total		
	Tonnes (million)	g/t Au	Ounces Au (,000)	Tonnes (million)	g/t Au	Ounces Au (,000)	Tonnes (million)	g/t Au	Ounces Au (,000)
CAGP-(Ayanfuri) >0.4g/t [1,2]	47.7	1.3	1,974	39.2	1.0	1,300	86.9	1.2	3,273
Tengrela >0.55g/t [2]				9.7	2.1	657	9.7	2.1	657
Total	**47.7**	**1.3**	1,974	**48.9**	**1.3**	**1,957**	**96.6**	**1.3**	**3,930**

Notes

1 >0.4g/t Au cut-off for Abnabna-Fobinso, >0.5g/t Au cut-off for all other deposits.
2 Last updated in December 2010.
3 Last updated in November 2010.

Table 18: Residual Mineral Resources (Additional to Reserves)

Deposit (cut-off g/t Au)	Measured & Indicated			Inferred		
	Tonnes (million)	g/t Au	Ounces Au (,000)	Tonnes (million)	g/t Au	Ounces Au (,000)
CAGP-(Ayanfuri) [1] **>0.8g/t**	12.2	1.5	587	24.4	1.5	1,144
CAGP-(Ayanfuri) [1] **0.4g/t - 0.8g/t**	19.9	0.7	466	25.3	0.7	538
Grumesa [1,2] **>0.4** [2]	25.1	0.6	471	16.4	0.5	247
Tengrela [3] **>1.0g/t**	3.0	2.1	200	3.3	1.7	171
Tengrela [3] **0.5-1.0g/t**	3.0	0.8	74	3.6	0.7	86
Totals >0.8g/t (1.0g/t Tengrela)	**15.2**	**1.6**	**787**	**27.7**	**1.5**	**1,315**
Totals >0.4g/t (0.5g/t Tengrela)	**63.2**	**0.9**	**1,798**	**73.0**	**0.9**	**2,186**

Notes

1 Last updated in December 2010.
2 Primary reported above 0.4g/t Au cut-off, oxide/transition report above 0.2g/t Au cut-off.
3 Last updated in November 2010.
4 The Company holds 90% of Ayanfuri, 90% of Grumesa and 80% of Tengrela after allowing for Government equity at mining stage.