

PERSEUS MINING LIMITED

ABN 27 106 808 986

Consolidated Interim Financial Statements For the three and nine months ended 31 March 2012 (unaudited)

The accompanying unaudited consolidated interim financial statements for the three and nine months ended 31 March 2012 have been prepared by management and approved by the Audit Committee on behalf of the Board of Directors of the Company. The Company's auditors have not reviewed these financial statements. Readers are cautioned that these financial statements contain forward-looking information as described in the associated Management's Discussion & Analysis. All amounts are stated in Australian dollars, except as otherwise stated.

Perseus Mining Limited and its controlled entities
Unaudited Consolidated Statement of Comprehensive Income
For the periods ended 31 March 2012

	Notes	Consolidated			
		Three months ended		Nine months ended	
		31 Mar 2012	31 Mar 2011	31 Mar 2012	31 Mar 2011
		\$	\$	\$	\$
Revenue		66,373,806	-	66,373,806	-
Other income	4	(5,414,164)	581,684	5,201,829	2,217,754
Cost of sales		(31,090,175)	-	(31,090,175)	-
Professional fees		(615,343)	(441,359)	(1,381,713)	(1,173,158)
Employee benefits expense		(1,769,294)	(1,848,738)	(5,057,054)	(7,582,378)
Depreciation and amortisation expense		(5,500,219)	(62,470)	(5,627,144)	(179,607)
Impairment reversal of investment in associate		-	-	-	3,118,384
Share of net losses of associate		-	-	(256,460)	(243,164)
Loss on disposal of investment		-	-	-	(932,840)
Gain / (loss) on derivative financial instruments		(77,852)	470,097	(214,718)	(23,185,268)
Other expenses	5	(2,123,113)	(2,352,512)	(3,344,108)	(18,118,749)
Profit / (loss) before income tax expense		19,783,646	(3,653,298)	24,604,263	(46,079,026)
Income tax benefit		(61,706)	-	8,803,418	-
Net profit / (loss) after tax benefit / (expense)		19,721,940	(3,653,298)	33,407,681	(46,079,026)
Other comprehensive profit / (loss)					
Exchange differences on translation of foreign operations		(134,496)	(1,928,192)	(2,637,063)	(29,787,500)
Net changes in fair value of cash flow hedges		(14,402,540)	(2,057,139)	(29,071,017)	(27,388,098)
Income tax relating to components of other comprehensive profit / (loss)		10,313,392	-	23,494,647	-
Total comprehensive profit / (loss) for the period		15,498,296	(7,638,629)	25,194,248	(103,254,624)
Profit / (loss) attributable to:					
Owners of the parent		16,891,995	(3,586,215)	29,772,179	(43,314,696)
Non-controlling interests		2,829,945	(67,083)	3,635,502	(2,764,330)
		19,721,940	(3,653,298)	33,407,681	(46,079,026)
Total comprehensive profit/(loss) attributable to:					
Owners of the parent		13,018,532	(7,360,044)	22,174,890	(98,004,271)
Non-controlling interests		2,479,764	(278,585)	3,019,358	(5,250,353)
		15,498,296	(7,638,629)	25,194,248	(103,254,624)
Basic profit / (loss) per share		4.41 cents	(0.73) cents	7.55 cents	(10.73) cents
Diluted profit / (loss) per share		4.38 cents	(0.73) cents	7.50 cents	(10.73) cents

The accompanying notes form part of these financial statements.

Perseus Mining Limited and its controlled entities
Unaudited Consolidated Statement of Financial Position
As at 31 March 2012

		CONSOLIDATED	
	Notes	31 Mar 2012	30 June 2011
		\$	\$
Current Assets			
Cash and cash equivalents	6	117,119,933	96,462,044
Receivables	7	15,650,533	8,546,771
Inventories	8	36,911,602	428,089
Other assets	9	5,127,874	3,081,520
Total Current Assets		174,809,942	108,518,424
Non-Current Assets			
Deferred tax asset		32,000,206	-
Receivables	7	22,365,982	3,630,650
Other assets	9	16,400	42,193
Investments accounted for using the equity method	10	11,829,948	9,681,081
Property, plant and equipment	11	265,743,736	228,480,167
Mineral interest acquisition and exploration expenditure		24,778,080	32,245,535
Total Non-Current Assets		356,734,352	274,079,626
Total Assets		531,544,294	382,598,050
Current Liabilities			
Payables		38,299,668	28,636,707
Derivative financial instruments	12	37,079,328	10,837,822
Borrowings	13	35,828,810	20,000,695
Total Current Liabilities		111,207,806	59,475,224
Non-Current Liabilities			
Provision		6,667,211	4,461,842
Derivative financial instruments	12	49,803,309	48,471,820
Borrowings	13	33,525,635	57,804,344
Total Non-Current Liabilities		89,996,155	110,738,006
Total Liabilities		201,203,961	170,213,230
Net Assets		330,340,333	212,384,820
Equity			
Issued capital	14	445,449,793	355,759,201
Reserves		(71,163,550)	(66,518,888)
Accumulated losses		(40,485,268)	(70,257,447)
Parent entity interest		333,800,975	218,982,866
Non-controlling interest		(3,460,642)	(6,598,046)
Total Equity		330,340,333	212,384,820

The accompanying notes form part of these financial statements.

Perseus Mining Limited and its controlled entities
Unaudited Consolidated Statement of Changes in Equity
For the period ended 31 March 2012

CONSOLIDATED								
	Issued Capital	Accumulated Losses	Share Based Payments Reserve	Foreign Currency Translation Reserve	Hedging Reserve	Non-controlling Interest's Reserve	Non-controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$	\$
9 months to 31 March 2012								
Balance at 1 July 2011	355,759,201	(70,257,447)	16,242,006	(48,727,585)	(34,250,890)	217,581	(6,598,046)	212,384,820
Profit for the period	-	29,772,179	-	-	-	-	3,635,502	33,407,681
Currency translation differences	-	-	-	(2,597,882)	-	-	(58,508)	(2,656,390)
Share of currency translation difference of associated entity	-	-	-	19,327	-	-	-	19,327
Net change in fair value of cash flow hedges	-	-	-	-	(26,163,916)	-	(2,907,101)	(29,071,017)
Income tax relating to components of other comprehensive income / (loss)	-	-	-	-	21,145,182	-	2,349,465	23,494,647
Total comprehensive income/(loss) for the period	-	29,772,179	-	(2,578,555)	(5,018,734)	-	3,019,358	25,194,248
Shares issued during the period	89,121,209	-	-	-	-	-	-	89,121,209
Share issue expenses	(4,926,167)	-	-	-	-	-	-	(4,926,167)
Exercise of options	5,495,550	-	-	-	-	-	-	5,495,550
Fair value of options issued	-	-	2,952,627	-	-	-	118,046	3,070,673
Balance at 31 March 2012	445,449,793	(40,485,268)	19,194,633	(51,306,140)	(39,269,624)	217,581	(3,460,642)	330,340,333
9 months to 31 March 2011								
Balance at 1 July 2010	346,615,812	(22,011,786)	10,998,301	(14,571,766)	-	217,581	(318,057)	320,930,085
Loss for the period	-	(43,314,696)	-	-	-	-	(2,764,330)	(46,079,026)
Currency translation differences	-	-	-	(29,576,590)	-	-	252,787	(29,323,803)
Share of currency translation difference of associated entity	-	-	-	(463,697)	-	-	-	(463,697)
Net change in the fair value of cash flow hedges	-	-	-	-	(24,649,288)	-	(2,738,810)	(27,388,098)
Total comprehensive income/(loss) for the period	-	(43,314,696)	-	(30,040,287)	(24,649,288)	-	(5,250,353)	(103,254,624)
Share issue expenses	(86,861)	-	-	-	-	-	-	(86,861)
Exercise of options	7,817,250	-	-	-	-	-	-	7,817,250
Fair value of options issued	-	-	4,413,445	-	-	-	131,913	4,545,358
Balance at 31 March 2011	354,346,201	(65,326,482)	15,411,746	(44,612,053)	(24,649,288)	217,581	(5,436,497)	229,951,208

The accompanying notes form part of these financial statements.

Perseus Mining Limited and its controlled entities
Unaudited Consolidated Statement of Cash Flows
For the periods ended 31 March 2012

Notes	Consolidated			
	Three months ended 31 Mar 2012 \$	31 Mar 2011 \$	Nine months ended 31 Mar 2012 \$	31 Mar 2011 \$
Cash Flows from Operating Activities				
Receipts in the course of operations	51,330,237	-	51,330,237	-
Payments to suppliers and employees	(26,388,860)	(2,458,896)	(30,631,933)	(6,278,340)
Interest received	221,880	481,954	727,918	2,073,725
Net Cash provided by/(used in) Operating Activities	25,163,257	(1,976,942)	21,426,222	(4,204,615)
Cash Flows from Investing Activities				
Payments for exploration and evaluation expenditure	(7,318,656)	(1,000,467)	(22,274,560)	(8,886,493)
Payments for acquisition of assets under construction	(26,005,522)	(17,725,559)	(108,214,856)	(94,150,307)
Receipts from gold sales capitalised to development	9,260,531	-	57,958,370	-
Payments for acquisition of fixed assets	(996,884)	(728,571)	(2,725,478)	(2,219,407)
Payments for borrowing costs	(976,247)	(471,256)	(2,705,154)	(2,868,128)
Investments in associates	-	(1,800,000)	(2,386,000)	(2,990,000)
Receipts from/(Advances) to third parties	(168,946)	-	(330,646)	(739,053)
Funds received/(payments) for security deposit and bank guarantee	-	2,617,883	1,037,388	3,134,764
Net Cash used in Investing Activities	(26,205,724)	(19,107,970)	(79,640,936)	(108,718,624)
Cash Flows from Financing Activities				
Proceeds from share issues	-	-	89,121,209	-
Proceeds from exercise of options	2,400,550	819,000	5,495,550	7,752,250
Repayment of borrowings	(10,576,923)	-	(10,576,923)	-
Share issue expenses	(63,386)	(29,751)	(4,926,167)	(163,322)
Net Cash provided by/(used in) Financing Activities	(8,239,759)	789,249	79,113,669	7,588,928
Net Increase/(Decrease) in Cash Held	(9,282,226)	(20,295,662)	20,898,955	(105,334,311)
Cash and cash equivalents at the beginning of the financial period	131,455,014	88,795,944	96,462,044	185,591,726
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies	(5,052,855)	(462,565)	(241,066)	(12,219,699)
Cash and cash equivalents at the end of the Financial Period	117,119,933	68,037,716	117,119,933	68,037,716

The accompanying notes form part of these financial statements.

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Perseus Mining Limited and its controlled entities
Notes to the Unaudited Consolidated Financial Statements
For the periods ended 31 March 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated interim financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The interim financial statements are for the consolidated entity consisting of Perseus Mining Limited (“Perseus” or the “Company”) and its subsidiaries (the “group” or the “consolidated entity”).

Basis of Preparation

Perseus Mining Limited is a listed public company, incorporated and domiciled in Australia. During the three and nine months ended 31 March 2012 (the “periods” or “period”), the consolidated entity conducted operations in Australia, Ghana and Côte d'Ivoire.

These consolidated interim financial statements of the consolidated entity for the periods ended 31 March 2012 are general purpose financial statements prepared in accordance with the requirements of the Australian *Corporations Act 2001 (Cth)*, applicable accounting standards including AASB 134 ‘Interim Financial Reporting’, other authoritative pronouncements of the Australian Accounting Standards Board (‘AASB’) and Urgent Issues Group Interpretations.

These condensed interim financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the group as in the full financial report. It is recommended that these interim financial statements be read in conjunction with the annual financial report for the year ended 30 June 2011, and any public announcements made by the group during the periods in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The consolidated interim financial statements are presented in Australian dollars, which is Perseus Mining Limited’s functional and presentation currency.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting periods.

Compliance with IFRS

The consolidated financial statements of the group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’.

New and amended standards adopted by the group

In the periods ended 31 March 2012, 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 2011. As a result of this review the Directors have determined that there is no change necessary to group accounting policies.

Historical cost convention

These consolidated interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including the expectations of future events that may have a financial impact on the consolidated entity and that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting will, by definition, seldom equal the actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS – continued

(i) Exploration and evaluation expenditure

Management determines 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. In determining this, assumptions, including the maintenance of title, ongoing expenditure and prospectively are made.

(ii) Impairment of assets

In determining whether the recoverable amount of each cash generating unit is the higher of fair value less costs to sell or value-in-use against which asset impairment is to be considered, the group undertakes future cash flow calculations which are based on a number of critical estimates and assumptions including, for its assets under construction, forward estimates of:

- (i)* Mine life including quantities of mineral reserves and resources for which there is a high degree of confidence of economic extraction with given technology;
- (ii)* Estimated production and sales levels;
- (iii)* Estimate future commodity prices;
- (iv)* Future costs of production;
- (v)* Future capital expenditure;
- (vi)* Future exchange rates; and/or
- (vii)* Discount rates applicable to the cash generating unit.

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.

(iii) Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they were granted. The fair value of options granted is determined using a Black-Scholes model.

(iv) Restoration and rehabilitation provisions

The value of the current restoration and rehabilitation provision is based on a number of assumptions including the nature of restoration activities required and the valuation at the present value of a future obligation that necessitates estimates of the cost of performing the work required, the timing of future cash flows and the appropriate discount rate. Additionally current provisions are based on the assumption that no significant changes will occur in relevant legislation covering restoration of mineral properties. A change in any, or a combination, of these assumptions used to determine current provisions could have a material impact to the carrying value of the provision.

(v) Derivative financial instruments

The group makes judgements on the effectiveness of all derivative financial instrument entered into, including forward metal contracts, metal options and foreign currency option contracts. Management's assessment is that, unless otherwise disclosed the derivatives have been highly effective in offsetting changes in the fair value of the future cash flows against which they have been designated and as such are compliant with the hedge effectiveness requirements of AASB 139. Further information on the group's use of derivative financial instruments, including carrying values, is set out in note 12.

(vi) Taxes

Judgement is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Additionally, future changes in tax laws in jurisdictions in which the group operates could limit the ability of the group to obtain tax deductions in future periods.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS – continued

(vii) Production start date

The group assesses the stage of each mine under construction to determine when a mine moves into the production stage being when the mine is substantially complete and ready for its intended use. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of a plant and its location. The group considers various relevant criteria to assess when the production phase is considered to commence and all related amounts are reclassified from 'Mines under construction' to 'Mine properties' and 'Property, plant and equipment'. Some of the criteria used will include but are not limited to, the following:

- (i) Level of capital expenditure incurred compared to the original construction cost estimates;
- (ii) Completion of a reasonable period of testing of the mine plant and equipment;
- (iii) Ability to produce metal in saleable form (within specifications); and
- (iv) Ability to sustain ongoing production of metal.

When a mine development / construction project moves into the production stage, the capitalisation of certain mine development / construction costs ceases and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development. It is also at this point that depreciation / amortisation commences.

(viii) Unit-of-production method of depreciation / amortisation

The group uses the unit-of-production basis when depreciating/amortising life of mine specific assets, which results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Each item's economic life, which is assessed annually, has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which it is located. These calculations require the use of estimates and assumptions.

(ix) Deferred stripping expenditure

The group defers advanced stripping costs incurred during the production stage of its operations. This calculation requires the use of judgements and estimates such as estimates of tonnes of waste to be removed over the life of the mining area and economically recoverable reserves extracted as a result. Changes in a mine's life and design will usually result in changes to the expected stripping ratio (waste to mineral reserves ratio). Changes in other technical or economical parameters that impact reserves will also have an impact on the life of mine ratio even if they do not affect the mine's design. Changes to the life of mine are accounted for prospectively.

3. SEGMENT INFORMATION

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the executive management team and board of directors that are used to make strategic decisions.

The group primarily reports on a geographical basis as its risks and rates of return are affected predominantly by differences in geographical areas in which it operates and this is the format of the information provided to the executive management team and board of directors.

The group operated principally in three geographical segments during the periods ended 31 March 2012 being Australia and the West African countries of Ghana and Côte d'Ivoire. The segment information is prepared in conformity with the group's accounting policies.

The group comprises the following main segments:

Australia	Investing activities and corporate management.
Ghana	Mineral exploration, evaluation and development activities.
Côte d'Ivoire	Mineral exploration and evaluation activities.

Perseus Mining Limited and its controlled entities
Notes to the Unaudited Consolidated Financial Statements
For the period ended 31 March 2012

3. SEGMENT INFORMATION – continued

(b) Segment information provided to the executive management team and board of directors

	Australia 31 Mar 2012 \$	Australia 31 Mar 2011 \$	Ghana 31 Mar 2012 \$	Nine months ending Ghana 31 Mar 2011 \$	Côte d'Ivoire 31 Mar 2012 \$	Côte d'Ivoire 31 Mar 2011 \$	Consolidated 31 Mar 2012 \$	Consolidated 31 Mar 2011 \$
Total revenue								
Revenue	-	-	66,373,806	-	-	-	66,373,806	-
Other income	5,698,515	2,160,060	(384,765)	57,694	(111,921)	-	5,201,829	2,217,754
Reconciliation to total revenue and other income	5,698,515	2,160,060	65,989,041	57,694	(111,921)	-	71,575,635	2,217,754
Results								
Operating profit / (loss) before income tax	(1,796,788)	(16,438,527)	26,940,905	(28,659,373)	(539,854)	(981,126)	24,604,263	(46,079,026)
Income tax benefit / (expense)							8,803,418	-
Net profit / (loss)							33,407,681	(46,079,026)
Included within segment results:								
Share of net profit / (loss) of associate accounted for using the equity method	(256,460)	(243,164)	-	-	-	-	(256,460)	(243,164)
Depreciation	(50,068)	(43,132)	(5,537,323)	(127,330)	(39,753)	(9,145)	(5,627,144)	(179,607)
Loss on derivative financial instruments	-	-	(77,852)	(23,185,268)	-	-	(77,852)	(23,185,268)
Revaluation / (devaluation) of gold put options	(32,659)	(5,034,350)	(200)	(1,619,214)	-	-	(32,859)	(6,653,564)
Impairment reversal of investment in associate	-	3,118,384	-	-	-	-	-	3,118,384
Options issued to employees, Directors and consultants	(1,359,168)	(1,443,855)	(548,495)	(2,401,310)	(49,445)	(746,161)	(1,957,108)	(4,591,326)
Foreign exchange gain/(loss)	4,848,182	(9,109,762)	(423,621)	(132,306)	(111,921)	28,901	4,312,640	(9,213,167)
	Nine Months Ended 31 Mar 2012	Twelve Months Ended 30 June 2011	Nine Months Ended 31 Mar 2012	Twelve Months Ended 30 June 2011	Nine Months Ended 31 Mar 2012	Twelve Months Ended 30 June 2011	Nine Months Ended 31 Mar 2012	Twelve Months Ended 30 June 2011
Assets								
Segment assets	113,471,015	35,621,883	384,856,422	320,474,137	33,216,857	26,502,030	531,544,294	382,598,050
Total assets includes:								
Investments in associates	11,829,948	9,681,081	-	-	-	-	11,829,948	9,681,081
Additions to non-current assets (other than financial assets)	2,829,824	1,122,782	18,114,363	146,714,371	8,376,984	5,127,572	29,321,171	152,964,725
Liabilities								
Segment liabilities	1,530,015	1,016,363	197,776,084	168,078,406	1,897,862	1,118,461	201,203,961	170,213,230

Perseus Mining Limited and its controlled entities
Notes to the Unaudited Consolidated Financial Statements
For the period ended 31 March 2012

	Consolidated				
	Notes	Three months ended		Nine months ended	
		31 Mar 2012	31 Mar 2011	31 Mar 2012	31 Mar 2011
		\$	\$	\$	\$
4. OTHER INCOME					
Interest revenue	225,532	507,204	697,766	2,133,259	
Foreign exchange gains/(losses)	(5,640,239)	-	4,312,640	-	
Other revenue	543	74,480	191,423	84,496	
	(5,414,164)	581,684	5,201,829	2,217,754	

5. EXPENSES

Profit / (loss) from ordinary activities before income tax has been determined after:

Expenses

Other expenses include:

Bank fees	14,044	10,612	77,591	168,973
Insurance	184,364	68,243	484,438	168,660
Public relations	116,510	105,956	354,368	276,081
Stock exchange listing and compliance fees	47,697	133,722	158,867	250,595
Foreign exchange losses	-	419,228	-	9,213,167
Devaluation of gold put options	382,228	1,165,283	32,859	6,653,564
Interest charges	824,898	-	824,898	-
Travel	247,166	208,522	692,701	661,343

Perseus Mining Limited and its controlled entities
Notes to the Unaudited Consolidated Financial Statements
For the period ended 31 March 2012

6. CASH AND CASH EQUIVALENTS

		Consolidated	
		31 Mar 2012	30 June 2011
		\$	\$
Cash assets	(i)	9,885,141	1,841,096
Short term deposits	(ii)	107,234,792	94,620,948
		117,119,933	96,462,044

- (i) Cash at bank earns interest at floating rates based on daily bank deposit rates.
(ii) Short-term deposits are made for varying periods of between one day and ninety days, depending on the immediate cash requirements of the group, and earn interest at the respective short-term deposit rates.

Risk exposure

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

7. RECEIVABLES

Current

Trade debtors	(i)	14,795,992	-
Sundry debtors	(i)	854,541	1,194,269
Other Receivable	(ii)	-	7,352,502
		15,650,533	8,546,771

Non-current

Other Receivable	(ii)	19,180,883	-
Loans to external party	(iii)	1,021,056	749,994
Security deposits	(iv)	2,164,043	2,880,656
		22,365,982	3,630,650

Terms relating to the above financial instruments:

- (i) Trade and sundry debtors are non-interest bearing and generally on 30 day terms.
(ii) Other receivable relates to a VAT refund from the Ghana Internal Revenue Service. This has been reclassified from current to non-current during the period.
(iii) The loan relates to advances made to SOMICI SARL for exploration on the Tengrela South tenement where the group has agreed to fund exploration to feasibility stage. SOMICI SARL is an unrelated entity to the group and this advance is repayable by SOMICI SARL to the group.
(iv) At 31 March 2012, the group has US\$2.248 million (approximately A\$2.164 million) held in bank deposits which are subject to a lien and are collateral for a bank guarantee that has been issued to the Ghana Environmental Protection Agency in relation to environmental rehabilitation provisions concerning the Edikan Gold Mine ("EGM").

Fair value and foreign exchange and credit risk

Due to the nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above.

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For the period ended 31 March 2012

8. INVENTORIES

	Consolidated	
	31 Mar 2012	30 June 2011
	\$	\$
Ore stockpiles	28,381,195	-
Gold in circuit	1,085,096	-
Bullion on hand	460,476	-
Materials and supplies	6,984,835	428,089
	36,911,602	428,089

Inventory expense

The inventory expense during the period ended 31 March 2012 was \$3,123,506 million (31 March 2011: nil). There have been no write-downs of inventories to net realisable value during the periods ended 31 March 2012 (31 March 2011: nil).

9. OTHER ASSETS

Current

Prepayments		5,127,584	3,081,289
Financial assets at fair value through profit or loss	(i)	290	231
		5,127,874	3,081,520

Non-current

Financial assets at fair value through profit or loss	(i)	16,400	42,193
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(i) Terms and conditions relating to the above financial instruments:

On 26 August 2009, the group purchased a strip of Bullion Options pursuant to which the group has the right but not the obligation to sell a total of 100,000 ounces of gold to counterparties at a fixed price of US\$850 per ounce in twenty four equal monthly amounts commencing on 27 January 2012 and ending on 27 December 2013. The put options were purchased for a consideration of US\$9,140,000 (A\$10,888,730).

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10. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name of associated entity:	Principal activity	Country of incorporation	Ownership interest		Published fair value	
			Mar 2012 %	June 2011 %	Mar 2012 \$	June 2011 \$
Manas Resources Limited	Gold Exploration	Australia	23.7	23.9	7,596,867	7,870,000
Burey Gold Limited	Gold Exploration	Australia	23.0	25.6	4,564,000	5,086,900

Manas Resources Limited (“Manas”)

On 30 September 2011 Perseus entered into a sub-underwriting agreement with respect to the shortfall of the exercise of options to subscribe for that number of shares which results in its shareholding interest in Manas remaining around its current holding. On 13 October 2011 Perseus subscribed for and was allotted 11,930,000 shares at a cost of \$2,386,000 and, as a result of the 30 September 2011 exercise of options by Manas option holders, further shares were allotted and Perseus’s interest in Manas reduced from 23.9% to 23.7%.

	Consolidated	
	31 Mar 2012 \$	30 June 2011 \$
Investment in associated entity – Manas Resources Limited	8,161,220	5,957,660

Burey Gold Limited (“Burey”)

On the 30 June 2011 Perseus exercised 34,800,000 options for a total consideration of \$1,740,000 and its interest in Burey increased from 19.9% to 25.6%. As a result of the exercise of the options, Perseus was issued 34,800,000 ‘piggy-back’ options. In July 2011, and as a result of the 30 June 2011 exercise of options by Burey option holders, further shares were allotted and Perseus’s interest in Burey decreased to 23.0%.

The “piggy-back” options to acquire shares in Burey have the following terms:

Number of options	Exercise Price	Maturity Date
34,800,000	\$0.08	31 December 2012

	Consolidated	
	31 Mar 2012 \$	30 June 2011 \$
Investment in associated entity - Burey Gold Limited	3,668,728	3,723,421

11. PROPERTY, PLANT AND EQUIPMENT

During the period, an amount of \$33,535,565 which relates to the Tengrela Gold Project (“TGP”) has been reclassified from Exploration and evaluation expenditure to Property, Plant and Equipment.

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12. DERIVATIVE FINANCIAL INSTRUMENTS

	Consolidated	
	31 Mar 2012	30 June 2011
	\$	\$
Current		
Cash flow hedge liability	<u>37,079,328</u>	<u>10,837,822</u>
Non-Current		
Cash flow hedge liability	<u>49,803,309</u>	<u>48,471,820</u>

The group is party to derivative financial instruments in the normal course of business in order to hedge exposure to future price and currency fluctuations in the primary commodity markets in which it operates. This is done in accordance with the group's financial risk management policies

Forward metal contracts – cash flow hedges:

The group uses cash flow designated USD forward metal contracts to hedge movements in USD base metal prices on its anticipated sales of gold. At 31 March 2012 there were cash flow designated hedge contracts in place for 210,000 ounces of gold with settlements scheduled between June 2012 and December 2014. These hedge contracts were designated as effective cash flow hedges beginning 1 October 2010.

From 1 October 2010 the portion of the gain or loss on these hedging instruments that are determined to be an effective hedge are recognised and retained directly in equity. The ineffective portion will be recognised in the statement of comprehensive income.

13. BORROWINGS

Current

Interest-bearing loan facility	(i)	<u>35,828,810</u>	<u>20,000,695</u>
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Non-Current

Interest-bearing loan facility	(i)	<u>33,525,635</u>	<u>57,804,344</u>
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- (i) The group drew down on its finance facility provided by Macquarie Bank Limited and Credit Suisse AG in June 2011. This is a secured loan facility with fixed repayments, with the balance repayable by September 2014. Currently interest is based on LIBOR plus a 3.75% margin pre completion.

Secured liabilities and assets pledged as security

The debt and hedge facilities provided by Macquarie Bank Limited and Credit Suisse AG are secured by a guarantee and indemnity from the Company covering all money due under the facilities as well as mortgages over certain of the Company's assets including its shares in Kojina Resources Ltd ("Kojina") and receivables under intercompany loan arrangements with subsidiaries. In addition, the security package includes fixed and floating charges over all of the assets and undertakings of both Kojina and Perseus Mining (Ghana) Limited ("PMGL") including a first ranking mortgage over the EGM tenements.

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14. ISSUED CAPITAL

	Consolidated			
	31 Mar 2012		31 Mar 2011	
	\$	Number	\$	Number
Balance at the beginning of the period	355,759,201	425,617,088	346,615,812	418,032,088
Shares issued pursuant to exercise of options	5,495,550	3,595,000	7,817,250	5,885,000
Shares placements at issue price of \$3.10 (Cdn\$3.25) on 2 November 2011	77,395,694	25,000,000	-	-
Shares issued to underwriters pursuant to exercise of over-allotment options at issue price of \$3.13 (Cdn\$3.25) per share on 14 November 2011	11,725,515	3,750,000	-	-
Transaction costs arising from issue of securities for cash	(4,926,167)	-	(86,861)	-
Balance at the end of the period	445,449,793	457,962,088	354,346,201	423,917,088

(b) Share Options

Options to subscribe for ordinary shares in the Company have been granted as follows:

Exercise Period	Note	Exercise Price	Opening Balance 1 July 2011 Number	Options Issued Number	Options Exercised/ Cancelled/ Expired Number	Closing Balance 31 Mar 2012 Number
On or before 14 January 2012		\$2.13	1,050,000	-	(1,050,000)	-
On or before 23 January 2012		\$0.65	1,035,000	-	(1,035,000)	-
On or before 31 March 2012		\$1.80	400,000	-	(400,000)	-
On or before 31 March 2012		\$1.30	600,000	-	(600,000)	-
On or before 16 June 2013		\$2.13	1,330,000	-	(510,000)	820,000
On or before 29 July 2012		\$2.45	400,000	-	-	400,000
On or before 6 October 2013		\$3.00	450,000	-	-	450,000
On or before 14 October 2012		\$3.00	160,000	-	-	160,000
On or before 14 October 2012		\$3.45	280,000	-	-	280,000
On or before 3 November 2013		\$3.20	340,000	-	(70,000)	270,000
On or before 15 June 2014		\$3.00	2,390,000	-	(180,000)	2,210,000
			8,435,000	-	(3,845,000)	4,590,000

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

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15. CONTINGENCIES

The group has entered into three lump sum contracts for the design, supply, construction and services related to the development of the EGM. Notwithstanding the fixed price nature of the contracts, during and after the term of the contracts, claims may be made by the contractors for additional costs associated with changes in scope of work, valid extensions of time or similar.

There were no known contingent liabilities which were not provided for in the financial statements of the group as at 31 March 2012.

16. COMMITMENTS

(a) Exploration expenditure commitments

With respect to the group's mineral property interests in Ghana and Côte d'Ivoire, statutory expenditure commitments specified by the mining legislation are nominal in monetary terms. However, as part of mineral licence application and renewal requirements, the group submits budgeted exploration expenditure. In assessing subsequent renewal applications, the mining authorities review actual expenditure against budgets previously submitted. The group's budget expenditures for future periods are shown below. These amounts do not become legal obligations of the group and actual expenditure may and does vary depending on the outcome of actual exploration programs, and the costs and results from those programs.

	Consolidated	
	31 Mar 2012	30 June 2011
	\$	\$
Within one year	1,050,000	1,050,000
One year or later and not later than five years	1,400,000	5,400,000
Later than five years	950,000	1,550,000
	3,400,000	8,000,000

(b) Capital commitments

In March 2007, the Company's subsidiary, Kojina Resources Limited ("Kojina"), exercised an option to purchase all of the issued capital of PMGL (formerly Central Ashanti Gold Ltd), a Ghanaian company which is the holder of the EGM. PMGL itself had acquired the EGM from the former owner, AngloGold Ashanti Limited ("AGC"). The group has assumed responsibility for all rehabilitation of the Edikan Mining leases, which are currently estimated to cost approximately US\$6.8 million and a provision has been recorded for this at balance date.

In December 2011, the Company placed an order for the construction of the SAG mill for the Sissingué Gold Mine in Côte d'Ivoire. The commitments under this contract were for approximately A\$3.3 million and EUR 1.8 million of which A\$0.1 million and EUR 0.4 million has been spent to date.

17. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Since the end of the financial period and to the date of this report no matter or circumstance has arisen that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial periods.