

Record Gold Production and Reduced Unit Cash Costs

Highlights

Operations - Edikan Gold Mine (“EGM”), Ghana

Key Operating Metrics	Units	June 2012 Quarter		Fiscal Year 2012	
		Actuals	Guidance	Actuals ¹	Guidance
Gold produced	oz	52,670	50-55,000	137,297	130-140,832
Cash costs ⁽²⁾	US\$/oz	676	690	696	800
Cash costs including royalties	US\$/oz	782	-	802	-
Average gold sales price ³	US\$/oz	1,504	-	1,508	-

1) Production includes all gold produced since commencement of gold production. Cash Costs are costs from commencement of commercial production.

2) Cash costs are C1 cash costs as per Brook Hunt definition, plus adjustments for US\$2.1M of costs of deferred waste stripping and ore inventory movements.

3) Includes both spot and forward sales of gold.

- Record gold production of 52,670 oz during the June 2012 Quarter (the “Quarter”), 13,874 oz or 36% more than in the March 2012 Quarter (the “March Quarter”) and within production guidance of 50-55,000 oz for the Quarter;
- Cash costs reduced to US\$676/oz, 7% lower than March Quarter cash costs and 2% lower than cost guidance;
- Total ore and waste movements (3.660Mbcm) ahead of targets;
- Head grade (1.6 g/t) and recovery (87.4%) ahead of targets;
- Hourly mill throughput rate (734tph) equates to annual throughput of 5.8Mt at 90% plant availability;

Development - Sissingué Gold Project - Côte d’Ivoire

- Negotiation of final fiscal terms for the Sissingué Gold Project is on hold pending formal granting of the Exploitation Licence.
- Tendering process for early development works and detailed plant design work well advanced.

Exploration – Ghana and Côte d’Ivoire

- 63,025m of drilling completed including 13,447m in Ghana and 49,578m in Côte d’Ivoire.
- Significant drill intercepts from multiple deposits.

Corporate

- Available cash balance of A\$105.5M plus 761 oz of gold on hand at 30 June 2012.
- Debt reduced to US\$63M and associated hedging reduced to 190,000 oz at US\$1,256/oz.

Ghana
Edikan Gold Mine
Summary

Gold production of 52,670 oz during the Quarter was within guidance of 50-55,000 oz and 36% higher than in the March Quarter. Cash costs during the Quarter of US\$676/oz were 2% lower than guidance of US\$690/oz and 7% lower than the cash costs incurred in the March Quarter of US\$723/oz.

Production guidance for the forthcoming 12 months includes:

- 55,000oz to 60,000oz of gold production at a cash cost of US\$575/oz for the September 2012 Quarter;
- 65,000oz to 70,000oz of gold production at a cash cost of US\$575 per oz in the December 2012 Quarter;
- 125,000 to 135,000oz of gold production at a cash cost of US\$625 per oz in the March and June Quarters of 2013 combined, giving a total of 245,000 to 265,000oz at a cash cost of US\$600/oz for the full 12-month period.

Key Production Statistics

Parameter	Unit	Half Year to 30 June 2012	June Quarter 2012	March Quarter 2012
Total material mined	bcm ¹	8,420,274	3,659,923	4,760,351
Waste to Ore Strip Ratio	bcm:bcm	4.01	3.77	4.22
Ore mined				
• Oxide	tonnes	1,080,845	172,999	907,846
• Primary	tonnes	3,199,293	1,904,965	1,294,328
Ore Grade mined				
• Oxide	g/t Au ²	1.0	0.9	1.0
• Primary	g/t Au	1.3	1.3	1.3
Ore Stockpiles				
• Quantity	tonnes	3,631,770	3,631,770	2,703,000
• Grade	g/t Au	0.8	0.8	0.9
Mill throughput	tonnes	2,176,733	1,149,193	1,027,540
Milled head grade	g/t Au	1.5	1.6	1.4
Gold recovery	%	85.8	87.4	83.7
Gold produced	oz	91,466	52,670	38,796

1. Denotes bank cubic metres 2. Denotes grams/tonne of gold

Mining

The total of 3,659,923bcm of ore and waste mined during the Quarter included 172,999t of oxide ore at 0.9g/t Au and 1,904,965t of transition and primary ore at 1.3g/t Au. The 23% decrease in mine production relative to the March Quarter reflected a combination of expected wet weather in the Quarter and over budget performance in the March Quarter.

During the Quarter, ore stockpiles (including both high and low grade ore but not mineralised waste) increased to 3,631,770t grading 0.8 g/t which comprised approximately 78% oxide ore and 22% primary ore. Closing stockpiles at the end of the Quarter were significantly larger and of higher grade than forecast due to overall positive reconciliation and lower mill throughput rates during the Quarter.

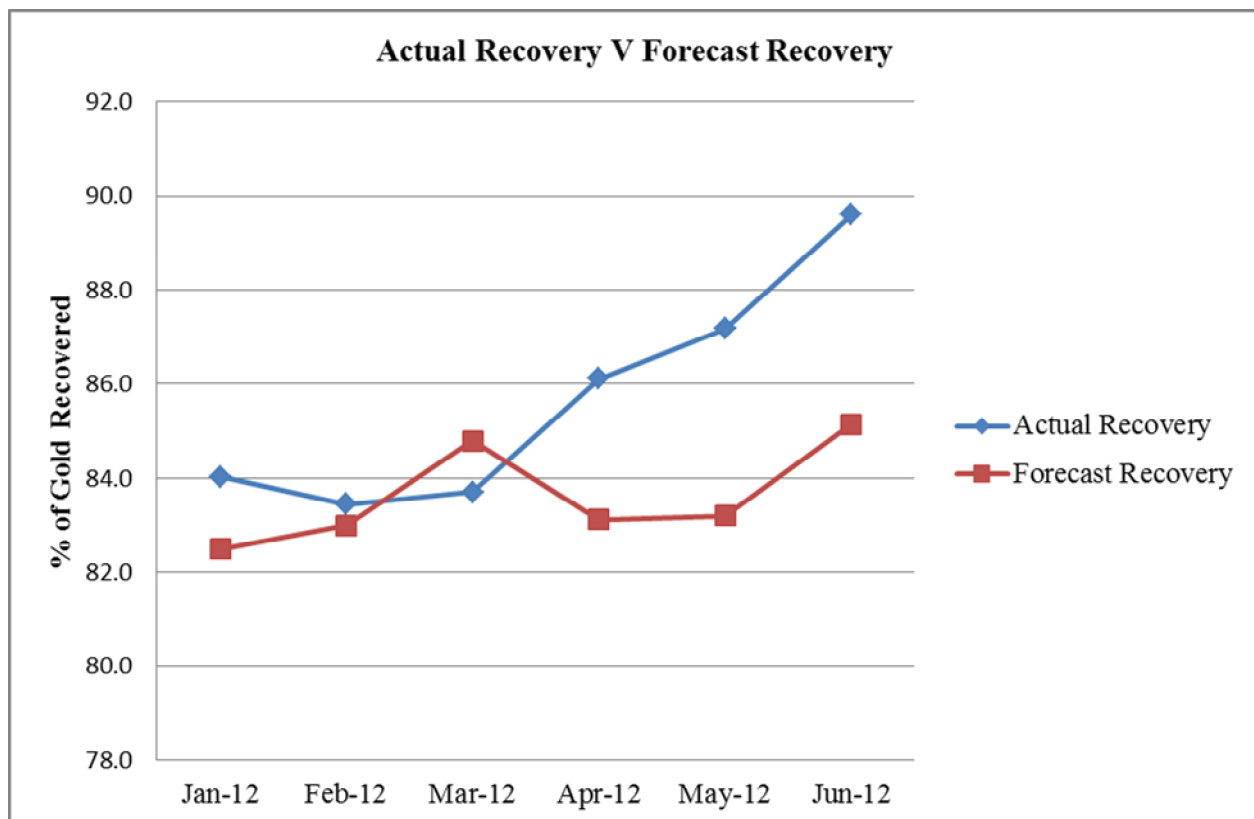
Processing

Total mill throughput for the Quarter was 1,149,193t, up 12% on the throughput in the March Quarter. Gold production was up 36% to 52,670 ounces as a reflection of increased throughput, grade and recovery. Gold recovery has improved ahead of forecast to 87.4% which is also a 4.4% improvement on March Quarter recovery of 83.7%. Reasons for the improved recovery rate include improved process efficiency and the less transition material included in fresh ore feed. Recent changes to the float collector consumable appear to have resulted in a further significant increase to recovery with the month to date recovery in July averaging around 91%.

Despite extended periods of low crushed ore stockpile levels, average operating mill throughput rates increased to 734 dry tonnes per hour (dtp) up from 685dtp in the previous quarter. Based on the long term target 90% utilisation rate the 734dtp equates to about 5.8Mtpa, or 0.3MTPA above the nameplate capacity of the mill of 5.5MTPA.

Unscheduled mill downtime was higher than planned during the Quarter, albeit down slightly from the March Quarter, resulting in mill run time during the Quarter of 1,566 hours relative to plan of 1,986 hours. The lack of mill feed due to crusher downtime accounted for 43% of mill downtime and resulted in decreased throughput rates for a number of days. Water and tails management accounted for 9% of downtime, 10% was attributable to mill lube and drive issues and about 15% to wear to chutes and piping. The Company has actioned measures to reduce downtime to these areas. Grid power issues only accounted for 2.4% of downtime.

The performance of the processing facility during the Quarter continues to validate the efficacy of the Edikan process flow sheet that allows for good recovery at very low reagent unit consumption and low power usage.



Key Quarterly Financial Statistics

Parameter	Units	Half Year to 30 June 2012	June Quarter 2012	March Quarter 2012
Total gold sales	oz	98,769	53,279	45,490
Average sales price	US\$/oz of gold sold	1,508	1,504	1,513
Gross Cash Costs	US\$/oz	826	716	975
Including:				
• Mining cost	US\$/tonne of material mined	2.64	2.70	2.59
• Processing cost	US\$/tonne of ore milled	8.98	9.30	8.63
• G & A cost	US\$M / month	1.31	1.41	1.20
Accounting Adjustment	US\$M	(11.9)	(2.1)	(9.8)
Adjusted Cash Costs	US\$/oz	696	676	723
Royalties	US\$/oz	106	106	107
Adjusted Cash Costs including royalties	US\$/oz	802	782	830
Sustaining capital and plant upgrade costs	US\$M	20.2	11.4	8.8

Of the 53,279oz of gold that were sold during the Quarter at an average delivered price of US\$1,504/oz, 33,279oz were sold at spot gold prices averaging US\$1,674/oz. The Company also delivered 20,000oz of gold into forward sales contracts at an average of US\$1,221/oz. This reduced the outstanding hedge commitment to 190,000oz of gold to be delivered at an average gold price of US\$1,256/oz in quarterly instalments. The last delivery under the forward sales contracts is scheduled for the December 2014 Quarter.

The cash cost for the Quarter of US\$676/oz compared favourably to guidance of US\$690/oz and to the comparable cost in the March Quarter. The reduction in unit costs can be attributed to the higher grade of ore treated and the gold recovery rate that meant that fewer tonnes of ore needed to be processed in order to produce the targeted amount of gold. The adjustment to gross cash costs of US\$2.1M reflected costs incurred on stockpiling ore and deferred costs of waste stripping, consistent with the level of mining activity that occurred during the Quarter as previously discussed.

A total of US\$11.4M of capital was expensed during the Quarter including US\$5.8M on tailings dam modifications, US\$2.6M on construction of an oxide ore feed circuit and US\$1.7M on community relations.

During the Quarter, the second scheduled debt repayment took place with US\$11.0M of project debt repaid to lenders Macquarie Bank Limited and Credit Suisse AG, reducing the balance of outstanding debt to US\$63.0M.

Guidance

Guidance for September 2012 quarter production is 55,000oz to 60,000oz at a cash cost of \$700/oz before accounting adjustments or \$575/oz after accounting adjustments for stockpile movements and excess waste movement. December 2012 quarter production guidance is 65,000oz to 70,000oz at a cash cost of \$630/oz before accounting adjustments or \$575/oz after accounting adjustments. The combined guidance for the two quarters of 120,000oz to 130,000oz is down from previous production guidance of 135,000oz to 145,000oz due to changes in the mine plan and the resulting reduction in feed grade from 1.59g/t to 1.42g/t. Revised cash cost guidance of \$575/oz is similar to previous cash cost guidance of \$550/oz.

Combined March 2013 and June 2013 Quarter production guidance is 125,000oz to 135,000oz at a cash cost of \$670/oz before accounting adjustments or \$625/oz after accounting adjustments but before royalties.

Exploration

The Company completed 13,447 meters of drilling at the Edikan Gold Mine (“EGM”) and adjoining licenses during the Quarter. Drilling activity has been reduced to two multi-purpose rigs as the focus shifted from principally resource/reserve drilling to a larger component of near-mine and district exploration drilling. This will improve assay turn-around times and free up resources for a major review comprising integrated interpretation of geochemical, geological and recent geophysical data.

Perseus is planning to provide a Mineral Reserve update for the EGM later in July 2012 where the current Mineral Reserve is 3.3Moz.

Significant recent drill intercepts from EGM include:

- Deeper drilling at the Esuajah South and Esuajah North deposits:

AKRDD253 - **81.6m at 2.0g/t** Au from 300.4m.
AKRDD256 - **130.3m at 1.6g/t** from 263m including 28m at 2.8g/t Au from 349m.
AKRDD257 - **93m at 1.7g/t** Au from 190m.
ENRDD045 - 14.5m at 2.3g/t from 146m and **107m at 1.0g/t** Au from 212.7m.

- Deeper drilling and infill drilling the Fetish deposit:

EFDD137 - **34.5m at 1.9g/t** from 278.9m and 7.3m at 1.5g/t Au from 329.4m.
EFDD138 - **33m at 1.8g/t** Au from 348m.
EFDD139 - **9m at 6.3g/t** Au from 92m.
EFDD140 - **9m at 5.4g/t** from 146m, **57.5m at 1.0g/t** from 371.5m, **43.0m at 1.0g/t** from 439m and **24m at 1.7g/t** Au from 505m.

- Deeper drilling on the AF Gap and Fobinso deposits:

ABRDD452 - 14m at 1.0g/t from 325m, **50m at 1.0g/t** from 355m and **25m at 3.0g/t** Au from 420m including 14m at 4.3g/t Au from 429m.
AFRDD097 - **73m at 2.1g/t** from 137m, **26m at 2.8g/t** from 215m and 13m at 1.0g/t Au from 268m.
FBDD140 - **41m at 1.8g/t** Au from 286m.

- Extensional drilling on the Chirawewa deposit:

CHRC307 - **26m at 1.4g/t** from 16m and **40m at 1.9g/t** Au from 50m to the end of the hole.
CHRC311 - **2m at 14.2g/t** from 10m and **22m at 3.1g/t** Au from 30m.

- Diamond drilling on the Dadieso deposit:

DDD003 - **12.1m at 12.4g/t** from 31.4m including 1.3m at 101.3g/t Au from 39.1m.
DDD009 - **10.5m at 4.0g/t** from 83.3m and 1.5m at 6.7g/t Au from 105.8m.

Details of the intercepts are tabled in the exploration update released on 9 July 2012.

Côte d'Ivoire**Tengrela Gold Project****Exploration**

The Company completed 49,578m of drilling on various prospects at the Tengrela Gold Project ("TGP") during the Quarter. Assay turn-around remains slow and the Company has recently dispatched samples to laboratories in Ghana rather than Mali in an effort to improve the turn-around time. Laboratory capacity in Côte d'Ivoire should improve when Intertek restarts its preparation laboratory shortly.

The next Mineral Reserve and Resource estimate update for the TGP is expected to be completed during the December 2012 quarter.

Several anomalous exploration intercepts were recorded from the limited number of holes for which results were received, including:

- Deeper drilling on the Sissingué gold deposit, included:

SD198	-	4m at 21.1g/t from 154m, 1m at 18.4g/t from 211m, 7m at 2.0g/t from 217m and 15.5m at 1.4g/t Au from 226.5m.
SD200	-	0.75m at 14.3g/t from 166m, 8m at 1.8g/t from 240m, 10m at 1.4g/t from 262m and 3m at 18.4g/t Au from 275m.
SD201	-	47m at 2.0g/t from 95m, 15m at 1.7g/t from 147m and 38.8m at 2.2g/t Au from 171.2m.
SD208	-	4m at 2.5g/t from 186m, 7.5m at 4.6g/t from 212.5m, 27.6m at 2.1g/t from 239m and 4.6m at 3.6g/t Au from 276.5m.
SD209	-	4.1m at 3.9g/t from 81.9m, 12.2m at 1.6g/t from 167.8m, 3.8m at 2.7g/t from 214.9m, 20.4m at 1.5g/t from 229.7m, 16.3m at 1.3g/t from 254.8m and 0.5m at 35.4g/t Au from 363.5m
SD205	-	5m at 16.5g/t from 89m including 1m at 75.3g/t Au from 91m.

- Exploration drilling at Podio, including:

PLC192	-	20m at 1.6g/t Au from 54m.
PLC194	-	10m at 1.7g/t Au from 32m.
PLC208	-	6m at 3.6g/t Au from 64m.

Details of the intercepts are tabled in the exploration update released on 9 July 2012.

After a review process the Ivorian Government has commenced renewing existing exploration licences. This will progress to the conversion of reconnaissance licences to exploration permits and then consideration of new licence applications. The Company has lodged a number of reconnaissance licence conversion applications including those covering several significant targets that have been awaiting drilling for up to two years.

Project Implementation – Sissingué Deposit

Permitting

The Company is currently waiting for its exploitation permit for the Sissingué Gold Mine development to be issued. Government processing of the exploitation permit application is progressing and fiscal terms to be contained in a draft Mining Convention lodged by the Company in June 2012 will be discussed when the exploitation permit is granted.

Plant Design & Tendering

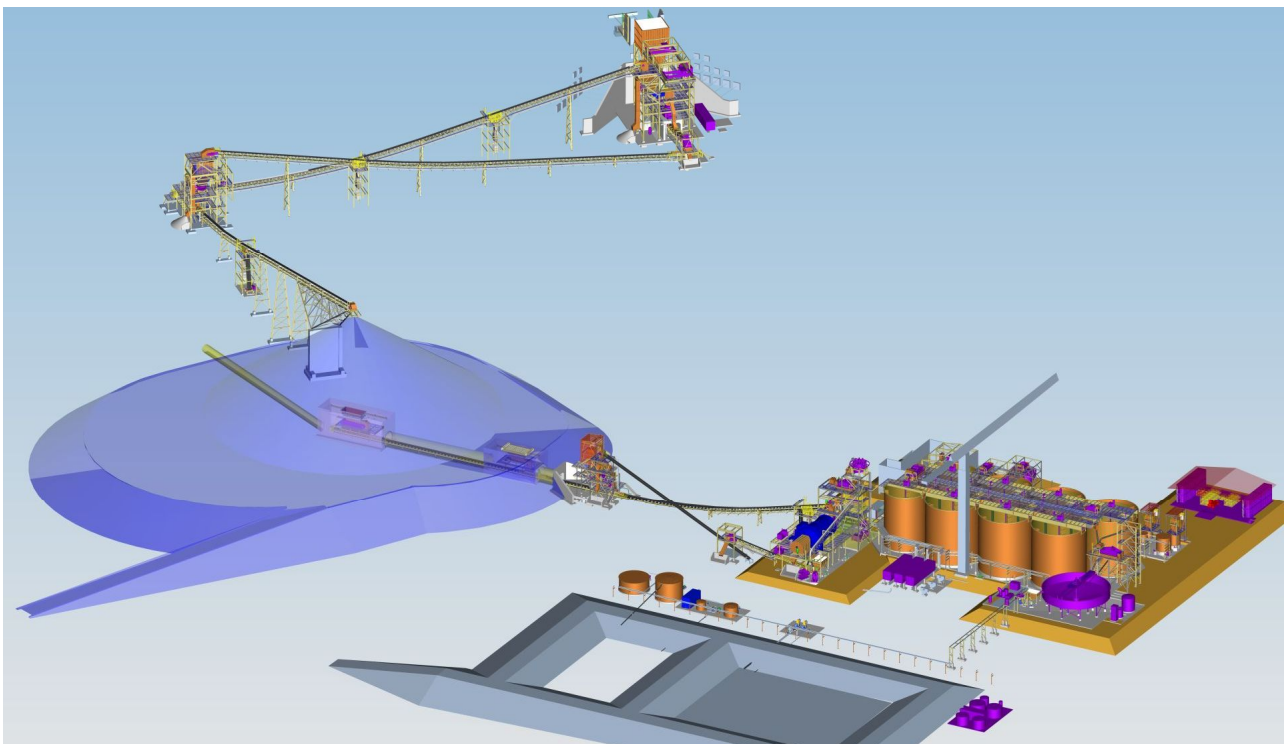
An Australian engineering firm, GR Engineering Services (“GRES”), in conjunction with the Perseus’s Projects Team, has completed the process portion of the Sissingué plant design and about 70% of the total detailed design.

Letters of intent have been issued for major equipment and tender packages for fabrication and construction works are being prepared.

Early Works

Tender enquiries for early works have been issued and responses have been received. Physical work on site is expected to commence in September 2012 after the wet season pending satisfactory advancement of negotiations described above.

60% of the SAG mill supply contract value has been invoiced in accordance with the achievement of milestones set out in the contract with Outotec Pty Ltd. Delivery of the SAG mill’s components is scheduled to commence in the September Quarter 2012.



Proposed Sissingué plant.

Perseus Mining Group

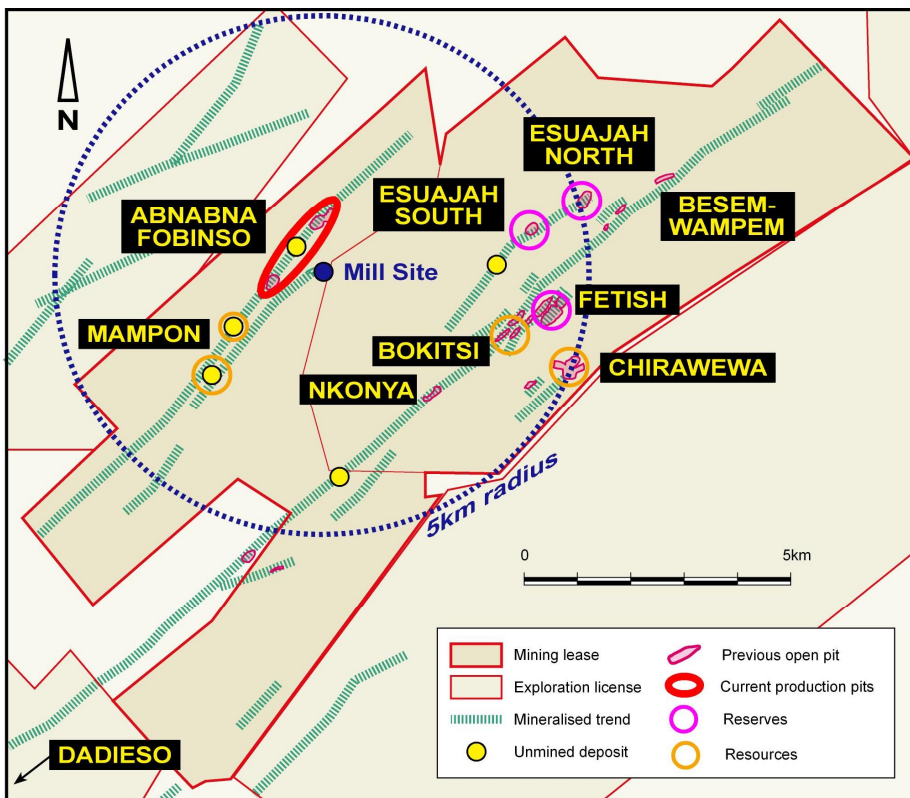
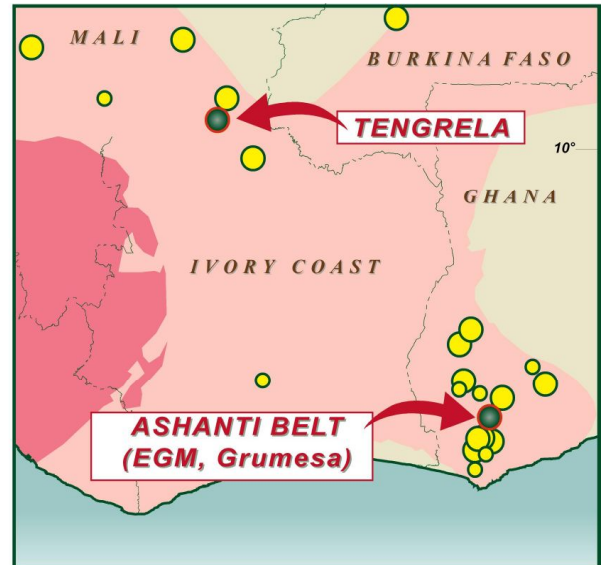
Program for the September 2012 quarter

Edikan Gold Mine

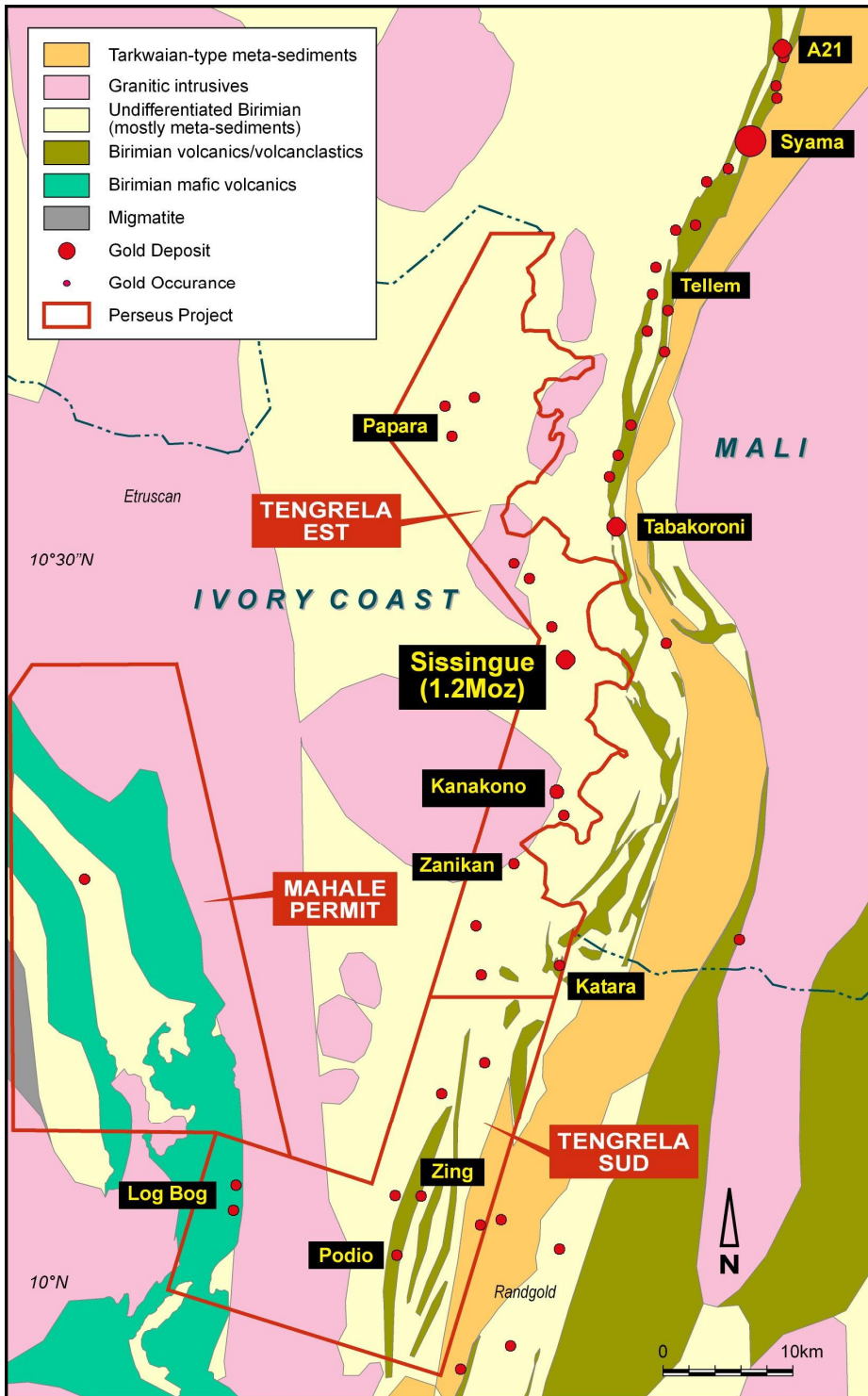
- Continue production ramp-up, targeting gold production of 55-60,000oz at a cash cost of US\$575/oz
- Complete Mineral Reserve upgrade
- Continue exploration

Sissingué Gold Project Development

- Negotiate terms of Mining Convention
- Complete detailed plant design
- Complete negotiations for Engineering, Procurement, and Construction Management contract.



EGM Mining Leases



Tengrela Gold Project – Exploration licences

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18 July 2012

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Company Overview

Perseus is a successful West African gold producer, developer and explorer with an operating mine in Ghana (EGM) and a second project (TGP) in Côte d'Ivoire at the permitting and construction tender stage:

The EGM comprises a group of large gold deposits located in the Ashanti gold belt in Ghana. Commissioning was completed in December 2011 after gold production commenced in August 2011. Subject to mining depletion, current Mineral Reserves stand at 3.3Moz of gold, additional Indicated Mineral Resources total 2.3Moz of gold and Inferred Mineral Resources total 1.7Moz of gold, inclusive of Mineral Resources on the nearby Grumesa licence.

The TGP is an under-explored gold project with a current open-ended gold Mineral Resource containing Reserves of 0.66Moz of gold, an additional 0.28Moz of gold in Measured and Indicated Mineral Resources and 0.26Moz of gold in Inferred Mineral Resources at the Sissingué deposit, one of a number of prospects identified on the project. A definitive feasibility study on the development of the Sissingué gold deposit was completed in November 2010. Production at Sissingué is targeted for 2013.

Competent Person Statement: *The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Mark Calderwood, who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy. Mr Calderwood is a Director and full-time employee of the Company. 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 to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr Calderwood consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. For a description of Perseus's data verification process, quality assurance and quality control measures, the effective date of the mineral resource and mineral reserve estimates contained herein, details of the key assumptions, parameters and methods used to estimate the mineral resources and reserves set out in this report and the extent to which the estimate of mineral resources or mineral reserves set out herein may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues, readers are directed to the technical report entitled "Technical Report – Central Ashanti Gold Project, Ghana" dated May 30, 2011 and the technical report entitled "Technical Report – Tengrela Gold Project, Ivory Coast" dated December 22, 2010 in respect of the Edikan Gold Mine (formerly the Central Ashanti Gold Project) and the Tengrela Gold Project, respectively.*

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

Table 1: EGM, Summary of Total Measured and Indicated Mineral Resources

Deposit	Measured Resources ¹			Indicated Resources ¹			Measured + Indicated Resources		
	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
	Mt	g/t	Ounces	Mt	g/t	Ounces	Mt	g/t	Ounces
Abnabna/AFGap/Fobinso	49.4	1.2	1,850,000	23.2	0.9	666,000	72.6	1.1	2,515,000
Esujah South	8.3	1.8	482,000	6.2	1.7	336,000	14.5	1.8	818,000
Esujah North	17.2	0.9	498,000	15.4	0.8	422,000	32.7	0.9	920,000
Fetish	8.8	0.9	255,000	20.6	1.1	717,000	29.4	1.0	972,000
Chirawewa				4.5	1.1	167,000	4.5	1.1	167,000
Bokitsi				2.6	2.5	212,000	2.6	2.5	212,000
Mampong									
Dadieso									
Total	83.7	1.1	3,085,000	72.5	1.1	2,520,000	156.3	1.1	5,604,000

¹ Last updated in March 2012 and does not allow for mining depletion.

Table 2: EGM, Summary of Total Inferred Mineral Resources

Deposit	Inferred Resources ¹		
	Tonnes	Au	Au
	Mt	g/t	Ounces
Abnabna/AFGap/Fobinso	11.1	1.0	362,000
Esujah South	5.3	1.3	224,000
Esujah North	6.3	0.8	168,000
Fetish	7.5	1.0	248,000
Chirawewa	8.7	0.9	249,000
Bokitsi	1.6	1.7	89,000
Mampong	6.9	0.9	210,000
Dadieso	3.2	1.6	161,000
Total	50.6	1.1	1,711,000

¹ Last updated in March 2012.

Table 3: 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)	Tonnes (million)	g/t Au	Ounces Au (,000)
EGM-(previously CAGP) ⁽¹⁾ >0.8g/t	49.5	1.5	2,378	38.2	1.3	1,603	24.9	1.4	1,111
EGM ⁽¹⁾ 0.4g/t - 0.8g/t	34.2	0.7	718	34.5	0.6	706	25.7	0.7	602
Grumesa ⁽²⁾ >0.4 ⁽³⁾				25.1	0.6	471	16.4	0.5	247
Tengrela ⁽⁴⁾ >1.0g/t	0.9	3.2	90	9.1	2.5	706	3.3	1.7	171
Tengrela ⁽⁴⁾ 0.5-1.0g/t	0.04	0.8	1	5.5	0.8	134	3.6	0.7	86
Totals >0.8g/t (1.0g/t Tengrela)	50.4	1.5	2,468	47.3	1.5	2,309	28.2	1.4	1,282
Totals >0.4g/t (0.5g/t Tengrela)	84.6	1.2	3,187	112.4	1.0	3,620	73.9	0.9	2,217

Notes

- 1 Last updated in March 2012 and does not allow for mining depletion.
- 2 Last updated in December 2010.
- 3 Primary reported above a 0.4g/t Au cut-off, oxide/transition report above a 0.2g/t Au cut-off.
- 4 Last updated in November 2010.
- 5 The Company holds 90% of EGM, 90% of Grumesa and 85% of Tengrela after allowing for Government equity at mining stage.

Table 4: 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)
EGM >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 ⁽³⁾				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, does not allow for material mined.
- 3 Last updated in November 2010.