

28 January 2010

Exchanges:

ASX : PRU

Börse Frankfurt:
P4Q

Issued Shares:
320.3M

Unlisted Options:
12.4M

Cash at bank
(Dec 09) \$67M

Reserves:

Ghana

2.1Moz

**Measured &
Indicated
Resources:**

Ghana

1.2Moz

Ivory Coast

0.6Moz

**Inferred
Resources:**

Ghana

2.7Moz

Ivory Coast

0.4Moz

DECEMBER 2009 QUARTERLY ACTIVITY REPORT

Highlights

Central Ashanti Gold Project (Ayanfuri) - Ghana

The Central Ashanti Gold Project ("CAGP" and previously referred to as the Ayanfuri gold project) in Ghana has advanced during the quarter, highlights include:

- The grant of two 15 year mining leases;
- The long lead items for the process plant ordered;
- Significant advance of final design of the process plant;
- Banking syndicate mandated for US\$85M facility, due diligence well advanced;
- Contract mining tender closed, competitive tenders received;
- Large, successful EPA public hearing held;
- Recruitment of key personnel completed;

Exploration and resource drilling is continuing to ramp up with 18,000m of drilling completed during the quarter, significant intercepts reported to date included:

- **63.5m at 3.0g/t Au;**
- **85m at 2.3g/t Au;**
- **117m at 1.8g/t; and**
- **93m at 1.9g/t Au.**

Tengrela - Ivory Coast

A total of 16,422m of RC and diamond drilling and 7,609m of RAB drilling were completed during the quarter, mostly on the Sissingue prospect. The most significant intercepts were:

- **105m at 6.5g/t Au, including 48m at 11.3g/t Au;**
- **26m at 19.5g/t Au, including 2m at 232.9g/t Au;**
- **94m at 4.0g/t Au, including 28m at 9.1g/t Au;**
- **63m at 5.1g/t Au, including 32m at 7.2g/t Au; and**
- **66m at 5.0g/t Au, including 2m at 97.3g/t Au.**

Corporate

Following the issue of subscription receipts to North American investors in November 2009, the Company made preparations to list on the Toronto Stock Exchange (TSX). Conditional approval for listing on TSX has been received and it is anticipated that trading of the Company's shares on TSX will commence in early February 2010.

Program for the March Quarter 2010

During the March Quarter Perseus plans to:

At CAGP

- Complete the Environmental Impact Statement and obtain an EPA permit.
- Provide site access to the LSTK JV contactors.
- Complete finance due diligence and draft documentation.
- Continue infill and extensional drilling.

At Tengrela

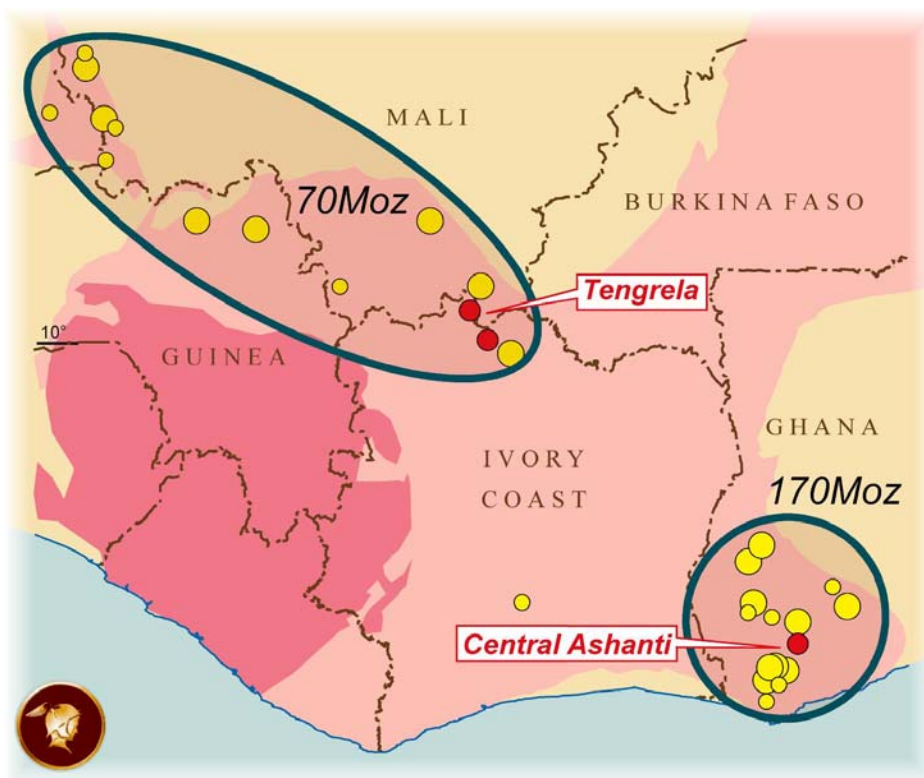
- Continue exploration and resource drilling at Sissingue.
- Complete detailed metallurgy for the Sissingue deposit.
- Continue follow up drilling of regional targets.

Overview

Perseus is an advanced West African gold explorer with its two most advanced projects at different stages of evaluation and development:

CAGP – The Central Ashanti Gold Project, (formally referred to as “Ayanfuri”) comprises a group of large gold deposits located in the Ashanti gold belt in Ghana. The CAGP feasibility study for Phase 1 development has been completed, confirming robust economics for the project, which is now at the pre-development stage. Current reserves stand at 2.1Moz and additional Indicated resources total 1.2Moz and Inferred resources total 2.7Moz inclusive of resources on the Grumesa licence (also part of the CAGP).

Tengrela – An underexplored project with a current open-ended gold resource, containing 0.6Moz of Indicated resources and 0.4Moz of Inferred resources at Sissingue, one of a number of prospects. A definitive feasibility study is underway and there is significant exploration upside potential, drilling will be stepped up during 2010.



Ghana

Central Ashanti Gold Project (Ayanfuri) Development

Treatment Plant works

Further to the issue of a letter of intent issued on 27 October, Perseus signed heads of agreements with the Joint Venture (“JV”) between DRA Mineral Projects (Pty) Ltd (“DRA”) and Group Five Projects (Pty) Ltd, agents for Group Five Construction (Pty) Ltd (Group Five) on a Lump Sum Turn Key (“LSTK”) basis.

In October the Company agreed to fund the initial US\$30M for expenditure requirements related to initial design, long lead items and site construction commencement. The Company has approved a variation order to increase the size of the primary crusher and other major comminution equipment to ensure throughput capacities of 5.5 mtpa are comfortably achieved. Despite the increase in the capacity of the comminution equipment the total LSTK contract value remains less than the US\$88M allocated to it in the DFS. The equipment selection resulted in savings to the projected construction timeline.

Commitments have been made for the supply of all major long lead supply items, these include:

- The Primary Crusher - FL Smidth 54” x 79” Gyratory Crusher (DFS, 42” x 65” Gyratory);
- The primary grinding mill being a SAG Mill - FL Smidth 10.4m dia. x 6.4m 14MW EGL mill (DFS, 9.75m dia. x 5.95m 10.5MW EGL mill);
- The flotation cells - 7 x 70m³ Weimco Smart Cell flotation cells;
- The thickener - 8m, high rate thickener; and
- The regrind mill for floatation concentrate – 2.7m dia. x 4.88m EGL (550kW) regrinding mill (DFS, 450kW).

Detailed design of the facility is progressing well, and is on schedule. Once Environmental permits are provided site works will commence, at that stage the Company will be in a position to provide an update to the project development timeline.

Crop compensation for crops existing within the plant and mining contract area is complete, with most other areas needing compensation to be completed in the March quarter 2010.

Mining Tenders and remaining earthworks

Tenders have been received for the subcontract mining works for the project and these are being evaluated at present. Award of these works is expected within the March 2010 quarter. Pricing received confirms cost allocation within the DFS.

The civil earthworks required external of the plant site boundary, notably the tailings storage facility, have also been tendered. Pricing has been received and award of this work is also expected within the March 2010 quarter. Civil earthworks tender pricing also validates DFS estimations.

Infrastructure development

The design of the short (4km) 161 kV feeder line to the plant site has made good progress. Tenders were issued, evaluated and an order placed for the supply of the main 161 kV to 11 kV transformer. This is the main long lead item for the 161 kV off-take facility. Order pricing and delivery times are within the DFS and project development timelines.

Project Financing

The Company has mandated Macquarie Bank and Credit Suisse to jointly provide a project loan facility and gold hedging facility for the CAGP. The Company has received a joint mandate letter accompanied by an indicative letter of offer for a US\$85 million project loan facility and minimum 150,000 oz gold hedging facility, in addition to the gold put options previously acquired by Perseus for the CAGP.

The offer is subject to the usual conditions for a financing of this nature, including completion of due diligence and the requirement to negotiate final commercial terms acceptable to the parties.

Due diligence is well advanced and is expected to be completed along with draft documentation, during the March 2010 quarter.

Approvals

Two 15 year mining leases (renewable under the terms of the Minerals and Mining Act, 2006) covering a total area of 93.13sq km have been granted. Granting of the leases leaves the Environmental Protection Agency (EPA) permit as the final major approval required before project construction can commence. EPA approval is anticipated during the March quarter.

Management Additions

The Company has now appointed the two most senior personnel for its Ghana mining operations – the General Manager of Operations, Mr Grant Pierce and Commercial Manager, Mr Paul Hug. Both positions will be based in Ghana.

Grant Pierce (General Manager of Operations)

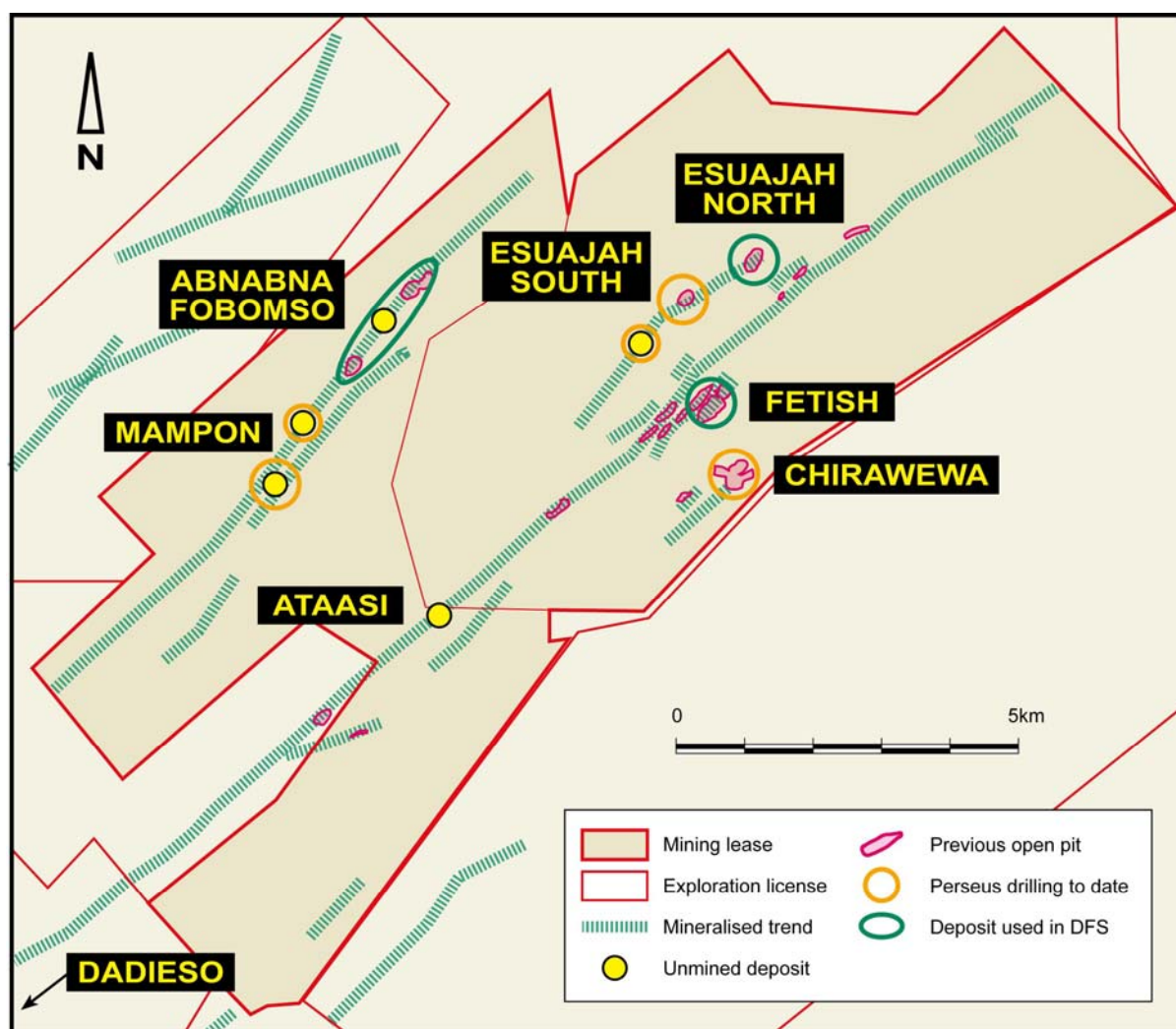
Grant Pierce is a mining engineer with more than 30 years experience in operations and mine management, including 10 years in Africa. Grant worked in Tanzania for eight and half years as Mining Manager, Operations Manager and Managing Director for Resolute (Tanzania) Limited (Golden Pride mine), then as General Manager and later Executive General Manager for Barrick Gold Corporation (Bulyanhulu and Tulawaka mines). Grant is a Fellow of the AusIMM and has a track record in sustaining effective community relations.

Paul Hug (Commercial Manager – Ghana)

Paul Hug is an accountant with 28 years of mining and finance experience, including 10 years experience in Africa. He has had senior management involvement in four start-up operations and has extensive experience in designing, implementing and overseeing costing and management systems. Paul is a Fellow of the Institute of Chartered Secretaries of Australia.

Exploration

A total 18,048m of RC and diamond drilling was completed at the CAGP during the December Quarter. Most of the drilling was infill and extensional drilling undertaken on the western deposits (Abnabna, AF-Gap and Fobinso), significant results are summarized in Table 3. Exploratory drilling has recommenced with anomalous results received from the Princiso prospect, results are summarized in Table 4.



Mining Licences – Central Ashanti Gold Project, Ghana

Tengrela Gold Project (Ivory Coast)

A total of 16,422m of RC and diamond drilling and 7,609m of RAB drilling were completed at the Sissingue prospect in the December Quarter. Significant intercepts summarised in Table 5 were mostly from infill drilling, the most significant drill results for the December were:

- SLC 014- **Open ended 105m at 6.5g/t Au** from 36m down hole, including **48m at 11.3g/t Au** from 76m down hole followed by 17m at 5.3g/t Au from 124m;
- SLC 045- **26m at 19.5g/t Au** from 24m down hole, including **2m at 232.9g/t Au** from 42m down hole and another intercept of **18m at 4.9g/t Au** from 62m;
- SLC 074- **Open ended 94m at 4.0g/t Au** from 46m down hole, including **28m at 9.1g/t Au** from 68m down;
- SLC 005 - **63m at 5.1g/t Au** from 78m including **32m at 7.2g/t Au** from 92m;
- SRC 720- **66m at 5.0g/t Au** from 6m including **2m at 97.3g/t Au** from 16m;
- SRC 704- **8m at 5.1g/t Au** from 10m and **38m at 6.6g/t Au** from 32m including **2m at 110.4g/t Au** from 34m;
- SRC 726- **78m at 3.2g/t Au** from 36m including **24m at 5.3g/t Au** from 82m;
- SLC 025- **Open ended 30m at 5.5g/t Au** from 50m down hole, including **2m at 22.7g/t Au** from 56m and **4m at 14.2g/t Au** from 76m to the bottom of the hole;
- SLC 048- **Open ended 47m at 3.4g/t Au** from 34m down hole, including **2m at 39g/t Au** from 60m; and
- SD 079- **8.3m at 2.2g/t Au** from 11.2m, **16.5m at 4.6g/t Au** from 61.5m and **27.8m at 2.0g/t Au** from 97m;

The results give additional support to high grade intercepts previously reported from the core zone within the Sissingue prospect and high grade intercepts have now been made intermittently over a strike length of 960m. High grades are typically associated with narrow quartz stringers containing abundant visible gold in altered felsic and granitic intrusives and metasediments.

The Company is working to further increase drilling production rates on the Tengrela Gold Project and has commenced a Definitive Feasibility Study.

RAB drilling has recommenced at Kanakono located 8km south of Sissingue, drilling is being undertaken to follow-up previous anomalous RAB drilling and soil sampling. Early results are summarized in Table 6 below

As part of the TSX listing process, Runge Limited was engaged to prepare an independent report on the Tengrela project under the requirements of the Canadian National Instrument 43-101. Exploration results received up to 30 September 2009 were used for the purposes of the NI 43-101 report.

The October 2009 Mineral Resource estimate for the Sissingue deposit as calculated by Runge Limited in its NI 43-101 report (available on www.sedar.com) is summarised in Table 1 and Table 2.

The principle difference between the November 2008 Perseus resource estimate and the October 2009 Runge resource estimate was the increase in Indicated resources from 379,000oz at 2.0g/t Au to 572,000oz at 1.8g/t Au and the reduction in inferred resources from 591,000oz at 1.9g/t Au to 293,000oz at 1.7g/t Au using a 1.0g/t cut off as a result of increased drilling density.

Table 1: Tengrela Gold Project Mineral Resource Summary (1.0g/t Au Cut-off)

Type	Indicated Mineral Resources			Inferred Mineral Resources		
	Tonnes (t)	Au (g/t)	Au (Ounces)	Tonnes (t)	Au (g/t)	Au (Ounces)
Oxide	1,310,000	1.7	72,500	1,210,000	1.6	63,000
Transitional	870,000	2.1	60,000	520,000	1.8	30,000
Primary	7,450,000	1.8	440,000	3,770,000	1.6	200,000
Total⁽¹⁾	9,630,000	1.8	572,000	5,500,000	1.7	293,000

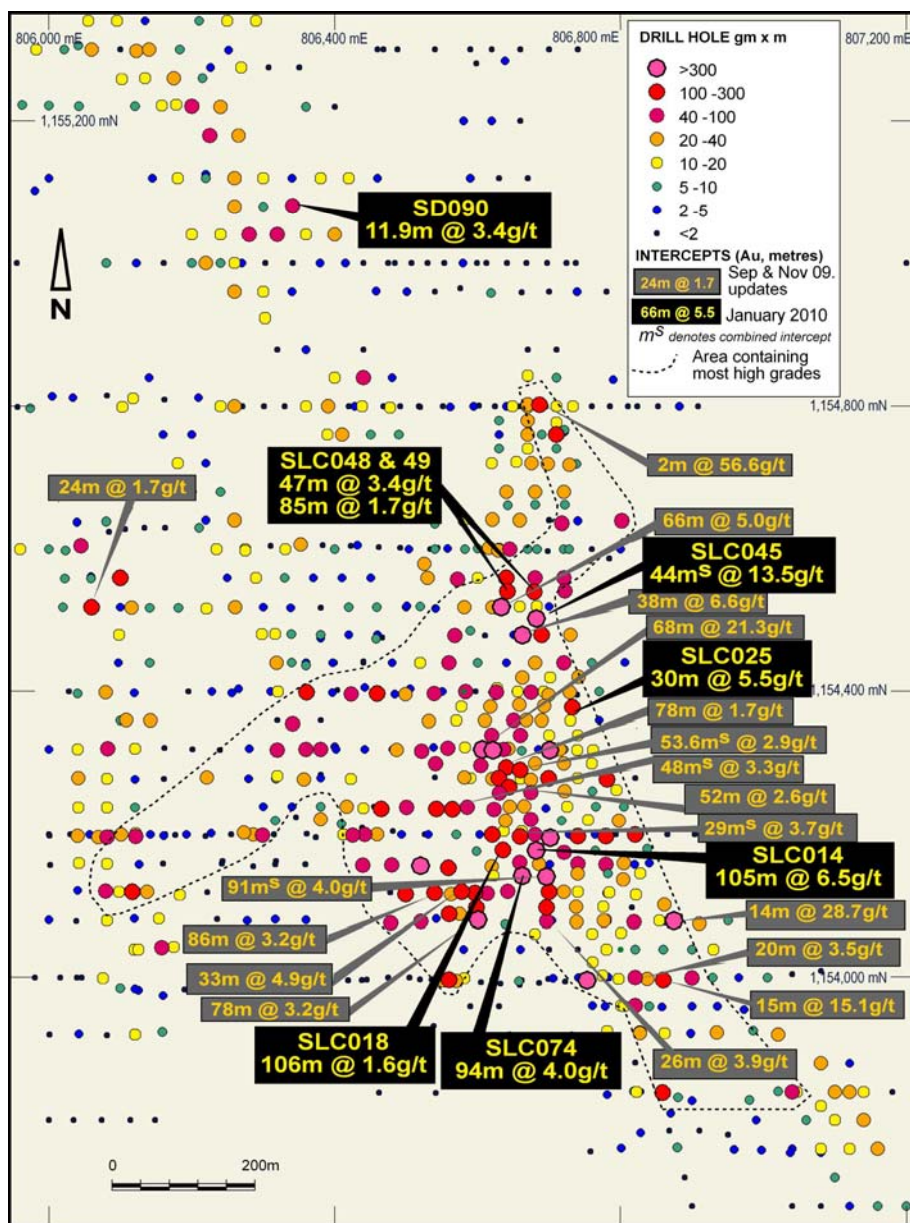
⁽¹⁾ Rounding Applied to Totals

Table 2: Tengrela Gold Project Low Grade Mineral Resource Summary (0.5-1.0g/t Au)

Type	Indicated Mineral Resources			Inferred Mineral Resources		
	Tonnes (t)	Au (g/t)	Au (Ounces)	Tonnes (t)	Au (g/t)	Au (Ounces)
Oxide	575,000	0.8	14,800	920,000	0.8	22,000
Transitional	280,000	0.8	7,200	210,000	0.7	10,000
Primary	1,718,000	0.8	45,100	2,310,000	0.8	60,000
Total⁽¹⁾	2,573,000	0.8	67,100	3,440,000	0.8	92,000

⁽¹⁾ Rounding Applied to Totals

Central Sissingue Prospect – Tengrela Project, Ivory Coast




Mark Calderwood
Managing Director

28 January 2010

To discuss any aspect of this announcement, please contact Robert Williams at telephone +61 2 9332 4448 or email robert.williams@farrington.com.au or Mark Calderwood at telephone +61 8 9240 6344 or email calderwoodm@perseusmining.com

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 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'. 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.

The information in this report that relates to mineral resources (October 2009 mineral resource estimate) at the Tengrela Project is based on information compiled by Mr David Price, who is a Member of The Australasian Institute of Mining and Metallurgy. At the relevant time, Mr Price was a full-time employee of Runge Limited. Mr Price 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'. Mr Price and Runge Limited consent to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Statements regarding the Company's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that the plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to convert Inferred resources to Indicated resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

Table 3: Summary of Infill and Extensional Drilling – CAGP, Ghana

Hole	Deposit	East (m)	North (m)	Depth (m)	Az m. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ABDD110	AF Gap	26500	13930	286.5	180	-57 <i>incl.</i>	97	103	6	4.6
							98	99	1	13.2
						<i>incl.</i>	115	122	7	3.8
							115	117	2	11.3
						<i>incl.</i>	159	160	1	5.8
							173	194	21	1.0
							201	214	13	2.2
							201	202	1	15.7
ABDD112	AF Gap	26540	13980	312	180	-50 <i>incl. and</i>	236	237	1	6.0
							125	130	5	1.0
							136	145	9	8.7
							139	140	1	13.4
							143	144	1	58.4
							212.5	219	6.5	1.2
ABDD114	AF Gap	26600	13800	88	180	-50 <i>incl.</i>	247	257	10	1.8
							49	84	35	1.5
ABDD117	AF Gap	26800	13985	291	180	-60	77	79	2	9.6
							132	144	12	1.0
							148	150	2	2.7
							154	168	14	1.6
							177	183	6	1.1
							191	196	5	3.4
							216	220	4	2.3
							234	236	2	3.0
ABDD118	AF Gap	26400	13980	407	180	-60	282	285	3	2.0
							311	329	18	1.3
							347	351	4	1.3
							365	385	20	1.1
ABDD119	Abnabna	25930	13705	270.3	180	-65 <i>incl.</i>	55.5	119	63.5	3.0
							99	107	8	13.2
						<i>incl.</i>	106	107	1	65.0
							141	211	70	3.6
						<i>incl. and</i>	160	168	8	7.1
							175	176	1	95.1
							243	247	4	1.4
							252	253	1	5.4
ABDD120	AF Gap	26520	13955	308	180	-55 <i>incl.</i>	188	195	7	2.7
							193	194	1	11.0
							227	237	10	1.7
							276	282	6	4.1
ABDD124	AF Gap	26680	13935	250	179	-50 <i>incl.</i>	140	143	3	15.0
							142	143	1	43.0
							158	159	1	6.6
							180	188	8	1.7

Table 3: Summary of Infill and Extensional Drilling – CAGP, Ghana (Cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Az m. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ABDD126	AF Gap	26480	13981	323.26	180	-62 <i>incl.</i>	228	294	66	1.5
							256	259	3	16.4
							311	323.3*	12.3	1.6
ABDD127	AF Gap	26340	13790	151	179	-50	51	131	80.5	1.6
							140	144	4	1.3
ABRDD391	AF Gap	26140	13785	345.5	180	-70 <i>incl.</i>	279	319	40	1.4
							294	298	4	5.8
ABRDD396	Abnabna	26070	13829	336.1	180	-55 <i>incl. and and</i>	194	206	12	1.5
							237	322	85	2.3
							276	283	7	5.1
							290	291	1	12.4
							294	295	1	16.5
ABRDD398	AF Gap	26459	13961	315.2	180	-57 <i>incl.</i>	207	231	24	1.5
							214	215	1	11.1
							252	310	58	2.2
							262	263	1	12.1
							300	303	3	14.7
ABRDD401	Abnabna	26010	13760	339.4	180	-70	132	142	10	1.2
							166	202	36	1.2
							206	257	51	2.0
							238	240	2	15.4
							266	287	21	1.2
							300	307	7	1.7
							311	318	7	1.1
							323	325	2	7.5
ABRDD402	Abnabna	26030	13800	351.3	180	-62 <i>incl.</i>	170	171	1	7.8
							187	232	45	1.1
							242	254	12	3.9
							243	246	3	10.0
							264	293	29	1.3
							301	313	12	1.6
							330	336	6	1.0
ABRDD403	Abnabna	26030	13790	299.7	179	-58 <i>incl. and</i>	168	175	7	1.0
							181	274	93	1.9
							239	240	1	14.3
							249	250	1	39.7
ABRDD404	Abnabna	25970	13730	297.5	180	-70 <i>incl.</i>	100	114	14	1.0
							124	129	5	1.5
							142	259	117	1.8
							160	161	1	13.8
							178	179	1	25.1
							216	217	1	15.3
							263	288	25	1.0
ABRDD405	Abnabna	26071	13810	300	180	-54	186	203	17	1.3
							207	217	10	1.4
							255	260	5	2.4
							267	290	23	1.3

Table 3: Summary of Infill and Extensional Drilling – CAGP, Ghana (Cont.)

Hole	Deposit	East (m)	North (m)	Depth (m)	Az m. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ABRDD406	Abnabna	26070	13850	405.2	180	-60 <i>incl.</i>	214	243	29	3.2
							215	216	1	57.9
							276	318	42	1.6
							331	340	9	1.0
							345	387	42	1.3
ABRDD407	Abnabna	26480	13835	417.3	180	-67 <i>incl.</i> <i>and</i>	250	315	65	1.4
							284	285	1	16.5
							287	288	1	12.3
							337	350	13	1.0
							356	360	4	1.2
FBDD044	Fobinso	27400	14020	212	180	-60 <i>incl.</i>	81	95	14	1.5
							91	92	1	10.3
							114	117	3	2.3
							120	135	15	2.5
							155	199	44	1.6
FBDD046	Fobinso	27360	14080	252	180	-50 <i>incl.</i> <i>incl.</i>	158	159	1	35.5
							130	135	5	1.6
							142	165	23	4.3
							143	150	7	11.0
							146	148	2	25.3
FBDD048	Fobinso	27420	14120	320	180	-60 <i>incl.</i>	172	192	20	2.0
							213	214	1	6.9
							222	231	9	6.2
							224	225	1	44.9
							288	293	5	1.7
FBDD049	Fobinso	27400	13940	147	180	-60	24.5	30.5	6	2.4
							95	101	6	1.0
FBDD051	Fobinso	27400	14060	248	180	-60 <i>incl.</i>	98	125	27	1.2
							161	162	1	6.8
							175	179	4	1.6
							196	204	8	2.6
							203	204	1	10.7
FBDD052	Fobinso	27420	14040	227	180	-60 <i>incl.</i>	209	214	5	1.2
							67	72	5	1.2
							91	94	3	1.4
							99	215	116	1.4
							165	166	1	11.2
FBDD054	Fobinso	27260	13979	168	180	-45 <i>incl.</i>	71	128	57	2.2
							109	110	1	11.5
							135	140	5	1.2
							159	164	5	2.3

Notes

RC holes samples sampled at 1m intervals and composited to 2m intervals.

Core holes sampled at 1m intervals.

Oxide samples or low sulphur fresh rock samples analysed using 50g fire assays.

High sulphide content samples analysed using 25g fire assays.

Only holes with combined intercepts of greater than 50 gram metres included.

* denotes open ended intercept.

Table 4: Exploration RC Drill Intercepts – CAGP, Ghana

Hole	Deposit	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
NKRC002	Princiso	1980	440	90	267	-60	2	16	14	1.0
							64	70	6	1.3
NKRC016	Princiso	2060	140	90	270	-60	62	74	12	1.1
NKRC019	Princiso	2460	440	90	270	-60	16	22	6	1.1
NKRC022	Princiso	1940	120	85	270	-60	0	6	6	3.3
NKRC026	Princiso	2140	760	90	270	-60	18	22	4	1.7
NKRC027	Princiso	2100	760	84	270	-60	82	84*	2	2.7
NKRC028	Princiso	2060	760	90	270	-60	0	2	2	5.2
NKRC029	Princiso	2020	760	90	270	-60	64	72	8	3.5

Notes

RC holes samples sampled at 1m intervals and composited to 2m intervals.

Oxide samples or low sulphur fresh rock samples analysed using 50gsm fire assays.

High sulphide content samples analysed using 25gram fire assays.

Only holes with combined intercepts of greater than 5 gram metres included.

* denotes open ended intercept.

Table 5: Significant RC and Diamond Drill Intercepts – Sissingué Prospect, Ivory Coast

Hole	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
SD079	806672	1154298	140.5	263	-56	11.2	19.5	8.3	2.2
						61.5	78	16.5	4.6
						65.2	66.7	1.5	34.3
						97	124.8	27.8	2.0
						100	101	1	11.7
						124	124.8	0.8	12.4
						137	138	1	5.9
SD080	806640	1154270	131	7	-54	1	17	16	0.6
						42	94	52	2.6
						51	64.5	13.5	6.0
						60	61.5	1.5	14.9
						70.5	72	1.5	19.7
SD082	806497	1154438	223.4	102	-49	55.5	60.7	5.2	1.6
						157	160	3	3.0
						188	193	5	3.3
						198	203	5	1.7
SD086	806480	1154360	266.1	97	-50	135	155	20	2.7
						146	147	1	15.6
						172.5	177	4.5	1.2
						188	192	4	1.5
						210	214	4	1.7
SD087	806540	1154360	180	101	-51	49.5	54	4.5	5.7
						64.5	70.5	6	2.0
SD090	806340	1155040	179.1	270	-57	90.1	102	11.9	3.4
SRC703	806710	1154477	90	270	-55	12	34	22	0.7
						56	66	10	1.1
SRC704	806667	1154480	70	270	-55	10	18	8	5.1
						32	70*	38	6.6

Table 5: Significant RC and Diamond Drill Intercepts – Sissingué Prospect, Ivory Coast (Cont.)

Hole	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
					<i>incl.</i>	34	36	2	110.4
SRC709	806689	1154799	41	270	-60	12	14	2	56.5
SRC711	806119	1154360	80	270	-55	10	18	8	2.2
						50	60	10	1.3
SRC714	806669	1154357	80	270	-55	52	76	24	1.2
SRC718	806110	1154520	67	270	-55	44	48	4	1.4
						62	67*	5	4.1
SRC720	806640	1154520	80	270	-60	6	72	66	5.0
					<i>incl.</i>	16	18	2	97.3
					<i>and</i>	48	50	2	12.2
SRC722	806676	1154716	80	270	-60	22	32	10	2.6
SRC725	806700	1154100	90	270	-55	64	90*	26	3.9
					<i>incl.</i>	86	90*	4	12.0
SRC726	806600	1154100	114	270	-55	22	24	2	3.4
						36	114*	78	3.2
					<i>incl.</i>	36	38	2	10.1
					<i>and</i>	82	106	24	5.3
					<i>incl.</i>	102	106	4	11.9
SRC745	806400	1154800	60	270	-55	8	24	16	2.1
SLC004	806740	1154100	84	270	-55	18	42	24	1.2
SLC005	806700	1154140	141	270	-55	8	22	14	1.0
						48	64	16	1.9
						78	141*	63	5.1
					<i>incl.</i>	92	118	26	7.5
					<i>incl.</i>	92	104	12	10.2
SLC006	806720	1154180	93	270	-55	36	46	10	2.3
						56	76	20	2.0
SLC010	806800	1154140	81	270	-55	26	46	20	1.6
SLC014	806680	1154180	141	270	-55	36	141*	105	6.5
					<i>incl.</i>	76	124	48	11.3
					<i>incl.</i>	82	86	4	59.4
					<i>and</i>	116	124	8	14.2
SLC015	806680	1154220	129	270	-55	36	52	16	1.1
						60	66	6	1.3
						82	126	44	1.5
SLC016	806640	1154220	88	270	-55	14	22	8	3.5
SLC018	806636	1154180	111	270	-55	4	110	106	1.6
					<i>incl.</i>	92	108	16	3.1
SLC021	806720	1154260	81	270	-55	32	46	14	1.4
						58	68	10	1.3
SLC022	806680	1154260	87	270	-55	4	16	12	1.2
						52	62	10	2.5
						76	87*	11	1.4

Table 5: Significant RC and Diamond Drill Intercepts – Sissingué Prospect, Ivory Coast (Cont.)

Hole	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
SLC023	806640	1154260	80	270	-55	6	12	6	2.5
						30	36	6	2.0
						58	70	12	1.1
SLC024	806600	1154300	80	270	-55	30	36	6	4.4
					<i>incl.</i>	32	34	2	10.4
SLC025	806740	1154380	80	270	-55	50	80*	30	5.5
					<i>incl.</i>	56	58	2	22.7
					<i>and</i>	76	80	4	14.2
SLC028	806660	1154380	93	270	-55	48	62	14	1.5
						86	90	4	2.1
SLC029	806620	1154380	80	270	-55	22	46	24	1.3
SLC042	806700	1154460	80	270	-55	6	10	4	1.4
						42	56	14	1.5
						70	76	6	1.2
SLC045	806680	1154500	81	270	-55	24	50	26	19.5
					<i>incl.</i>	42	44	2	232.9
						62	80	18	4.9
					<i>incl.</i>	66	70	4	10.0
SLC046	806720	1154500	80	270	-55	62	80*	18	1.4
SLC047	806720	1154540	80	270	-55	64	74	10	4.5
					<i>incl.</i>	66	70	4	10.3
SLC048	806680	1154540	81	270	-55	34	81*	47	3.4
					<i>incl.</i>	60	62	2	39.0
SLC049	806640	1154540	87	270	-55	2	87*	85	1.7
SLC051	806680	1154580	93	270	-55	18	93*	75	1.2
SLC055	806680	1154640	81	270	-55	44	70	26	1.0
SLC072	806740	1154145	80	270	-55	44	48	4	1.8
						60	74	14	1.3
SLC074	806660	1154140	140	270	-55	20	28	8	1.2
						46	140*	94	4.0
					<i>incl.</i>	68	96	28	9.1
					<i>incl.</i>	68	70	2	18.3
					<i>and</i>	82	84	2	45.0
					<i>and</i>	90	92	2	11.3

Notes

SD denotes core holes.

SLC and SRC denote RC holes.

RC holes samples sampled at 1m intervals and composited to 2m intervals.

Core holes sampled at 1m intervals.

Oxide samples or low sulphur fresh rock samples analysed using 50g fire assays.

High sulphide content samples analysed using 25g fire assays.

Only holes with combined intercepts of greater than 25g metres included.

* denotes open ended intercept.

Table 6: Anomalous RAB Drill intercepts – Kanakono Prospect, Ivory Coast

Hole	East (m)	North (m)	Depth (m)	Azm. (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
KRB274	805951	1145200	43	270	-60	4	12	8	1.5
KRB283	805776	1145200	27	270	-60	20	27*	7	1.4
KRB313	805372	1144600	39	270	-60	0	16	16	1.8

Notes

RAB holes samples sampled at 1m intervals and composited to 4m (or part thereof) intervals.

Oxide samples or low sulphur fresh rock samples analysed using 50gm fire assays.

Only holes with combined intercepts of greater than 5 gram metres included.

* denotes open ended intercept.

Table 7: Drilling Summary December Quarter 2009

Month	Ivory Coast			Ghana			Total
	RAB	RC	Core	RAB	RC	Core	
October	4,836	917	737	-	975	4,567	12,032
November	998	7,006	668	-	2,240	4,487	15,399
December	1,775	6,597	497	-	2,721	3,058	14,648
Total	7,609	14,520	1,902	-	5,936	12,112	42,079

Table 8: Mineral Reserves (Gold) - Perseus Mining Limited Projects

Deposit	Proven			Probable			Total		
	Tonnes (million)	g/t Au	Ounces Au	Tonnes (million)	g/t Au	Ounces Au	Tonnes (million)	g/t Au	Ounces Au
Central Ashanti Gold Project (CAGP) >0.5g/t ⁽¹⁾	18.4	1.4	828,000	37.0	1.1	1,313,000	55.4	1.2	2,141,000

Notes

1) Last updated on 30 July 2009

Table 9: Mineral Resources (Gold) - Perseus Mining Limited Projects (excluding reserves)

Deposit	Measured & Indicated			Inferred		
	Tonnes (million)	g/t Au	Ounces Au	Tonnes (million)	g/t Au	Ounces Au
CAGP >0.8g/t ⁽¹⁾	15.8	1.5	764,000	29.9	1.5	1,423,000
CAGP 0.4g/t -0.8g/t ⁽¹⁾	14.1	0.6	267,000	31.9	0.7	691,000
Tengrela⁽²⁾ >1.0g/t	9.6	1.8	572,000	5.5	1.7	293,000
Tengrela⁽²⁾ 0.5g/t -1.0g/t	2.6	0.8	67,000	3.4	0.8	92,000
Grumesa Sth >0.4 / 0.6g/t ⁽³⁾	7.1	0.9	195,000	1.9	0.8	46,000
Grumesa Nth >0.4g/t ⁽⁴⁾				21.4	0.8	573,000
Totals >0.8g/t	25.4	1.6	1,336,000	35.4	1.5	1,716,000
Totals >0.4g/t	49.2	1.2	1,865,000	94.0	1.0	3,118,000

Notes

- 1) Last updated on 30 July 2009 only includes estimates by Runge
- 2) October 2009 estimate (Runge)
- 3) Last updated on 30 April 2007
- 4) Last updated on 29 September 2006
- 5) The Company holds 90% of CAGP, 90% of Grumesa and 80% of Tengrela after allowing for Government equity at mining stage

Appendix 5B

Mining exploration entity quarterly report

Name of entity

PERSEUS MINING LIMITED

ABN

27 106 808 986

Quarter ended ("current quarter")

31 December 2009

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(6,863)	(10,265)
	(b) development	(9,274)	(9,274)
	(c) production	-	-
	(d) administration	(1,111)	(1,762)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	641	1,042
1.5	Interest and other costs of finance paid	(7)	(15)
1.6	Income taxes paid	-	-
1.7	Other	-	-
Net Operating Cash Flows		(16,614)	(20,274)
Cash flows related to investing activities			
1.8	Payment for purchase or renewal of:		
	(a) prospects	(55)	(55)
	(b) equity investments	-	(833)
	(c) other fixed assets	(399)	(517)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	1
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	41
1.12	Other - Purchase of gold put options	-	(10,889)
1.12	Other	-	-
Net investing cash flows		(454)	(12,252)
1.13	Total operating and investing cash flows (carried forward)	(17,068)	(32,526)

1.13	Total operating and investing cash flows (brought forward)	(17,068)	(32,526)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	25,567	25,587
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other –share issue expenses (note below)	(1,663)	(4,201)
	Net financing cash flows	23,904	21,386
	Net increase (decrease) in cash held	6,836	(11,140)
1.20	Cash at beginning of quarter/year to date	60,626	79,876
1.21	Exchange rate adjustments to item 1.20	(350)	(1,624)
1.22	Cash at end of quarter	67,112	67,112

1.19 – Issue costs relating to capital raising concluded in prior period

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	291
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	A\$'000
Directors fees, consultancy charges and remuneration	247
Accounting, secretarial and occupancy expenses	44

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	7,300
4.2 Development	30,000
Total	37,300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	2,370	738
5.2	Deposits at call	64,742	59,888
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		67,112	60,626

At 31 December, the Company had US\$2.258 million (approximately AUD\$2.5 million at the date of this report) held in bank deposits which are subject to lien and are provided as collateral for bank guarantees issued to the Ghana EPA in relation to environmental rehabilitation provisions concerning some Ghana mineral permits. These deposit amounts are not included in cash balances at the quarter end for the purposes of this cash flow statement.

Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/A.		
6.2	Interests in mining tenements acquired or increased	N/A.		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter	-	-	-	-
7.3 +Ordinary securities	320,082,088	320,082,088		
7.4 Changes during quarter				
Placement	15,600,000	15,600,000	\$1.50	\$1.50
Exercise of options				
Exercise of options	2,250,000	2,250,000	40 cents	40 cents
Exercise of options	495,000	495,000	65 cents	65 cents
Exercise of options	200,000	200,000	60 cents	60 cents
Exercise of options	1,000,000	1,000,000	80 cents	80 cents
Exercise of options	50,000	50,000	50 cents	50 cents
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	475,000	-	50 cents	01/04/2010
	3,800,000	-	\$1.50	31/07/2010
	1,000,000	-	\$1.00	31/12/2010
	600,000	-	\$1.00	30/06/2011
	1,995,000	-	65 cents	23/01/2012
	1,800,000	-	60 cents	13/08/2011
	150,000	-	\$1.30	29/09/2012
	400,000	-	\$1.80	31/03/2012
	600,000	-	\$1.30	31/03/2012
7.8 Issued during quarter				
	400,000	-	\$1.80	31/03/2012
	600,000	-	\$1.30	31/03/2012
7.9 Exercised during quarter				
	(2,250,000)	-	40 cents	30/11/2009
	(495,000)	-	65 cents	23/01/2012
	(200,000)	-	60 cents	13/08/2011
	(1,000,000)	-	80 cents	31/12/2009
	(50,000)	-	50 cents	01/04/2010
7.10 Cancelled/Expired during quarter	(150,000)	-	65 cents	23/01/2012
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

During the quarter, the Company placed 23,400,000 Subscription Receipts at a price of CAD\$1.46 (equivalent to AUD\$1.50 at the time of execution of the mandate letter) for gross proceeds of CAD\$34,164,000 to North American and U.K. investors. The gross proceeds of the offering are held in escrow and will be released upon Perseus's ordinary shares becoming listed on the Toronto Stock Exchange ("TSX") and the ordinary shares issuable upon conversion of the Subscription Receipts being freely tradable on the TSX and not subject to any hold period (the "Escrow Release Conditions"). Upon satisfaction of the Escrow Release Conditions, each Subscription Receipt will automatically convert into one fully paid ordinary share in Perseus. If the Escrow Release Conditions are not satisfied by 8 February 2010, the Escrowed Funds will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled.

The amount held in escrow (CAD\$34.164m) is not included in the cash balance disclosed above of \$67.1 million at 31 December 2009.

Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Print name: Mark Calderwood
Managing Director

Date: 28 January 2010