

## 1 PURPOSE

- 1.1** In order to preserve the reputation and integrity of Perseus Mining Limited (**Perseus** or the **Company**), it is imperative that when associates of Perseus Deal in Perseus's Securities, those Dealings are not only fair, but are also seen to be fair. The following Policy is intended to educate those associates on the rules that apply to Dealing in Securities of Perseus and to eliminate the potential for misconceptions, misunderstandings or suspicions which might arise in relation to dealings in the Securities of Perseus.
- 1.2** In this Policy, terms commencing with a capital have the meaning given to those terms in section 13 of this Policy.
- 1.3** The general principle on which this Policy is based is that Applicable Persons and their Related Persons who deal in Perseus's securities should:
- (a) Not engage in Short-term Trading of Perseus's Securities;
  - (b) Not Deal in Perseus's or other Securities while in possession of Inside Information;
  - (c) Obtain prior clearance for any intended transaction involving Perseus's Securities if the person is a member of Perseus's Key Management Personnel;
  - (d) Notify the Company Secretary of completed transactions involving Perseus's Securities if the person is a member of Perseus's Key Management Personnel; and
  - (e) Ensure that all buying or selling of Perseus's Securities by Perseus's Key Management Personnel occurs outside of Prohibited Periods unless an exemption is obtained in accordance with this Policy.

## 2 OVERVIEW OF INSIDER TRADING PROVISIONS OF THE CORPORATIONS ACT

- 2.1** Under the Corporations Act it is a criminal offence for anybody to Deal in the Securities of a company when in possession of Inside Information about that company. Anyone committing this offence, called insider trading, may be subject to criminal liability resulting in large fines and/or imprisonment. An offender may also be subject to civil liability including being sued by Perseus or a third party for losses incurred as a result of illegal Dealing in Securities.
- 2.2** This prohibition extends to:
- (a) Advising or procuring another person to Deal in Securities; and
  - (b) Passing on the Inside Information to another person, if the person knows, or should reasonably know, that the other person would, or would be likely to, Deal in the Securities in question or procure another person to do so.
- 2.3** Examples of information that may constitute Inside Information about Perseus include, without limitation:
- (a) The status of major regulatory approvals sought by Perseus;
  - (b) The outcome of studies relating to Perseus's assets;
  - (c) Significant drilling results achieved by Perseus;
  - (d) The financial performance of Perseus;

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- (e) Perseus’s capital structure, such as a proposed dividend or issue of Securities;
- (f) Actual or proposed major acquisitions and disposals of Perseus’s assets;
- (g) An actual or proposed takeover or merger involving Perseus;
- (h) Major claims against Perseus; and
- (i) Perseus’s entry into or termination of a major contract.

The information may relate to Perseus or any Group Company or their assets or operations.

**2.4** As part of their employment with or engagement by Perseus or its Group Companies, Applicable Persons may also acquire information in relation to other companies with listed securities, including, without limitation, suppliers, contractors and potential or actual takeover or merger parties and the prohibitions set out above extend to Dealing in Securities of those other companies.

### **3 CONFIDENTIALITY AND INSIDE INFORMATION**

**3.1** While in possession of Inside Information about Perseus, Applicable Persons must not:

- (a) Deal in Perseus’s Securities; or
- (b) Procure, encourage, incite or induce any other person to deal in Perseus’s Securities.

**3.2** While it is acknowledged that Applicable Persons may have no control over Related Persons, Dealings in Perseus’s Securities by Related Persons have the potential to cause reputational damage to Perseus and therefore Applicable Persons who may become in the possession of Inside Information are encouraged to counsel their Related Persons to comply with the restrictions set out above.

### **4 RESTRICTIONS ON TRADING**

**4.1** Under no circumstances may an Applicable Person Deal in Perseus’s Securities when that person is in possession of Inside Information. This prohibition is paramount and overrides any situation where Dealing would otherwise be allowed under this Policy.

**4.2** Key Management Personnel and their Related Persons are prohibited at all times from Dealing in Perseus’s Securities during Prohibited Periods. Any Dealings outside of Prohibited Periods are subject to the insider trading prohibition and the clearance provisions set out in section 8 of this Policy.

**4.3** The Board or Perseus’s executive management may impose additional restrictions on Dealing in Securities by certain Applicable Persons who are involved in a potential project or transaction and the terms and conditions of this Policy apply accordingly in respect of such restrictions. Such restrictions must be notified in writing or by email to affected Applicable Persons and will either be for the period stated in that notice or until the restriction is revoked.

### **5 SHORT-TERM TRADING AND SHORT SELLING**

**5.1** In order to prevent the unfair use of information, Key Management Personnel and their Related Persons are generally prohibited from Short-term Trading. The Board may on application, exempt a Key Management Personnel or their Related Persons from this prohibition in exceptional circumstances (sections 8.2 and 8.3 of this Policy apply accordingly).

**5.2** Key Management Personnel or their Related Persons are prohibited from short selling Perseus’s Securities. “Short selling” is selling a Security the seller does not own by borrowing that Security in

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the hope that the seller will be able to buy the Security at a lower price in the future and close out the short position at a profit.

## **6 CERTAIN DEALINGS EXCLUDED FROM POLICY**

**6.1** The following Dealings in Perseus's Securities by Key Management Personnel (and/or their Related Persons) are excluded from the operation of this Policy:

- (a) The issue of Securities in Perseus under:
  - a rights issue;
  - a dividend reinvestment plan;
  - a share purchase plan; or
  - an employee option plan, employee share acquisition scheme, executive share acquisition plan, performance rights plan or similar arrangement;
- (b) The disposing of Securities:
  - under a buy back or capital reduction made available to most or all of Perseus's shareholders; or
  - as a result of a secured lender exercising its rights under a margin lending arrangement;
- (c) The disposing of entitlements under a renounceable rights issue;
- (d) The acceptance of (or undertaking to accept) an offer under a takeover bid, disposing of Securities under a scheme of arrangement or agreeing to cancel options or performance rights over unissued shares in conjunction with a change of control transaction;
- (e) The transfer of Securities to a superannuation fund or other saving scheme in which the Applicable Person or Related Person is a beneficiary;
- (f) The investment in, or Dealing in units of, a fund or other scheme (other than a scheme investing only in Perseus's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (g) Where the Applicable Person is a trustee or officer of a trustee company, Dealing in Securities by that trust provided the Applicable Person is not a beneficiary of the trust and any decision to Deal during a Prohibited Period is taken by other trustees, investment managers or beneficiaries independently of the Applicable Person;
- (h) Under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy;
- (i) Entering into a transaction where the beneficial interest in Securities of Perseus will not change; and
- (j) Exercising an option, exercising a right under an employee incentive scheme or converting a convertible security.

**6.2** All Dealings listed in this section by Perseus's Key Management Personnel are subject to notification of such Dealings to the Company Secretary under section 11 of this Policy.

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## 7 CLEARANCE TO DEAL OUTSIDE PROHIBITED PERIOD

- 7.1** In addition to complying with any other requirement under this Policy to obtain prior written clearance, Perseus’s Key Management Personnel are required to obtain clearance for all intended Dealings in Perseus’s Securities by themselves or, if they are aware, their Related Persons, at least two Trading Days before such intended Dealings. This should be done in writing or by email to the Company Secretary.
- 7.2** Any Dealing in Perseus’s Securities by Perseus’s Key Management Personnel or, if they are aware, their Related Persons outside a Prohibited Period and provided such Dealing is otherwise permitted by this Policy, is subject to:
- (a) The relevant Key Management Personnel advising the Company Secretary at least two Trading Days before such intended Dealing in writing or by email of their intention to Deal in Perseus’s Securities outlining:
- The name of the security holder;
  - The proposed date of Dealing;
  - The type of proposed transaction (purchase, sale, etc.); and
  - The number of Securities involved,
- and confirming that they are not in the possession of Inside Information about Perseus; and
- (b) the Company Secretary with approval by the Managing Director (or, where the relevant Key Management Personnel is the Managing Director, by Perseus’s Chairman, or, where the relevant Key Management Personnel is the Chairman, by the Chairman of Perseus’s Audit and Risk Committee) confirming to the relevant Key Management Personnel that there is no known reason to preclude the advised Dealing in Perseus’s Securities.
- 7.3** Any Dealing pursuant to this section must occur within 5 Trading Days of receipt of the Company Secretary’s confirmation.
- 7.4** Any Dealing under this section by Key Management Personnel is subject to notification of such Dealing to the Company Secretary under section 11 of this Policy.

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## **8 EXEMPTION TO DEAL DURING A PROHIBITED PERIOD**

### **8.1 Key Management Personnel**

- (a) The Board may, in exceptional circumstances only, give prior written clearance to any member of Perseus's Key Management Personnel or their Related Persons to sell, but not buy, Perseus's Securities during a Prohibited Period.
- (b) The Board may provide such clearance by:
  - Resolving to approve the clearance at a Board meeting and authorising a person (such as the Company Secretary) to provide the relevant Key Management Personnel with written details of the confirmation, including any terms approved by the Board;
  - Each director signing a written resolution approving the clearance on the same terms; or
  - Each director confirming by email that they consent to the clearance on the same terms.

### **8.2 Exceptional circumstances**

Examples of exceptional circumstances include, but are not limited to:

- (a) Severe Financial Hardship; and
- (b) Court orders requiring the sale of the Securities in question.

### **8.3 Requests for prior clearance**

- (a) A request for prior clearance pursuant to this section must be made by the relevant Key Management Personnel and provided to the Company Secretary, supported with evidence of exceptional circumstances, for distribution to the Board. If the relevant Key Management Personnel (and/or his or her Related Person) is granted clearance, the relevant Key Management Personnel must comply (or procure that his or her Related Person complies) with any conditions imposed by the Board. Any Dealing pursuant to this section must occur within 5 Trading Days of receipt of the clearance.
- (b) Prior clearance will not be granted if the Board considers that the relevant Key Management Personnel is in possession of Inside Information.
- (c) All Key Management Personnel and Related Persons that are granted prior clearance must promptly provide the Company Secretary with full details of any Dealing made in reliance on the clearance in accordance with section 11 of this Policy.

## **9 GENERAL STATEMENTS WITH RESPECT TO CLEARANCES UNDER THIS POLICY**

- (a) Any clearance under this Policy is not an endorsement by the Company of the proposed Dealing and the relevant Key Management Personnel is individually responsible for their investment decisions and their compliance with insider trading laws at the time of the Dealing. In this respect the relevant Key Management Personnel should consider whether they have come in the possession of Inside Information after receiving clearance but before Dealing in reliance on that clearance.
- (b) Any clearance under this Policy may be withdrawn if new information comes to light or there is a change in circumstances. In such event the Company Secretary will notify the relevant Key

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Management Personnel who must withdraw any outstanding order for a Dealing in Perseus Securities promptly following receipt of such notice.

- (c) Any request for a clearance under this Policy may be refused at the Company’s discretion and without giving any reason. Any decision in respect of a request for clearance is final and binding on the Key Management Personnel seeking confirmation. If clearance to Deal is refused, the Key Management Personnel seeking clearance must keep that information confidential.

## **10 MARGIN LENDING AND DERIVATIVES**

### **10.1 Margin Lending**

- (a) The Board may require that Perseus’s Key Management Personnel provide information to the Company Secretary about any encumbrances granted or margin loans taken out in respect of Perseus’s Securities and changes to such information.
- (b) Perseus’s Key Management Personnel must ensure that when arranging finance either for themselves or through their Related Persons, where Perseus’s Securities are provided as collateral, such obligations do not conflict with their obligations under this Policy. In particular, Key Management Personnel should ensure that the terms of any margin lending arrangements do not require Dealings in Perseus’s Securities at a time when Key Management Personnel are prohibited from Dealing in Perseus’s Securities.
- (c) Within ten business days of a Key Management Personnel or a Related Person entering into a margin lending arrangement involving Perseus’s Securities, the relevant Key Management Personnel must provide the Company Secretary with the following information:
- The number of Perseus Securities that are subject to such arrangement;
  - The trigger events for disposal of such Securities; and
  - Any other information that may be relevant to Perseus’s continuous disclosure obligations, including the ability of the Key Management Personnel or the Related Person (as applicable) to meet any margin call.
- (d) If a Key Management Personnel has provided details of any margin lending arrangements, they must keep the Company Secretary informed of any change in circumstances that may be relevant to Perseus’s continuous disclosure obligations.

### **10.2 Hedging Restrictions under the Corporations Act**

Pursuant to Section 206J of the Corporations Act, Key Management Personnel and their closely related parties (as that term is defined in the Corporations Act) must not enter into an arrangement (with anyone) if the arrangement would have the effect of limiting the exposure of the relevant Key Management Personnel to risk relating to an element of that Key Management Personnel’s remuneration that has not vested in that Key Management Personnel or has vested but remains subject to a holding lock. Contravention of Section 206J is an offence.

### **10.3 Additional Hedging Restrictions under this Policy**

In addition to the restrictions set out in section 10.2 of this Policy, any Applicable Person who has been issued with Securities under a Perseus incentive plan, such as options or performance rights, must not enter into an arrangement (with anyone) if the arrangement would have the effect of limiting the exposure of the relevant Applicable Person to risk relating to an element of that

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Applicable Person's remuneration that has not vested in that Applicable Person or has vested but remains subject to a holding lock.

#### 10.4 Derivatives

- (a) Subject to sections 10.2 and 10.3 of this Policy, Key Management Personnel may only enter into transactions involving Derivatives in respect of Securities in Perseus if the following criteria are satisfied:
- The relevant Securities are fully vested;
  - The Derivative has a maturity date that falls outside any Prohibited Period known at the time of entering into the transaction;
  - Perseus is not a counterparty to the Derivative;
  - The Derivative is used for the purposes of protecting the value of an asset supporting a loan taken out to fund the exercise price of options granted by Perseus or to protect the value of the security in respect of tax liabilities that may become due and payable; and
  - The Derivative transaction complies with all applicable laws.
- (b) The notification rules in section 11 of this Policy apply to the use of Derivatives. At the time of making a notification, the relevant member of Key Management Personnel must also provide evidence that the criteria set out above have been satisfied.

## 11 NOTIFICATION RULES IN RELATION TO DEALING IN PERSEUS'S SECURITIES

### 11.1 Key Management Personnel

Following completion of any Dealing in Perseus Securities, the relevant member of Key Management Personnel must provide confirmation to the Company Secretary that the Dealing has occurred and details of the price per Security, within two Trading Days of the Dealing.

### 11.2 Directors

In addition to the requirements set out in section 11.1 of this Policy, within three Trading Days of:

- (a) The director's appointment;
- (b) A change to the director's interest in Perseus's Securities; or
- (c) The effective date of the director's resignation as a director of Perseus,

the director must either complete, or provide sufficient information for the Company Secretary to complete, an Appendix 3X, 3Y or 3Z (as applicable) to be filed with the ASX for the purposes of section 205G of the Corporations Act and ASX Listing Rule 3.19A.

## 12 BREACHES OF POLICY

In addition to potential criminal and/or civil liability referred to in section 2.1 of this Policy, any breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

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Perseus's Key Management Personnel will be provided with a copy of this Policy and are required to provide the Company Secretary with a signed acknowledgement in the form provided by the Company Secretary within ten days.

### **13 DEFINITIONS**

In this Policy, capitalised terms have the following meaning:

**Applicable Persons** means directors, employees, advisers and consultants of Perseus and its Group Companies;

**Board** means the Board of Directors of Perseus Mining Limited;

**Closed Period** means each period commencing two weeks before and ending one Trading Day after the release of the Company's quarterly report or half or full year financial statements to the ASX;

**Company Secretary** means the company secretary of Perseus Mining Limited;

**Corporations Act** means the Australian *Corporations Act 2001* (Cth);

**Dealing** includes applying for, acquiring or disposing of, or entering into an agreement to apply for, acquire or sell, securities, whether on or off market, and "**Deal**" has a corresponding meaning;

**Derivatives** has the meaning given to that term in section 761D of the Corporations Act and includes, without limitation, options and contracts for difference (CFDs);

**Group Companies** means any company controlled directly or indirectly by Perseus either by a shareholding of more than 50% or by having appointed a majority of the directors on the board of that company;

**Inside Information** means information that a person knows, or should reasonably know:

- (a) Is not generally available (including information that has not been disclosed to the market in accordance with a listed company's disclosure policy); and
- (b) Might influence investors in deciding whether to buy or sell that company's Securities if it were generally available;

**Key Management Personnel** has the meaning given to that term in Accounting Standard AASB 124 Related Party Disclosures, and includes the directors, the Company Secretary, the chief financial officer, those persons having authority and responsibility for planning, directing and controlling the activities of the Company and any other person from time to time notified by the Board.

**Prohibited Period** means:

- (a) Any Closed Period; or
- (b) Any additional periods which are imposed by Perseus's executive management or the Board when deemed necessary;

**Related Persons** means Applicable Persons' spouses, de facto spouses, parents and children, and entities controlled by Applicable Persons;

**Securities** include shares, debentures, renounceable or unrenounceable rights to subscribe for shares or debentures, Derivatives and other financial products that can be traded on a financial

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market including financial products issued or created over securities by third parties and products which operate to limit economic risk in securities holdings;

**Severe Financial Hardship** means a pressing financial commitment that cannot be satisfied otherwise than by selling Perseus Securities which excludes, bar exceptional circumstances, a tax liability;

**Short-term trading** means the purchase and sale of the same type of Securities within a three month period;

**Trading Day** means any day that the ASX is open for trading.

## 14 QUESTIONS

Any questions in relation to the content of this Policy or in relation to whether a potential transaction is against the law, ASX or TSX Listing Rules and/or this Policy should be directed to the Company Secretary.

## 15 BOARD APPROVAL AND AMENDMENTS

This Policy was approved by the Board on 9 March 2015 and may be amended with prior Board approval.

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