



Interim Financial Report

For the half year ended

31 December 2020

This interim report incorporating Appendix 4D is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3.

Perseus Mining Limited ABN 27 106 808 986

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Appendix 4D

Issued under ASX Listing Rule 4.2A.3

Results for announcement to the market

		6 months to 31 Dec 2019 \$'000	to	6 months to 31 Dec 2020 \$'000
Revenue from ordinary activities	Up 4.5%	274,421	to	286,678
Profit after tax from ordinary activities	Up 61.4%	30,410	to	49,086
Profit after tax attributable to members	Up 21.3%	29,813	to	36,149

Commentary on results

See commentary on results in the Directors' report on pages 3-7.

Dividends

No dividend was paid or declared for the period ended 31 December 2020.

Net tangible assets per share

		at 31 Dec 2019	at 31 Dec 2020
Net tangible assets per ordinary share	Up 4.5%	\$0.67	\$0.70

Group structure changes

During the half-year, the group acquired Exore Resources Limited. Refer to Note 13 of the Interim financial statements for further details.

In addition, the group newly incorporated Perseus Mali Holdings Pty Ltd on 2 December 2020.

Corporate Directory

Directors	Terence Sean Harvey Jeffrey Allan Quartermaine Elissa Sarah Brown Daniel Richard Lougher John Francis Gerald McGloin David Meldrum Ransom	Non-Executive Chairman Managing Director & Chief Executive Officer Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Company secretary	Martijn Paul Bosboom	
Registered and corporate office	Level 2, 437 Roberts Road SUBIACO, WESTERN AUSTRALIA 6008 PO Box 1578 SUBIACO, WESTERN AUSTRALIA 6904 Telephone: +61 8 6144 1700 Facsimile: +61 8 6144 1799 Email address: info@perseusmining.com Website: www.perseusmining.com	
Ghana office	4 Chancery Court 147A Giffard Road, East Cantonments Accra, Ghana PO Box CT2576 Cantonments Accra, Ghana Telephone: (233) 302 760 530 Facsimile: (233) 302 760 528	
Côte d'Ivoire office	Il Plateaux - Vallons Rue J75/J44 Lot 1438 ilot 145 06 BP 1958 Abidjan 06, Côte d'Ivoire Telephone: (225) 22 41 9126 Facsimile: (225) 22 41 9125	
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Auditors	PricewaterhouseCoopers 125 St Georges Terrace Perth, Western Australia 6000	
Stock exchange listings	Australian Securities Exchange Toronto Stock Exchange Frankfurt Stock Exchange	ASX: PRU TSX: PRU WKN: A0B7MN

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the "group") consisting of Perseus Mining Limited ("Perseus" or the "company") and its controlled entities for the half-year ended 31 December 2020 (the "period"). Perseus is a company limited by shares that is incorporated and domiciled in Australia. Unless noted otherwise, all amounts stated are expressed in Australian dollars.

Directors

The following persons were directors of Perseus during the period and up to the date of this report:

Mr Terence Sean Harvey	Non-Executive Chairman
Mr Jeffrey Allan Quartermaine	Managing Director and Chief Executive Officer
Ms Elissa Sarah Brown (<i>appointed 27 Nov 2020</i>)	Non-Executive Director
Mr Daniel Richard Lougher	Non-Executive Director
Mr John Francis Gerald McGloin	Non-Executive Director
Mr David Meldrum Ransom	Non-Executive Director

Ms Sally-Anne Georgina Layman resigned as a Non-Executive Director effective 30 September 2020.

Principal activities

The principal activities of the group during the period were gold production, mineral exploration and gold project development in the Republic of Ghana ("Ghana") and the Republic of Côte d'Ivoire ("Côte d'Ivoire"), both of which are located in West Africa.

During the period, the group continued to focus its activities on its three key projects, namely the Edikan Gold Mine in Ghana ("EGM" or "Edikan"), Sissingué Gold Mine ("SGM" or "Sissingué") and Yaouré Gold Project ("Yaouré"), both in Côte d'Ivoire.

Review of Operations

Financial Results

The group's net profit after tax for the period ended 31 December 2020, after bringing to account a foreign exchange loss, was \$49.086million (31 December 2019: \$30.410million). Gross profit from operations for the period ended 31 December 2020 was up significantly from the comparative period to \$80.473million (31 December 2019: \$47.822million), due to a combination of higher grades mined at Sissingué, and a reduced amortisation and depreciation charge as a result of lower ore tonnes mined at both Edikan and Sissingué.

The foreign exchange loss of \$13.218million in the current period compares to a gain of \$6.974million in the comparative period. This is a result of a strengthening by approximately 11% of the Australian dollar against the United States dollar during the 6 months. Further information on the group's results can be found in the Statement of Comprehensive Income on page 10.

Financial Position

As at 31 December 2020, Perseus had on-hand cash of \$120.5 million, and 13,350oz of gold bullion valued at \$32.7 million. During the period Perseus repaid US\$20 million of the revolving corporate cash advance facility (Corporate Facility), with a remaining balance on that facility of US\$130 million at 31 December 2020.

Review of Operations (continued)

Sissingué Gold Mine—Côte d'Ivoire

The SGM is a producing gold mine located in the north of Côte d'Ivoire and lies within the Sissingué exploitation permit that covers an area of 446km² and is bounded on one side by the international border between Côte d'Ivoire and Mali. The exploitation permit is located along a structural/stratigraphic corridor within the Syama-Boundiali greenstone belt approximately 42km south-southwest of the Syama gold mine in Mali and 65km west northwest of the Tongon gold mine in Côte d'Ivoire. The group owns an 86% interest in the SGM, with a 10% free carried interest held by the Ivorian government and 4% owned by local interests.

Operations

Operating results at the SGM for the six months to 31 December 2020 and the corresponding period in 2019 were as follows.

Parameter	Unit	6 months to 31 Dec 2020	6 months to 31 Dec 2019
Total ore and waste mined	kt	1,979	3,338
Ore mined	kt	848	1,153
Ore milled	kt	665	895
Milled head grade	g/t gold	2.78	1.57
Gold recovery	%	94	94
Gold produced	ounces	55,909	42,642
All-in site costs	US\$/oz	643	750

A total of 1,979k tonnes of ore and waste were mined during the period, including 107k tonnes of oxide ore at 0.93g/t gold and 741k tonnes of fresh/transitional ore at 2.64g/t gold. Ore stockpiles (including both high and low-grade ore but not mineralised waste) plus crushed ore increased to 840k tonnes grading 1.51 g/t containing approximately 40,759 oz of gold during the six months to 31 December 2020. This stockpile is comprised of approximately 76% fresh ore and 24% oxide ore.

Total mill throughput for the period was 665k tonnes of ore grading 2.78g/t of gold, which combined with a gold recovery rate of 94.2% resulted in the recovery of 55,909 ounces of gold. A total of 47,116 ounces of gold were sold at a weighted average price of US\$1,695/oz. The 55,909 ounces of gold were produced at an AISC of US\$643/oz. The 14% decrease in AISC from the comparative period is mostly the result of a substantial increase in head grade and therefore a larger number of gold ounces produced. The increase in grade was due to mining higher grade areas within the Sissingué Pit, whereas the comparative period mined some lower grade ore from the Boribana Pit.

Review of Operations (continued)

Edikan Gold Mine—Ghana

The group owns a 90% beneficial interest in the EGM, a producing gold mine located in Ghana. The remaining 10% interest in the EGM is a free carried shareholding in the project company owned by the Ghanaian government.

Operations

Operating results at the EGM for the six months to 31 December 2020 and the corresponding period in 2019 were as follows:

Parameter	Unit	6 months to 31 Dec 2020	6 months to 31 Dec 2019
Total ore and waste mined	kt	14,534	12,636
Ore mined	kt	1,868	3,121
Ore milled	kt	3,422	3,577
Milled head grade	g/t gold	0.95	0.94
Gold recovery	%	75	85
Gold produced	ounces	78,790	92,338
All-in site costs	US\$/oz	1,253	1,031

A total of 14,534k tonnes of ore and waste were mined during the period from the AF Gap, Bokitsi and Fetish pits, all of which was fresh/transitional ore at 1.17 g/t gold. Ore stockpiles (including both high and low-grade ore but not mineralised waste) plus crushed ore decreased to 3,972k tonnes grading 0.67 g/t containing approximately 85,514 oz of gold during the six months to 31 December 2020. This stockpile is comprised of approximately 15% oxide ore and 85% primary ore.

Total mill throughput for the period was 3,422k tonnes of ore grading 0.95 g/t of gold, which combined with a gold recovery rate of 75% resulted in the recovery of 78,790 ounces of gold. A total of 79,969 ounces of gold were sold at a weighted average price of US\$1,612/oz.

The 78,790 ounces of gold were produced at an AISC of US\$1,253/oz. The 15% decrease in gold production from 92,338 ounces in the corresponding period was a result of lower recovery rates, primarily caused by the feeding of ore from the Bokitsi pit. The 22% increase in AISC from the comparative period is mostly the result of lower recovery rates achieved, again due to lower recoveries achieved from ore fed from the Bokitsi pit. A more minor reason for the increase were higher royalty payments per ounce, as a result of the improved gold price achieved.

Review of Operations (continued)

Yaouré Gold Mine—Côte d'Ivoire

Yaouré is a producing gold mine located in central Côte d'Ivoire, 40km northwest of Yamoussoukro, the political capital, and 270km northwest of Abidjan, the economic capital of Côte d'Ivoire. Yaouré lies within a rural area, 22km east-northeast of the city of Bouaflé, and 5km west of the Kossou dam and hydroelectric power station. The nearest villages to the site are Angovia and Allahou-Bazi, which are located approximately 1km east of the mine site.

Processing Development

Substantial progress was made on the construction of the processing plant and associated infrastructure during the period. Critical milestones that were met include: the establishment of a permanent electricity connection to the nearby Kossou hydro-electric dam; the completion of the Tailings Storage Facility; the feeding of first ore through the mill; culminating in pouring of first gold at Yaouré on 17 December 2020, 5 weeks ahead of schedule and consistent with its stretch target of December 2020 for first gold. Practical Completion of the Plant and associated infrastructure was achieved in early January 2021.

Shortly after the first gold pour, commissioning activities were temporarily suspended due to water damage to the SAG Mill's VSD transformer. As a result of this setback to the commissioning process, the plant's flow sheet was reconfigured to enable the soft, oxide ore being fed to the mill for commissioning purposes to be processed using only the SAG Mill, rather than the SAG and Ball Mills in combination.

Mining

Perseus's mining contractor, EPSA Internacional, S.A., continued to progressively ramp up its mining operations during the period, building up its mining fleet to full capacity, establishing administration and maintenance facilities, recruiting and training employees, and commencing mining in the CMA and ROM SE (decommissioned heap leach pads) pits. Mining operations have gone well and as at 31 December 2020, total material movements were approximately 26% ahead of targets, generating the possibility of earlier than planned access to significantly higher grade fresh ore.

Performance statistics

Physical data for the six months to 31 December 2020 were as follows:

Parameter	Unit	6 months to 31 Dec 2020
Total ore and waste mined	kt	6,449
Ore mined	kt	128
Ore milled	kt	123
Milled head grade	g/t gold	1.01
Gold recovery	%	68
Gold produced	ounces	2,687

Rounding of amounts

The amounts contained in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) where noted (\$'000) under the option available to the group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. This legislative instrument applies to the group.

Auditor's independence declaration

Section 307C of the Corporations Act 2001 requires our auditors, PricewaterhouseCoopers, to provide the directors of Perseus with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on the next page and forms part of this directors' report for the period ended 31 December 2020.

Subsequent events

Since the end of the 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.

This report was signed in accordance with a resolution of the directors.



Jeffrey Allan Quartermaine
Managing Director and Chief Executive Officer
Perth, 23 February 2021



Auditor's Independence Declaration

As lead auditor for the review of Perseus Mining Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Perseus Mining Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Craig Heatley'.

Craig Heatley
Partner
PricewaterhouseCoopers

Perth
23 February 2021

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Interim Financial Statements

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3. Income tax	6. Property, plant, and equipment	11. Issued capital and reserves	16. Subsequent events
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These half-year financial statements are the financial statements of the consolidated entity consisting of Perseus Mining Limited and its subsidiaries. The financial statements are presented in the Australian currency.

Perseus Mining Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is disclosed on page 2.

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities in the directors' report on pages 3 to 8, which is not part of these interim financial statements.

These interim financial statements were authorised for issue by the directors on 23 February 2021. The directors have the power to amend and reissue the interim financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the company. All press releases, financial statements and other information are available at our News and Reports section on our website at www.perseusmining.com.

Statement of comprehensive income

	Note	For the half-year ending:	
		31 Dec 2020 \$'000	31 Dec 2019 \$'000
Profit and loss from continuing operations			
Revenue		286,678	274,421
Cost of sales		(160,811)	(148,668)
Gross profit before depreciation and amortisation		125,867	125,753
Depreciation and amortisation relating to gold production	2	(45,394)	(77,931)
Gross profit from operations		80,473	47,822
Other income	2	706	3,005
Other expenses		—	(126)
Administration and other corporate expenses		(8,321)	(11,460)
Foreign exchange (loss)/gain	2	(13,218)	6,974
Other depreciation and amortisation expense	2	(113)	(181)
Write-downs and impairments	8	(334)	(208)
Finance costs		(1,747)	(2,502)
Profit before tax		57,446	43,324
Income tax (expense)	3	(8,360)	(12,914)
Profit		49,086	30,410
Other comprehensive income			
<i>Items that will not be reclassified to profit and loss</i>			
Fair value movement on equity investments		84	(51)
Income tax on this item		—	—
<i>Items that will or may be reclassified to profit and loss</i>			
Exchange differences on translation of foreign operations		(34,703)	(11,328)
Net Changes in the fair value of cash flow hedges		6,698	2,255
Income tax on these items		(150)	(1,505)
Total comprehensive income		21,015	19,781
Profit is attributable to:			
Owners of Perseus Mining Limited		36,149	29,813
Non-controlling interests		12,937	597
		49,086	30,410
Total comprehensive income is attributable to:			
Owners of Perseus Mining Limited		10,031	17,061
Non-controlling interests		10,984	2,720
		21,015	19,781
Basic earnings per share			
		3.01 cents	2.55 cents
Diluted earnings per share			
		2.94 cents	2.50 cents

Statement of financial position

		As at:	
	Note	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Current assets			
Cash and cash equivalents		120,531	218,166
Receivables	5	19,111	12,740
Inventories	4	131,876	117,063
Prepayments		11,312	11,653
Income tax receivable		13,846	3,080
		296,676	362,702
Non-current assets			
Receivables	5	6,351	6,838
Inventories	4	23,308	57,493
Equity investments		546	667
Property, plant, and equipment	6	712,862	630,170
Right of use assets		1,512	1,932
Mine properties	7	182,200	202,400
Mineral interest acquisition and exploration expenditure	8	116,339	33,513
		1,043,118	933,013
Total assets		1,339,794	1,295,715
Current liabilities			
Payables and provisions		112,936	102,395
Derivative financial instruments	9	—	6,105
Lease liabilities		1,265	1,265
		114,201	109,765
Non-current liabilities			
Provisions		38,863	40,220
Interest-bearing liabilities	10	168,941	217,667
Lease liabilities		112	524
Deferred tax liabilities		47,824	51,986
		255,740	310,397
Total liabilities		369,941	420,163
Net assets		969,853	875,552
Equity			
Issued share capital	11	850,412	776,564
Reserves	11	33,751	57,463
Retained earnings	11	68,929	32,780
Equity attributable to the owners of Perseus Mining Limited		953,092	866,807
Non-controlling interests		16,761	8,745
Total equity		969,853	875,552

Statement of changes in equity

	Issued capital	Retained earnings/ (Accumulated losses)	Share-based payments reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedge reserve	Non-controlling interests' reserve	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balances at 1 Jul 2020	776,564	32,780	32,042	31,656	721	(6,698)	(258)	8,745	875,552
Profit for the period	—	36,149	—	—	—	—	—	12,937	49,086
Other comprehensive income	—	—	—	(32,900)	84	6,698	—	(1,953)	(28,071)
Total comprehensive income	—	36,149	—	(32,900)	84	6,698	—	10,984	21,015
Transactions with owners in their capacity as owners									
Issue of ordinary shares—Exore	73,848	—	—	—	—	—	—	—	73,848
Share-based payments	—	—	2,406	—	—	—	—	56	2,462
Intercompany dividend	—	—	—	—	—	—	—	(3,024)	(3,024)
Balances at 31 Dec 2020	850,412	68,929	34,448	(1,244)	805	—	(258)	16,761	969,853
Balances at 1 Jul 2019	776,564	(61,576)	26,964	40,766	383	(6,627)	(258)	7,296	783,512
Profit for the period	—	29,813	—	—	—	—	—	597	30,410
Other comprehensive income	—	—	—	(11,811)	(51)	(890)	—	2,123	(10,629)
Total comprehensive income	—	29,813	—	(11,811)	(51)	(890)	—	2,720	19,781
Transactions with owners in their capacity as owners									
Share-based payments	—	—	5,666	—	—	—	—	(288)	5,378
Balances at 31 Dec 2019	776,564	(31,763)	32,630	28,955	332	(7,517)	(258)	9,728	808,671

Statement of cash flows

	For the half-year ending:	
Note	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Operating activities		
Receipts in the course of operations	289,287	274,177
Payments to suppliers and employees	(167,572)	(185,573)
Income taxes paid	(18,557)	(16,692)
Interest received	471	1,300
Net cash inflows from operating activities	103,629	73,212
Investing activities		
Payments for exploration and evaluation expenditure	(10,968)	(6,378)
Payments for property, plant, and equipment	(1,065)	(1,068)
Payments for mine properties	(24,154)	(8,195)
Payments for assets under construction	(116,611)	(134,636)
Refund of/ (payments for) security deposits	—	4,226
Proceeds on disposal of equity investments	205	—
Cash acquired in the Exore transaction	1,965	—
Net cash used in investing activities	(150,628)	(146,051)
Financing activities		
Dividends paid to non-controlling interests	(2,290)	—
Repayment of borrowings	(27,653)	(45,518)
Proceeds from borrowings	—	73,013
Borrowing costs	(7,644)	(12,002)
Net cash (used in)/provided by financing activities	(37,587)	15,493
Net decrease in cash held	(84,586)	(57,346)
Cash and cash equivalents at the beginning of the period	218,166	125,406
Effect of exchange rate changes on foreign-denominated cash	(13,049)	(593)
Cash and cash equivalents at the end of the period	120,531	67,467

Notes to the Financial Statements

About this report

The interim financial statements are for the consolidated entity consisting of Perseus Mining Limited and its subsidiaries (the “group” or the “consolidated entity”). Perseus Mining Limited is a listed for-profit public company, incorporated and domiciled in Australia. During the period ended 31 December 2020, the consolidated entity conducted operations in Australia, Ghana and Côte d’Ivoire.

These consolidated interim financial statements of the consolidated entity for the period ended 31 December 2020 are general purpose condensed financial statements prepared in accordance with the requirements of the Australian Corporations Act 2001 (Cth) and AASB 134 ‘Interim Financial Reporting’.

The consolidated interim financial statements are presented in Australian dollars, which is Perseus Mining Limited’s functional and presentation currency. These consolidated interim financial statements are rounded to the nearest thousand dollars (\$’000), unless otherwise indicated.

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 annual 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 2020, and any public announcements made by the group during the period in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

New and amended standards adopted by the group

A number of new or amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. Therefore, the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Significant estimates and judgements

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. 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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, were disclosed throughout the notes of the Annual Report and because no significant change has occurred since then, these are not repeated in this report. Information about these can be found in the following Notes to the Financial Statements in the Annual Report:

	Note in the Annual Financial Statements
Impairment	2
Unit-of-production method of depreciation/amortisation	2
Deferred stripping expenditure	2
Depreciation and amortisation expense	2
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Notes to the Financial Statements (continued)

1. 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 based on a business segment basis as its risks and rates of return are affected predominantly by differences in the various business segments 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 four segments in 2020 being Edikan, Sissingué, Yaouré and Corporate / Other. The segment information is prepared in conformity with the group's accounting policies.

The group comprises the following main segments:

Edikan	Mining, mineral exploration, evaluation, and development activities.
Sissingué	Mining, mineral exploration, evaluation, and development activities.
Yaouré	Mining, mineral exploration, evaluation, and development activities.
Corporate/other	Investing activities, corporate management, and inter-segment eliminations.

Revenue is derived from two external customers arising from the sale of gold bullion reported under both the Edikan and Sissingué reporting segments.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive management team and board of directors of the parent entity.

Notes to the Financial Statements (continued)

1. Segment information (continued)

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

	Edikan		Sissingué		Yaouré		Corporate/other		Consolidated	
PROFIT AND LOSS										
For the half-year ending 31 Dec:	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	178,252	183,039	108,426	91,382	—	—	—	—	286,678	274,421
Other income	183	1,472	222	398	—	—	301	1,135	706	3,005
Total revenue and other income	178,435	184,511	108,648	91,780	—	—	301	1,135	287,384	277,426
Profit before tax	23,431	37,021	63,847	10,799	24,913	5,411	(54,745)	(9,907)	57,446	43,324
Income tax									(8,360)	(12,914)
Profit after tax									49,086	30,410
Included in segment results are:										
Impairments and write-offs	(334)	—	—	(51)	—	(157)	—	—	(334)	(208)
Depreciation and amortisation	(16,207)	(39,297)	(28,672)	(37,198)	—	—	(628)	(1,617)	(45,507)	(78,112)
Share-based payments	(395)	(256)	(416)	(329)	—	—	(1,244)	(1,328)	(2,055)	(1,913)
Foreign exchange gains/(losses)	757	985	9,882	(608)	24,913	570	(48,770)	6,027	(13,218)	6,974
ASSETS AND LIABILITIES										
As at:	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun
	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment assets	401,693	473,761	233,549	175,480	589,450	482,261	115,102	164,213	1,339,794	1,295,715
Included in segment assets are:										
Additions to non-current assets	30,678	42,081	80,721	24,246	133,634	261,935	—	114	245,033	328,376
<i>Of which: Exore acquisition</i>	—	—	73,079	—	—	—	—	—	73,079	—
Total segment liabilities	112,600	120,284	30,990	42,891	51,716	32,452	174,635	224,536	369,941	420,163

Notes to the Financial Statements (continued)

2. Other income/expenses

	For the half-year ending:	
	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Foreign exchange (losses)/gains:		
on translation of intercompany loans	(29,336)	1,637
on other translations	16,118	5,337
	(13,218)	6,974
Changes in inventories:		
due to (decrease)/increase in net realisable value	(5,145)	17,406
Interest and finance charges	(1,747)	(2,502)
Other income	706	3,005
Impairment of receivables	—	(126)
Depreciation and amortisation		
Amortisation of deferred stripping asset	(4,892)	(13,250)
Other depreciation and amortisation relating to gold production	(40,502)	(64,681)
Other depreciation and amortisation	(113)	(181)
	(45,507)	(78,112)

3. Income tax

The income tax expense recognised of \$8.4 million (31 Dec 2019: \$12.9 million) relates wholly to the taxable profit from the Edikan Gold Mine in Ghana.

4. Inventories

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Current		
Ore stockpiles—at cost	40,603	27,170
Ore stockpiles—at net realisable value	22,649	18,915
Gold in circuit—at cost	8,163	6,698
Bullion on hand—at cost	14,698	10,250
Materials and supplies	45,763	54,030
	131,876	117,063
Non-current		
Ore stockpiles—at net realisable value	23,308	57,493
	23,308	57,493

Refer to Note 2 for the changes in inventory as a result of changes in net realisable value. Included in that amount is an increase of \$2.0m to the provision for slow and obsolete stock at Edikan.

5. Receivables

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Current		
Sundry debtors	7,950	6,181
GST and VAT receivables	11,161	6,559
	19,111	12,740
Non-current		
Security deposits	6,351	6,838
	6,351	6,838

Notes to the Financial Statements (continued)

5. Receivables (continued)

Sundry debtors are non-interest bearing and generally on 30-day terms. The GST and VAT receivable relates primarily to the net VAT receivable due from the Ghana Revenue Authority. GHS 4.3 million (approximately USD 0.8 million, or A\$1.1 million) was received during the period, and subsequent to the end of the period, GHS 28.1 million (approximately USD 4.9 million, or A\$6.3 million) was received.

6. Property, plant, and equipment

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Plant and equipment—at cost	341,319	368,660
Accumulated depreciation	(241,712)	(242,353)
	99,607	126,307
	For the period ending:	
	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Reconciliation of plant and equipment		
Balance at the beginning of the period	126,307	172,210
Additions	355	2,223
Transferred from assets under construction	605	2,791
Depreciation	(19,989)	(53,352)
Disposals	(34)	(617)
Translation difference movement	(7,637)	3,052
Carrying amount at the end of the period	99,607	126,307
Assets under construction—at cost	613,255	503,863
Reconciliation of assets under construction		
Balance at the beginning of the period	503,863	246,502
Additions	135,253	262,530
Transfers to plant and equipment	(605)	(2,791)
Transfers to Mine properties	(2,738)	(3,832)
Written off	—	(159)
Translation difference movement	(22,518)	1,613
Carrying amount at the end of the period	613,255	503,863
Total Property, plant and equipment	712,862	630,170

7. Mine properties

	For the period ending:	
	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Mine properties—at cost	643,486	682,722
Accumulated depreciation	(461,286)	(480,322)
	182,200	202,400
Reconciliation of mine properties		
Balance at the beginning of the period	202,400	232,761
Additions	18,738	43,176
Transfer from assets under construction	2,738	3,832
Amortisation	(25,518)	(80,910)
Translation difference movement	(16,158)	3,541
Carrying amount at the end of the period	182,200	202,400

Notes to the Financial Statements (continued)

8. Mineral interest acquisition and exploration expenditure

	For the period ending:	
	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Mineral interest acquisition and exploration expenditure—at cost	116,339	33,513
Reconciliation of mineral interest acquisition and exploration expenditure		
Balance at the beginning of the period	33,513	17,405
Additions—Exore acquisition	72,827	—
Additions—Other	14,404	20,447
Written off	(334)	(4,378)
Translation difference movement	(4,071)	39
Carrying amount at the end of the period	116,339	33,513

The expenditure above relates principally to exploration and evaluation activities. The ultimate recoupment of this expenditure is dependent upon successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. Refer to Note 13 for further details with respect to the acquisition of Exore Resources.

9. Derivative financial instruments

The group, in accordance with its financial risk management policies, regularly enters into contracts that have the effect of fixing the price received for a portion of its anticipated production and sale of gold. In the past, these have been split between:

- derivatives for which a balance in the Statement of Financial Position has been recognised, and hedge accounting was applied (see Note 15 of the Annual Financial Statements); and
- spot deferred and forward sales contracts into which the group directly delivered, and which therefore met the 'own-use' exemption and were therefore not recognised as financial instruments.

In this half-year, the last derivative instruments were settled and going forward, the group anticipates using spot deferred and forward sales contracts only. At 31 December 2020, the group held such contracts to deliver 310,434oz of gold at an average sales price of US\$1,517.49 per ounce, representing 20% of anticipated gold production over the next three years.

10. Interest-bearing liabilities

	For the period ending:	
	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Revolving cash advance facility—current portion	—	—
Revolving cash advance facility—non-current portion	168,941	217,667
	168,941	217,667
Reconciliation of interest-bearing liabilities		
Balance at the beginning of the period	217,667	44,826
Additional drawdowns	—	226,534
Interest expense	4,950	
Repayments made	(32,274)	(45,518)
Translation difference movement	(21,402)	(8,176)
Carrying amount at the end of the period	168,941	217,667

Notes to the Financial Statements (continued)

10. Interest bearing liabilities (continued)

Assets pledged as security

The revolving corporate cash advance facility (Corporate Facility) is secured over the following assets:

- all of the assets of Perseus Mining Limited and Occidental Gold Pty Ltd;
- Kojina Resources Ltd's shares held in Perseus Mining (Ghana) Limited ("PMGL");
- all assets of Amara Mining Limited, Amara Mining (Côte d'Ivoire) Ltd and Perseus Côte d'Ivoire Limited; and
- refining agreements of PMGL, Perseus Mining Côte d'Ivoire S.A. ("PMCI") and Perseus Mining Yaouré S.A. ("PMY").

11. Issued capital and reserves

(a) Issued and paid-up share capital

	For the half-year ending 31 Dec:			
	2020 \$'000	2019 \$'000	2020 Number	2019 Number
Balance at the start of the period	776,564	776,564	1,168,055,480	1,167,447,147
Issued pursuant to the exercise of vested performance rights	—	—	10,203,017	533,333
Issued pursuant to the acquisition of Exore Resources (Note 13)	73,848	—	47,789,272	—
Balance at the end of the period	850,412	776,564	1,226,047,769	1,167,980,480

(b) Performance rights

Performance rights have been granted, exercised, and forfeited as follows:

Grate date	Vesting date	Expiry date	Balance at start of period	Granted during the period	Exercised during the period	Forfeited during the period	Balance at end of the period	Vested and exercisable at end of period
			Number	Number	Number	Number	Number	Number
Issued to Directors—Long-Term Incentives								
25-Nov-16	30-Jun-19	25-Nov-23	333,333	—	333,333	—	—	—
24-Nov-17	30-Jun-20	24-Nov-24	2,233,334	—	2,233,334	—	—	—
28-Nov-18	31-Dec-21	28-Nov-25	733,333	—	—	—	733,333	—
29-Nov-19	30-Jun-22	29-Nov-26	1,346,500	—	—	—	1,346,500	—
26-Nov-20	30-Jun-23	26-Nov-27	—	632,960	—	—	632,960	—
Issued to Directors—Short-Term Incentives								
26-Nov-20	30-Jun-21	26-Nov-27	—	65,448	—	—	65,448	—
Issued to Others—Long-Term Incentives								
3-Aug-17	30-Jun-20	3-Aug-24	8,083,334	—	7,308,334	—	775,000	775,000
7-May-19	31-Dec-21	7-May-26	6,758,333	—	300,000	2,050,000	4,408,333	—
27-Jun-19	31-Dec-21	27-Jun-26	4,700,000	—	—	—	4,700,000	—
26-Sep-19	30-Jun-22	26-Sep-26	9,858,700	—	—	1,598,300	8,260,400	—
26-Aug-20	30-Jun-23	26-Aug-27	—	4,189,611	—	544,444	3,645,167	—
Issued to Others—Short-Term Incentives								
29-Jul-20	30-Jun-21	29-Jul-27	—	239,978	28,106	16,740	195,132	—
			34,046,867	5,127,997	10,203,107	4,209,484	24,762,273	775,000

Notes to the Financial Statements (continued)

11. Issued capital and reserves (continued)

(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.

(d) Nature and purpose of reserves

A summary of the transactions impacting each reserve has been disclosed in the statement of changes in equity.

Share-based payment reserve

The share-based payments reserve is used to record performance rights issued but not exercised.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity along with Perseus's share of the movement in its associate's foreign currency translation reserve.

Non-controlling interest's reserve

The non-controlling interest's reserve records the difference between the fair value of the amount by which the non-controlling interests were adjusted to record their initial relative interest and the consideration paid.

Hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred. The balance on this reserve is now \$nil, as (refer to discussion in Note 9) all the hedges have now been settled.

Asset revaluation reserve

The asset revaluation reserve is used to record the revaluation of the investment in Manas Resources Limited and Amani Gold Limited to fair value as the investment is designated as financial assets at fair value through other comprehensive income.

12. Fair Value of financial instruments

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, and based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2 Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable).
- Level 3 Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

For financial instruments that are recognised at fair value on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no transfers between categories during the period.

Notes to the Financial Statements (continued)

13. Acquisition of Exore Resources Limited

During the period, the group acquired 100% of the issued share capital of Exore Resources Limited ('Exore') via a scheme of arrangement. Exore was an Australian public company listed on the Australian Securities Exchange, which, through its subsidiaries, held exploration interests over approximately 2,000km² near to the Sissingué Gold Mine. Included within this land package is the Bagoé Project.

Court approval for the scheme was granted 15 September 2020 which is the deemed acquisition date for accounting purposes. The acquisition was implemented, and the new shares were issued to the previous shareholders of Exore on 25 September 2020.

The acquisition is not accounted for as a business combination, as the nature of the activities of Exore did not constitute an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return, nor were the acquired assets and processes capable at the time of acquisition of producing intended output, namely the production of gold in a saleable form. Management applied the 'concentration test' as allowed under AASB3 *Business Combinations* to make the assessment that Exore was not a business and therefore the acquisition did not constitute a business combination.

The acquisition is instead accounted for as the acquisition of the net assets of the group headed by Exore. The consideration paid was in the form of 47,798,272 ordinary Perseus Mining Limited shares, at a share price at acquisition date of \$1.545 per share. In addition, transaction costs incurred by the entity were \$956,635 therefore the total fair value of the consideration paid was \$74,804,965.

The assets and liabilities acquired at fair value were as follows:

	Fair value \$'000
Cash	1,965
Trade and other debtors	209
Property, plant, and equipment, and right of use assets	252
Mineral interest acquisition and exploration expenditure	72,827
Trade and other creditors, including lease liabilities	(402)
Provisions	(46)
	74,805

The acquisition of Exore Resources Limited resulted in the following companies becoming direct or indirect subsidiaries of the Company and therefore part of the group:

Original name of company	Subsequently renamed company	Country of incorporation
Exore Resources Limited	Perseus ERX Holdings Pty Ltd	Australia
Slipstream LP Pty Ltd	n/a	Australia
Exore Resources DS JV Pty Ltd	Perseus DS JV Pty Ltd	Australia
Exore Resources Cote d'Ivoire No 1 Pty Ltd	Perseus CDI No 1 Pty Ltd	Australia
Exore Resources Cote d'Ivoire No 2 Pty Ltd	Perseus CDI No 2 Pty Ltd	Australia
Aspire Nord Cote d'Ivoire SARL	n/a	Côte d'Ivoire
Exore Resources Cote d'Ivoire SARL	Perseus CDI Nord SARL	Côte d'Ivoire

In addition to the above, which all became 100%-owned subsidiaries of the group, the group also gained a 35% shareholding in Exore Resources CDI DSR No 1 SARL (subsequently renamed ERX DSR SARL).

Notes to the Financial Statements (continued)

14. Contingencies

Perseus has agreed compensation with about two thirds of the landowners affected by the Yaouré Gold Mine at a rate endorsed by the authorities. The remaining one third are seeking a significantly larger compensation rate and the administrative process prescribed by the Ivorian mining legislation to be followed if agreement cannot be reached has been initiated. In parallel, the remaining landowners have commenced a number of legal actions in the Ivorian commercial court. Perseus has made submissions to the court that it does not have jurisdiction to hear the case based on the fact that a prescribed administrative process exists and is being followed, also making reference to a decision by the highest Ivorian court, the “Cour de Cassation” which declared that the commercial court had no jurisdiction to hear a very similar case. Perseus expects the commercial court to declare that it does not have jurisdiction but this outcome is not certain. If the commercial court declares itself competent to hear the case and determine a rate, it is uncertain what rate would be applied. The administrative procedure had been started but was suspended pending resolution of the court cases. If the administrative procedure is completed, Perseus does not expect any exposure over and above the rate already agreed with the majority of landowners.

Aside from this matter, known contingent liabilities remain unchanged from those disclosed in the annual financial report for the period ended 31 December 2020.

15. Commitments

Known commitments remain unchanged from those disclosed in the annual financial report for the period ended 31 December 2020, except for the following:

(a) Exploration commitments

Minimum expenditure commitments on exploration properties remain materially unchanged from those disclosed at 30 June 2020, except for the new area acquired in the acquisition of Exore Resources. These new tenements will add estimated exploration minimum commitments of \$1,020,000 within one year, and \$3,060,000 in between two and five years.

(b) Gold delivery commitments

	Gold for physical delivery oz	Contracted sales price US\$/oz	Value of committed sales \$'000
Within one year	259,777	1,558.21	404,786
Later than one but not later than five years	50,657	1,308.70	66,295

The 310,434 oz of gold sales commitments represents 20.4% of anticipated gold production over the next three years.

(c) Capital commitments

As the construction of Yaouré nears completion, the contractual commitments in respect of the construction project that were disclosed in the annual financial report have mostly been either settled or are recorded as liabilities as at 31 December 2020. Remaining commitments for the purchase of property, plant and equipment at Yaouré total \$753,000 (at 30 June 2020: \$9,152,000).

16. Subsequent events

Since the end of the 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.

Directors' Declaration

In the directors' opinion:

- (a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including
 - (i). giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
 - (ii). complying with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that Perseus Mining Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Jeffrey Allan Quartermaine
Managing Director and Chief Executive Officer
Perth, 23 February 2021



Independent auditor's review report to the members of Perseus Mining Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Perseus Mining Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Perseus Mining Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of management for the half-year financial report

Management is responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as management determines is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

PricewaterhouseCoopers, ABN 52 780 433 757

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Auditor's responsibility for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that appears to read 'Craig Heatley'.

Craig Heatley
Partner

Perth
23 February 2021