



NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the members of Perseus Mining Limited ("the Company" or "Perseus") will be held on Friday 19 May 2006 at 11 am at the Holiday Inn City Centre, 788 Hay Street, Perth, Western Australia.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting.

AGENDA

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions as ordinary resolutions.

1. Resolution 1 - Ratification of Prior Issue of Securities

"That, for the purpose of ASX Listing Rule 7.4 and all other purposes, this meeting approves and ratifies the allotment and issue of 300,000 fully paid ordinary shares in the capital of the Company at an issue price of 45 cents each, and 1,000,000 options to subscribe for ordinary shares on the terms and conditions set out in the Explanatory Memorandum."

2. Resolution 2 - Ratification of Prior Issue of Securities / Placement Issue of Securities

"That, for the purposes of ASX Listing Rule 7.1 or 7.4 (as the case may be) and all other purposes, this meeting approves and authorises or ratifies (as the case may be) the allotment and issue of 9,600,000 fully paid ordinary shares in the capital of the Company at an issue price of 40 cents each to clients of Montague Corporate Pty Ltd, the details of which are set out in the Explanatory Memorandum."

3. Resolution 3 - Placement Issue of Securities

"That, for the purpose of ASX Listing Rule 7.1 and all other purposes, the Company approves and authorises the directors to allot and issue 5,750,000 fully paid ordinary shares in the capital of the Company to Macquarie Bank Ltd at an issue price of 40 cents each."

BY ORDER OF THE BOARD

S M Shah
Company Secretary

Perth, Western Australia
13 April 2006

Perseus Mining Limited

ABN 27 106 808 986

30 Ledger Road, Balcatta, Western Australia 6021 PO Box 717 Balcatta WA 6914

Telephone: (618) 9240 6344 Facsimile: (618) 9240 2406

Email address: info@perseusmining.com Website: www.perseusmining.com

Voting Restrictions

As ordinary resolutions, Resolutions 1, 2 and 3 must be passed by more than 50 per cent of the votes cast by members entitled to vote on the resolution.

In accordance with the ASX Listing Rules, the Company will disregard any vote cast by:

- (a) Mr Pascal Geraths or his associates, in respect of Resolution 1;
- (b) any person who participated in or who might obtain a benefit from the issue of securities or any associate of that person, in respect of Resolution 2;
- (c) Macquarie Bank Ltd or its associates, in respect of Resolution 3.

However, a vote will not be disregarded if:

- (i) cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) cast by the chairman of the meeting as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

For each resolution, the Chairman intends to vote undirected proxies in favour of the resolution.

PROXIES

In accordance with section 249L of the Corporations Act 2001, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise half of the votes.

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following information for the purposes of receipt of proxy appointments:

Registered Office: 30 LEDGAR ROAD
BALCATTA, WESTERN AUSTRALIA 6021

Facsimile Number: (61 8) 9240 2406

Postal Address: P O Box 717
BALCATTA, WESTERN AUSTRALIA 6914

Each member entitled to vote at the general meeting has the right to appoint a proxy to attend and vote at the meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile).

In accordance with regulation 7.11.38 of the Corporations Regulations 2001, the Company determines that ordinary shares held as at 5 pm on 17 May 2006 will be taken, for the purposes of the general meeting, to be held by the persons who held them at that time.

Members who do not plan to attend the meeting are encouraged to complete and return a proxy form.

PERSEUS MINING LIMITED
ABN 27 106 808 986
EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of shareholders of Perseus Mining Limited (“**Perseus**” or the “**Company**”) in connection with the business to be conducted at a General Meeting to be held on 19 May 2006, at the Holiday Inn City Centre, 788 Hay Street, Perth, Western Australia.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

Three resolutions are being put to shareholders for consideration and approval. The Directors recommend that shareholders vote in favour of all resolutions.

2. Resolution 1 – Ratification of Prior Issue of Securities

On 22 March 2006, the Company issued 300,000 shares and 1,000,000 options to acquire ordinary shares at an exercise price of 35 cents each, as a fee for corporate and investor relations services. The securities were issued to European financial analyst, Mr Pascal Geraths, to make available information about the Company and its gold projects to investors in Europe and to generally raise the Company’s profile amongst European investors for the period up to December 2006. Ratification for this issue of securities is being sought in accordance with the requirements of ASX listing rule 7.4. The following information is provided in accordance with listing rule 7.5:

- a. 300,000 fully paid ordinary shares and 1,000,000 options were allotted on 22 March 2006.
- b. The deemed issue price of the shares and the options was 45 cents and 17 cents respectively. No funds were raised from the issue of the securities as the issue was in consideration for the services described above.
- c. The Shares rank equally with the Company’s existing fully paid ordinary shares. Full terms and conditions of the options are stated in Annexure 1.
- d. The allottee of the securities was Mr Pascal Geraths.

The agreement to place these securities was within the 15% annual limit permitted under Listing Rule 7.1 without shareholder approval. The effect of shareholders passing Resolution 1 will therefore be to restore the Company’s ability to issue securities within that limit.

3. Resolution 2 – Ratification of Prior Issue of Securities / Placement Issue of Securities

On 30 March 2006 the Company announced an agreement with Montagu Corporate Pty Ltd for it to procure subscriptions, on a best endeavours basis, for 9,600,000 shares to raise \$3,840,000. A prospectus for the placement of these shares was issued on 10 April 2006. At the date of this general meeting the prospectus placement issue may or may not be completed. If the issue is completed prior to the date of meeting, the ratification for the issue of those securities is sought in accordance with the requirements of ASX listing rule 7.4. However, if the prospectus placement issue is not completed by the date of the meeting approval is sought for the issue of 9,600,000 shares in accordance with the requirements of ASX listing rule 7.1. The following information is provided in accordance with listing rules 7.3 or 7.5 as the case may be:

- a. The maximum number of shares that are proposed to be issued is 9,600,000. The shares will rank equally with the Company's existing fully paid ordinary shares.
- b. The shares referred to in (a) above will be allotted on or around 5 May 2006 (assuming prospectus placement issue is closed on the target date of 28 April 2006) or, failing that, will be allotted and issued progressively, but no later than 3 months after the date of this general meeting.
- c. The shares have an issue price of 40 cents each.
- d. The allottees are clients of Montague Corporate Pty Ltd.
- e. Funds raised, net of any expenses of the issue, will be used for exploration programs and for general working capital. Exploration programs include:
 - the Tengrela Project, where substantial drilling is planned over the next twelve months to follow up significant intercepts from wide spaced RAB drilling;
 - the Tolubay Project, where the Company will continue diamond drilling the Obdilla discovery, which has already produced highly encouraging results; and
 - the Grumesa Project, where the Company is continuing feasibility work for a mining operation.

4. Resolution 3 – Placement Issue of Securities

The Company has entered into an agreement with Macquarie Bank Ltd for it to subscribe for 5,750,000 shares at 40 cents each to raise \$2,300,000. Completion of the placement is subject to shareholder approval under ASX Listing Rule 7.1. The information required under ASX listing rule 7.3 is as follows:

- a. The maximum number of shares that are proposed to be issued is 5,750,000. The shares will rank equally with the Company's existing fully paid ordinary shares.
- b. The shares referred to in (a) above will be allotted soon after the date of the meeting, but no later than three months after the date of the meeting.
- c. The shares will be issued at a price of 40 cents each.
- d. The allottee is Macquarie Bank Ltd.
- e. Funds raised, net of any expenses of the issue, will be used for the same purpose as in resolution 2.

The granting of approval for this proposed issue of securities by shareholders excludes any subsequent issue of securities under this facility from the calculation of the 15% limit on the further issue of securities by the Company without shareholder approval for the next 12 months.

ANNEXURE 1

Options – Terms and Conditions (Resolution 1)

1. Each Option entitles the holder to subscribe for and be allotted one ordinary share in the capital of the Company. The exercise price is 35 cents per Option.
2. The Options are exercisable at any time during the Exercise Period (between 1 April 2006 and 31 March 2007) by notice in writing to the Directors accompanied by payment of the exercise price.
3. The Options are not transferable except to an offeror under a Takeover Offer or under a scheme of arrangement proposed by the Company or except with the consent of the Directors of the Company in circumstances where the proposed transfer is to an entity wholly owned and controlled by Mr Pascal Geraths.
4. Shares will be allotted and issued pursuant to the exercise of Options not more than 10 business days after receipt of a properly executed notice of exercise and payment of the requisite application moneys.
5. Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's fully paid ordinary shares. The Company will apply for Official Quotation by ASX of all Shares issued upon the exercise of Options within 3 business days after the date of allotment of those shares.
6. There are no participating rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered or made to the shareholders during the currency of the Options. However, the Company will send a notice to the Optionholder at least 9 business days before the record date for any proposed issue of capital. This will give the Optionholder the opportunity to exercise its Options (subject to the exercise period referred to above) prior to the date for determining entitlements to participate in any such issue.
7. There are no rights to a change in the exercise price, or in the number of Shares over which the Options can be exercised, in the event of a bonus issue by the Company prior to the exercise of any Options.
8. In the event of any reorganisation of the issued capital of the Company on or prior to the expiry date, the rights of the Optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of the reorganisation.
9. The Company will, at least 20 business days before the Expiry Date (31 March 2007), send a notice to the Optionholder stating the name of the Optionholder, the number of Options held, the number of Shares to be issued on exercise of the Options, the exercise price, the due date for payment of the exercise price, and the consequences of non-payment.

Perseus Mining Limited (ACN 106 808 986)
PROXY FORM

Shareholder

Name and address of shareholder of
Perseus Mining Ltd.

Name _____

Address _____

Appointment of Proxy

I/We being a member/s of Perseus Mining Ltd and entitled to attend and vote hereby appoint

The Chairman
of the Meeting
(mark with an "X")

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

Or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at a General Meeting of Perseus Mining Ltd to be held on 19 May 2006 and at any adjournment of that meeting.

If you do not wish to direct your proxy how to vote, please place a mark in the box →→

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest

Voting directions to your proxy – please mark to indicate your directions

	For	Against	Abstain*
Resolution 1 – Ratification of prior issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Ratification / placement issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Placement issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each of the resolutions.

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE - This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and
Sole Company Secretary

Director

Director/Company Secretary

Dated: ___/___/2006

How to complete the Proxy Form

1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

2 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

3 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

4 Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 11 am on 17 May 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

- IN PERSON: Registered Office – 30 Ledger Road, Balcatta, Western Australia 6021
- BY MAIL: Registered Office - 30 Ledger Road, Balcatta, Western Australia 6021 / P O Box 717, Balcatta, Western Australia 6914
- BY FAX (61 8) 9240 2406