

REMUNERATION REPORT - continued

4.0 Share based compensation

KMP are eligible to participate in Perseus's Employee Share Option Plan ("ESOP"). The terms and conditions of each grant of options affecting remuneration of directors and KMP in the current or a future reporting period are set out below. When exercisable, each option is convertible into one ordinary share of Perseus. Further information is set out in Note 29 to the financial statements.

Table 4 - Key terms of options held by KMP and directors as at 30 June 2011

Grant date	Exercise price	Fair Value per option at grant date	Vesting date	% of grant vested	Expiry date
27 November 2009	\$1.30	\$1.23	1 July 2010	100	31 March 2012
17 June 2010	\$2.13	\$1.73	17 June 2011	100	16 June 2013
29 July 2010	\$2.45	\$1.43	29 July 2010	100	29 July 2012
15 June 2011	\$3.00	\$1.79	16 June 2012	-	15 June 2014

¹ For details on the valuation of options, including models and assumptions used, refer to Note 29 in the Financial Statements.

Options granted under the ESOP carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Further information relating to options and the portion of KMP remuneration related to equity compensation for the period are set out below in table 5.