

ASX RELEASE

26 October 2009

PERSEUS TO RAISE \$58.5 MILLION**Precursor to dual listing on the Toronto Stock Exchange****HIGHLIGHTS**

- Equity funding package to raise \$58.5 million at \$1.50 per share or subscription receipt, heavily sought after by leading institutions.
- Two tranche raising led by Cormark and BGF Equities, incorporating:
 - Placement to institutional shareholders in Australia, Asia and Europe for \$23.4 million.
 - Placement to institutional investors in North America for \$35.1 million.
- Capital raised to progress flagship Ayanfuri Gold Project to construction phase, fund exploration activities and working capital.

Perseus Mining Limited (ASX: PRU, “Perseus”) is pleased to announce details of a \$58.5 million capital raising that will underpin development of its flagship Ayanfuri Gold Project in Ghana.

The raising comprises two components, a placement of 15.6 million shares at \$1.50 per share to institutional investors in Australia, Asia and Europe to raise \$23.4 million and a placement of 23.4 million subscription receipts at \$1.50 per receipt to institutional investors in North America, to raise \$35.1 million. These securities issues will be within the Company’s 15% capacity for issue of new securities and do not require shareholder approval.

Managing Director’s Comments

“Perseus is in the fortunate position of having two outstanding gold projects with excellent potential for growth and near-term production.”

“The \$58.5 million raising was heavily sought after and puts the Company in an excellent position to complete project funding and fast-track development.”

“The listing on the TSX will expand our international shareholder base and over time is expected to increase trading volumes.”

“Ayanfuri remains one of the largest gold deposits being developed by an Australian company today. With the Company well funded, the Lead Engineers soon to be appointed, Government approvals underway, project financing discussions well advanced, and construction on track to commence early next year, we are increasingly confident of becoming a significant gold producer within 20 months.”

The issue of subscription receipts is subject to completion of an agency agreement with the Canadian brokers and a due diligence review, with completion anticipated on or around 5 November 2009.

Thereafter, the proceeds from the issue of the subscription receipts (\$35.1m) will be held in escrow

Exchanges:

ASX : PRU

Börse Frankfurt: P4Q

Issued Shares: 303M**Unlisted Options:** 11.2MCash at bank
(Sep 09) \$60M**Resources:****Ghana**

6Moz

Ivory Coast

1.0Moz

Reserves:**Ghana**

2.1Moz

with a requirement that Perseus completes a listing on the Toronto Stock Exchange (“TSX”) within 90 days. The subscription receipts will be converted to ordinary shares in the Company on a one for one basis upon TSX listing.

The raising will place Perseus in a very strong financial position, with no debt other than short-term creditors. It is another step in the Ayanfuri project financing equation. Financing discussions are well advanced for the remainder of the capital required for the Ayanfuri project completion.

Besides advancing Ayanfuri to the construction phase, anticipated for early in 2010, funds raised will also be earmarked to expand exploration activities within Ghana and the Ivory Coast, and for working capital purposes. Perseus is pursuing an aggressive exploration programme to increase its existing 7 million ounce gold resource base, with 7 drill rigs now in operation at Ayanfuri and Tengrela (in the Ivory Coast).

BGF Equities Pty Ltd is the lead broker for the placement to Australian investors. A syndicate of agents led by Cormark Securities Inc and including Clarus Securities Inc, Dundee Securities Corporation, BMO Capital Markets, CIBC World Markets Inc, GMP Securities LP and Rodman and Renshaw LLP is managing the North American raising.



Mark Calderwood
Managing Director

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

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

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