



• **NEWS RELEASE**
21 JUNE 2010

CENTRAL ASHANTI GOLD PROJECT UPDATE

Perseus Mining Limited (ASX/TSX: PRU) is pleased to provide an update on progress at the Company's Central Ashanti Gold Project ("CAGP") in Ghana.

Construction Start

Contractors have commenced site-works at the CAGP following issue of the EPA permit earlier this month.

The construction timetable will be updated in the June 2010 Quarterly Report but at this stage practical completion is expected to be in about 12 months from commencement of site-works. Engineering and metallurgical commissioning ramp-up is expected to take two months from practical completion allowing commencement of gold production to remain on track for the 3rd quarter of 2011.

Hedging

The Company has completed forward sales of 170,000 ounces of gold for delivery in the period March 2012 to December 2014 at an average net price of US\$1,240.70 per ounce. This is sufficient hedging to enable the Company to utilise US\$65 million of its project loan facility provided by Macquarie Bank Ltd and Credit Suisse AG and represents approximately 8% of current reserves at the CAGP and about 23% of Phase 1 gold production to December 2014.

The Company also purchased 20,000 ounces of US\$1,100 gold puts covering the period July to December 2011.

Perseus Managing Director, Mark Calderwood's Comments

"Perseus's crew is excited to be getting on the ground at the Central Ashanti Gold Project."

"We are also pleased with being able to undertake our gold hedging at an average of over US\$1,240 per ounce – near historically high gold prices and far in excess of the US\$850 gold price used for the Ore Reserve estimate and cash flow modelling."

"Given our plans to update resources, reserves and production rates at the CAGP and to complete a feasibility study for the Tengrela gold project in Ivory Coast later this year, the level of hedging is modest. Subject to the successful up-scaling of production at the CAGP and commencement of production at Tengrela at the end of 2012 the forward sales should represent less than 15% of production to December 2014."

CAGP Camp – Kitchen - Diner



CAGP Camp – Kitchen - Diner



CAGP Camp – GM's Bungalow



CAGP Camp – building contractor



Mark Calderwood
Managing Director

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About Perseus Mining Limited

Perseus Mining Limited (ASX/TSX: PRU) has forged a reputation as one of the world's most successful gold explorers. Focused on under-explored gold belts in West Africa, it is on track to become a producer during 2011 at its Central Ashanti Gold Project in Ghana. It is also working on a definitive feasibility study at its Tengrela Gold Project in Ivory Coast, subject to which production is targeted for late 2012.

***Caution Regarding Forward Looking Information:** This report contains forward-looking information which is based on assumptions and judgments of management regarding future events and results. Such forward-looking information, includes but is not limited to information with respect to procurement of financing, procurement of necessary*

regulatory approvals, the development of a mine at the Central Ashanti Gold Project, completion of a definitive feasibility study at Tengrela and development of a mine at Tengrela subject to the results of that study .

Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of current exploration, the actual results of future exploration, , changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents.. The Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Assumptions have been made regarding, among other things, the Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the price of gold, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers should not place undue reliance on forward-looking information. Perseus does not undertake to update any forward-looking information, except in accordance with applicable securities laws.