ASX/MEDIA RELEASE
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Further Significant Drill Results Ayanfuri Gold Project - Ghana

Highlights:

- Significant drilling results have been received on a further four of seven gold deposits drill tested at the Ayanfuri gold project in Ghana, including **open-ended** intercepts of **88m at 2.1g/t, 100m at 1.7g/t, 55m at 1.7g/t, 116m at 1.1g/t, 50m at 1.4g/t and 50m at 1.3g/t Au.** Sub-intercepts included **50m at 3.0g/t, 26m at 2.2g/t, 20m at 2.7g/t, 20m at 2.3g/t, and 10m at 3.6g/t Au.**

- Multiple wide zones of free-milling gold mineralisation continue to the depth limit of RC drilling to date – demonstrating the potential for Ayanfuri to host a significant mining operation.

- Previously announced gold resource estimates for the project (Indicated - 268,000 ounces; Inferred - 340,000 ounces) cover only four of the seven deposits tested by Perseus and do not reflect the depth potential highlighted by the latest drilling.

Following on from the impressive drill results announced on 27 September for the first three of seven deposits tested in the initial drill program at the Ayanfuri gold project in Ghana, **Perseus Mining Limited** (ASX: PRU) is pleased to advise that significant results have now been obtained from the other four Ayanfuri deposits tested to date.

The recently completed 3,500m drilling campaign was designed to confirm historical drilling results on the project and to test the depth potential of the project on a limited basis. There had been very little drill testing of the free milling sulphide gold mineralisation despite over 8Mt of ore having been mined from the project area, since only oxide ore was targeted for the previous heap leach mining operation.

Results from the latest four of seven Ayanfuri deposits recently drilled are discussed in detail below. They justify a systematic program to drill out the deposits with the view to defining resources as part of the Ayanfuri feasibility study process. Follow-up RC and deeper diamond drilling has commenced on the first three deposits, for which results including 21m at 4.4g/t, 10m at 6.3g/t, 18m at 3.4g/t and 66m at 1.9g/t Au were reported in September, the program will now be extended to incorporate the four additional deposits.

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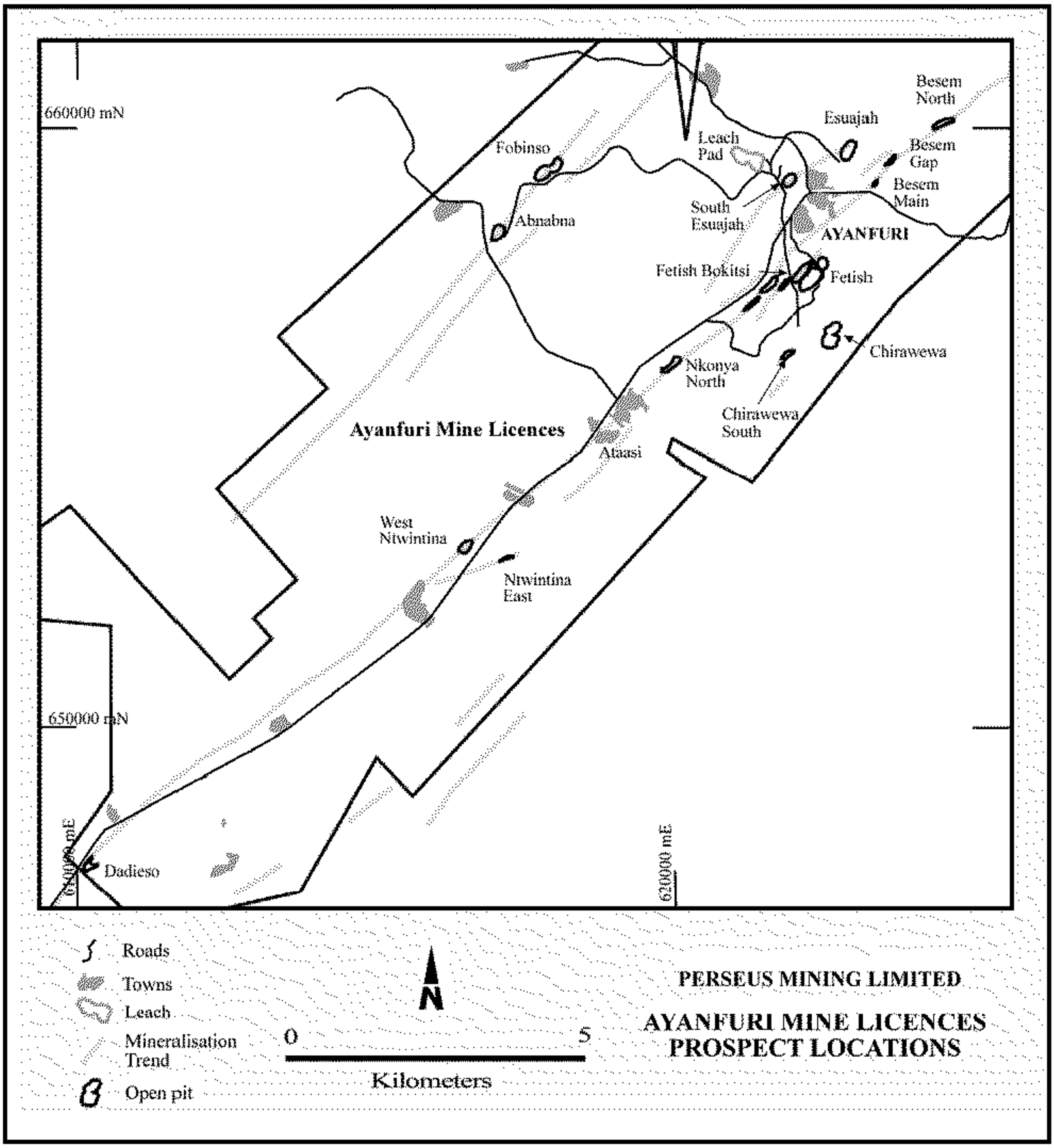


Abnabna – Fobinso

The Abnabna deposit is a 250m long and on average 70m wide granitoid lode. Limited oxide material totalling 0.3Mt at 1.7g/t Au was mined from a shallow pit. Remaining Indicated sulphide resources are estimated by Perseus as 1.57Mt at 1.7g/t Au and Inferred resources are estimated as 2Mt at 1.6g/t Au. Two 150m deep holes were drilled to verify the previous drilling and to test the depth potential at Abnabna. Both holes ended in mineralisation, with one hole intercepting 88m at 2.1g/t Au, including 52m at 3.0g/t Au, and the second hole intercepting 100m 1.7g/t Au (see table 1 below). Deeper drilling is now planned with the view to defining significant additional resources below the existing pit at Abnabna.

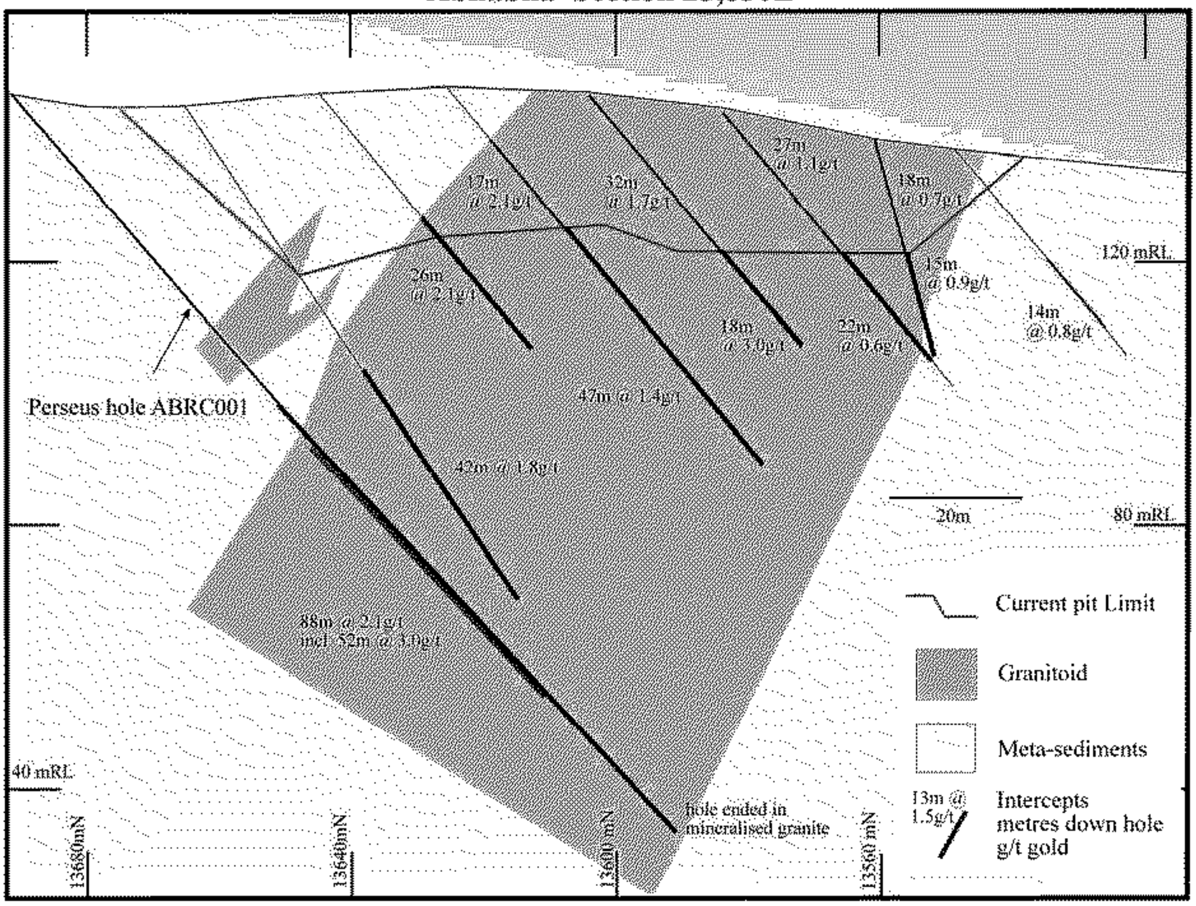
The Fobinso granitoid deposit, located 1.3km north-east of Abnabna, extends for 550m strike and averages about 60m in width, though most of the gold is contained within two sub-zones, each 200m long and about 40m wide. Historically about 1Mt at 1.8g/t Au oxide material was mined from two pits. Although sulphide mineralisation was not targeted in previous drilling, a limited number of holes contained sulphide mineralisation. Three recently drilled holes confirm the sulphide potential, with two holes ending in mineralisation and containing 10m (approximately true width) sub-intercepts of 3.6g/t Au. Further drilling will be undertaken at Fobinso to test unmined shallow oxides and the depth potential of the sulphide mineralisation.

Table 1: Drill Intercepts – Abnabna and Fobinso – Ayanfuri Gold Project

Hole	North (m)	East (m)	Depth (m)	Azm (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
ABRC001	13691	25855	150	90	-48	62	150*	88	2.1
					incl.	70	122	52	3.0
ABRC002	13701	25930	150	90	-48	50	150*	100	1.7
					incl.	88	114	26	2.2
AFRC001	13962	27500	150	90	-49	1	42	41	0.8
					incl.	40	42	2	5.6
						132	138	6	1.1
AFRC002	13987	27211	150	90	-50	100	150*	50	1.3
					incl.	116	126	10	3.6
AFRC003	13987	27160	150	90	-50	108	150*	42	1.2
					incl.	108	118	10	3.6

* denotes ended in mineralisation.
All samples were assayed by 1kg bottle roll cyanide leach (only leach recovered grades reported).

Abnabna Section 25,850E



Fetish - Chirawewa

Four holes were drilled into the Fetish granitoid deposit, to the depth limit of the drilling equipment. All four holes ended in mineralisation and two of the holes ended well short of the target depth. The Fetish granitoid deposit extends for 500m and ranges from 40m to 160m in width. About 2Mt at 1.8g/t Au were mined from the pit during the heap leach operation by a previous operator, making it the largest producer to date at Ayanfuri. Mining extended to about 50m below surface, with mineralisation in the floor and walls of the pit up to 120m wide. Diamond drilling is planned to test the mineralisation to a depth of 140m below the existing pit.

Three holes were drilled to test the depth extent of the high-grade Bokitiso shear zone mineralisation. All holes failed to reach the target zone due to ground conditions, but one hole intercepted 4m at 6.1g/t Au from 66m in a parallel zone.

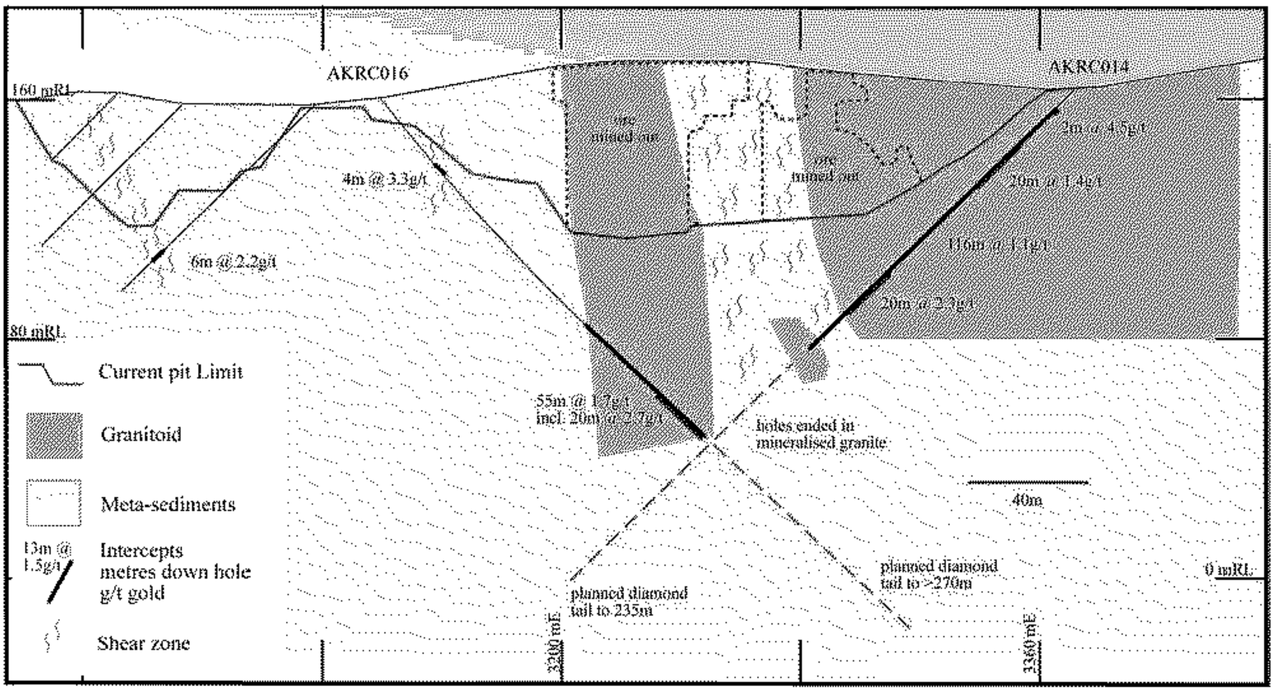
Gold mineralisation at Chirawewa, located 1km south of Fetish, is contained within, or is associated with the margins of, several granitoid intrusives. The Chirawewa group was one of the larger producers at Ayanfuri and existing Inferred sulphide resources total 1.2Mt at 1.64g/t Au. Two holes drilled to test the main zone failed to reach the target mineralisation due to depth limitations of the RC rig. Diamond drilling will be used to extend at least one of the holes to the target depth of 250m. Two holes were successfully drilled into the western zone and results have been received for the first hole (AKRC018). This hole intercepted 2m at 6.2g/t and an open-ended 14m at 2g/t Au.

Table 2: Drill Intercepts – Fetish and Chirawewa Prospects

Hole	North (m)	East (m)	Depth (m)	Azm (°)	Incl. (°)	From (m)	To (m)	Width (m)	Au g/t
AKRC009	5240	3144	41#	90	-45	28	32	4	3.3
AKRC012	5040	3320	144	270	-44	88	92	4	2.1
						104	110	6	0.9
						126	144*	18	0.5
AKRC013	5085	3343	150	270	-45	30	42	12	1.2
						54	56	2	5.6
						100	150*	50	1.4
					incl	100	116	16	2.2
					and	134	142	8	2.2
AKRC014	5160	3370	124#	270	-45	8	124*	116	1.1
					incl.	86	106	20	2.3
AKRC015	5016	3085	79#	270	-50	66	70	4	6.1
AKRC016	5240	3139	157	90	-45	102	157*	55	1.7
					incl.	136	156	20	2.7
AKRC017	4480	4269	146#	270	-44	120	130	10	1.3
AKRC018	4550	3960	90	270	-58	64	66	2	6.2
						76	90*	14	2.0
AKRC 019	4515	3952	70	270	-55	AP			

Holes AKRC009-016 were drilled at Fetish, AKRC017-021 were drilled at Chirawewa
Holes AKRC010, 011, 020, 021 failed to reach target depth
# denotes holes that ended well short of target depth
* denotes ended in mineralisation.
All samples were assayed by 1kg bottle roll cyanide leach (only leach recovered grades reported)
AP denotes assays pending

Fetish Section 5,160N



Background

Perseus has an option to purchase a company which has rights to two mining leases and a prospecting licence at Ayanfuri and a reconnaissance licence and a reconnaissance licence application, covering a project area of 500sq km. The project is located 25-65kms south west of Obuasi on the Ashanti Gold Belt in Ghana. Perseus's Grumesa project adjoins the optioned project area to the east.

The project incorporates the Ayanfuri mine, which produced 306,400 ounces of gold from multiple open pits and an oxide ore heap leaching circuit between 1994 and 2001.

There is potential to increase existing gold resources significantly by drilling below the existing defined resource areas, drilling other deposits for which resources are yet to be calculated, and testing numerous exploration targets in this highly prospective Ashanti Belt setting.

Feasibility studies are being conducted for a 2Mtpa CIL plant operation at Ayanfuri and a heap leach operation at Perseus's nearby Grumesa project.

To discuss any aspect of this announcement, please contact Mark Calderwood at calderwoodm@perseusmining.com

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Mark Calderwood
Managing Director

Perseus Mining listed on ASX in September 2004 to explore and develop several advanced gold projects located in West Africa and Central Asia.

Perseus has experienced staff working in regions which host numerous "World Class" gold deposits, but which remain amongst the least explored by modern techniques.

Perseus has demonstrated the exploration potential of its key projects in Ghana, Ivory Coast and the Kyrgyz Republic and has reported increases its resource base to over 2 million ounces of gold in September 2006.

Aggressive, ongoing drilling campaigns on projects in Ghana, Ivory Coast and the Kyrgyz Republic should result in further significant resource upgrades by Perseus.

The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Mark Calderwood, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Calderwood is a Director and full-time employee of the Company. Mr Calderwood has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Calderwood consents to the inclusion in this report of the matters based on his information in the form and context in which it appears