NEWS RELEASE

10 January 2012

Commercial Production at Edikan Gold Mine, Ghana

Perseus Mining Limited (ASX/TSX: PRU) is pleased to announce the completion of commissioning and transition into commercial production at its Edikan Gold Mine (EGM) in Ghana, West Africa.

Commissioning during December 2011 resulted in similar throughput and gold production as November 2011. Based on the plant performance during November and December the Company has met the criteria for the declaration of commercial production and the commissioning process was declared completed effective 31 December 2011. Results for the month of December and the December quarter are tabled below, highlights were:

Mill throughput	-	395,500 dry tonnes (dt) for December and 1,089,000dt for the December quarter
Throughput rate	-	674dtph for December and 637dtph for the quarter
Calculated grade	-	1.29g/t for December and 1.26g/t for the quarter
Calculated recovery	-	82.6% for December and 81.0% for the quarter
Gold recovered	-	13,510 ounces for December and 35,801 ounces for the quarter.
Volume mined	-	1,574,000 Bcm for December and 3,680,000 Bcm for the quarter
Ore mined	-	716,900t at 1.04g/t Au for December and 1,795,500t at 1.02g/t Au for the quarter.

A total of 90 hours were lost during the month due to process water pumping issues. This included failure of both the main and backup process water pumps and time spent moving pumps and pipes. Prior to the resulting plant shut-down the mill had averaged 700dtph and 14,000dtpd, which equates to 102% and 93% respectively of 'nameplate' capacity. Since the shut-down throughput had been restricted to about 670dtph due to limited capacity of the interim pumping arrangement, but this hourly rate is nominally at 'nameplate' and daily throughput from the shutdown to the end of the month averaged 14,000dtpd.

Gold recoveries, grade reconciliation and mining rates are now also in excess of criteria set for Commercial Production. The Company deemed 1 January, 2012 the first day of commercial production.

Mining volumes increased significantly again to record levels of 1.57Mbcm of total ore and waste movement, including 716,900t of ore grading 1.04g/t.

Mark Calderwood, Managing Director's Comments

"The December Quarter production was an excellent result given that we were commissioning the mill. We will be in a position to give production guidance when our December quarter and half year financial reports are finalised towards the middle of next month. "

"Now that commercial production has been declared we will be systematically assessing the performance in each area of the processing plant and associated infrastructure to instigate preventative management programs and carrying out upgrades where needed, to further ramp up production rates."

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Table 1: Production Statistics for the December Quarter:

	Unit	October	November	December	December Quarter
Ore mined	tonne	523,177	555,443	716,896	1,795,516
Grade mined	g/t Au	1.12	0.90	1.04	1.02
Total material Mined	BCM	871,225	1,234,916	1,573,565	3,679,706
Milled	dmt(1)	296,691	394,712	395,496	1,086,899
Mill Runtime	%	70.9	82.4	78.9	77.3
Milling Rate	dtph(2)	562	666	674	637
Calc. Head Grade	g/t	1.17	1.30	1.29	1.26
Overall Recovery	%	79.5	80.3	82.6	81.0
Gold Recovered	Oz	9,035	13,256	13,510	35,801

Notes
1. dmt is dry metric tonne
2. dtph is dry tonne per hour

Mark Calderwood
Managing Director

To discuss any aspect of this announcement, please contact:
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About Perseus Mining Limited

Perseus Mining Limited (ASX/TSX: PRU) has forged a reputation as one of West Africa's most successful gold explorers. Focused on under-explored gold belts in West Africa, Perseus has joined gold producer ranks at its Edikan Gold Mine in Ghana.

Perseus is also planning the development of its Sissingué Gold Project in Côte d'Ivoire, with production targeted for 2013. Sissingué has the potential to become a significant contributor to the Company's goal to develop into a 400,000-ounce per year gold producer in 2013.

Perseus is pursuing its strategy of rapidly increasing its resource and reserve base at the Edikan Gold mine and Tengrela.

Caution Regarding Forward Looking Information: *This report contains forward-looking information which is based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management of the Company* *believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Assumptions have been made by the Company regarding, among other things: the price of gold, that the Edikan Gold Mine will achieve commercial production without material delay, development of a mine at Tengrela, the receipt of required governmental approvals, the accuracy of capital and operating cost estimates, 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 are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used by the Company. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate.*

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.