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NEWS RELEASE

Debt Repayment Leaves Perseus Debt Free and Edikan Production Update

Perseus Mining Limited (ASX/TSX: PRU) provides an update on activities at its Edikan Gold Mine (EGM) in Ghana.

Production Update - Edikan Gold Mine, Ghana

A record 22,502 ounces of gold produced from EGM in October 2012 was ahead of budget and total costs for the month were below budget.

Gold production for November has been on budget except for a 10 day period between November 8 and 17, when primary crusher issues restricted production. The crusher down time was caused by the failure of the couplings on the drive shaft. The last failed coupling was repaired and a new replacement shaft and couplings are now on site. Representatives of the crusher manufacturer are currently also on site reviewing all aspects of the crusher and crusher operation.

The oxide feed circuit has been successfully commissioned and has been operating at up to 300wmt/hr which is in excess of the Company's budget. For the month to 21 November the oxide circuit has fed 52,000wmt of ore to the mill.

At current production rates it is estimated that total gold produced from Edikan for the December 2012 Quarter may be between 5% and 10% below the lower end of December Quarter guidance of 65,000 to 70,000 ounces of gold. Every effort is being made to recover the projected shortfall.

Debt Repayment

On 16 November 2012, the Perseus Group repaid the outstanding balance of \$54 million from its restructured project debt facility. The debt repayment resulted in the Group being debt free and having an undrawn line of credit of \$100M available for drawdown at the Group's discretion. The Group has available cash of A\$43.46 million in addition to approximately 14,000 ounces of gold bullion held in metal accounts and at the refinery.

Perseus Managing Director, Mark Calderwood's Comments

"It is an excellent result for the Company to be debt free within one year of declaring commercial production. Subject to approval of a development decision on the Sissingué project, the Company will draw on the line of credit at some point next year for capital expenditure requirements."

"After a record month of gold production in October, we are working to resolve the problem with the crusher. The crusher manufacturer is actively assisting with the understanding of the abnormal issues over the past few months and a management plan moving forward."

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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. In August 2011 Perseus became a producer at its Edikan Gold Mine in Ghana. Details of the project and mine plan are set out in the technical report entitled "Technical Report – Central Ashanti Gold Project, Ghana" dated May 30, 2011.

Perseus will make a final development decision in respect of its Sissingué Gold Project, part of the Tengrela Gold Project in Côte d'Ivoire, when clarity of the fiscal regime which will be applied to the project is achieved. Production from Sissingué could start in early 2014 subject to achieving such fiscal certainty. Sissingué and the broader Tengrela Gold Project have the potential to become a significant contributor to the Company's goal to develop into a 400,000-ounce per annum gold producer during 2014. Details of the project are set out within "Technical Report – Tengrela Gold Project, Ivory Coast" dated December 22, 2010.

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, continuing commercial production at the Edikan Gold Mine without any major disruption, 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.