

Exchanges:

ASX/TSX: PRU

Börse Frankfurt:
P4Q

Issued Shares:

344M

Unlisted Options:

12.1M

Resources:

Ghana

6.0Moz

Ivory Coast

1.0Moz

Reserves:

Ghana

2.1Moz

INVESTMENT IN JUNIOR WEST AFRICAN GOLD EXPLORER BUREY GOLD LIMITED

Perseus Mining Limited (ASX/TSX: PRU) is pleased to announce that it has entered into an agreement to take a 19.9% stake in and enter into a strategic alliance with Burey Gold Limited ("Burey") an exploration company with a focus in Guinea, West Africa.

Perseus will initially subscribe for 10.4m shares in Burey at a cost of \$418,700, with 10.4m attaching options. Subsequently and, subject to Burey receiving the necessary regulatory approvals, Perseus will subscribe for a further 24.3m shares at a cost of \$973,300 with 24.3m attaching options.

Burey has several projects with gold and gold, uranium and copper mineralisation, these include:

At the Balatindi project (part of the Kerouane group), Burey and previous explorers have identified a primary Au, U, Cu mineral occurrence which Burey believes is of IOCG affinity.

The Mansounia project contains a low grade, near surface laterite/saprolite gold deposit with indications of higher grade source zones. The last round of RC drilling completed at Mansounia in 2008 included intercepts of 67m at 2.03g/t, 53m at 1.07g/t and 39m at 1.11g/t Au at a new prospect called Intermediate Creek. Limited diamond drilling below the main laterite/saprolite profile included intercepts of 7m at 4.17g/t and 13m at 3.00g/t Au.

Burey has a strong geological team with extensive experience in Guinea and neighbouring countries in West Africa and Burey is well positioned to take advantage of the improving political stability in Guinea. For Perseus the investment allows exposure to the prospectivity of Guinea without distracting the Company's exploration management and the agreement gives Perseus the first right of refusal in relation to the sale or farm-out of Burey's mineral interests in West Africa. The investment will enable Burey to step up plans for drilling, regional exploration and project acquisition.

Perseus Managing Director, Mark Calderwood's Comments

"Guinea covers a significant part of one of the most prospective gold regions in West Africa. Burey has several prospective projects and the 'in country' experience required to enhance and grow the portfolio. In addition to the cash investment Perseus will provide high level personnel support and a sounding board for technical initiatives.

Guinea (West Africa)

Guinea is one of the most prospective countries in Africa for gold, covering the large Birimian Siguri Basin and the northern margin of the Archean Kenema-Man craton. It is currently the fourth largest gold producer in Africa (23.4t in 2008). The country also is the fifth largest producer of bauxite in the world (18Mt in 2008), hosts the largest bauxite resources and reserves in the world and has two large, undeveloped, high grade iron ore deposits.

Guinea has recently experienced a period of political instability after the death of President Lansana Conte who ruled for 24 years. On January 18 2010, the military leaders appointed Jean-Marie Doré, a veteran opposition figure, as prime minister, a critical step in the transition to elections and civilian government planned for later in the year.

Mark Calderwood
Managing Director

To discuss any aspect of this announcement, please contact:

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The information in this report that relates to exploration results 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' and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). 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.

