

Saracen

Media Release & ASX Announcement

9 April 2010

Full scale production commences at Carosue Dam **15,000 ounces of gold produced in February/March.** **High grade ore mining commenced at Porphyry.**

Saracen Mineral Holdings Ltd has completed commissioning at Carosue Dam in WA with the processing plant now operating at full capacity at a rate of 2.4 million tonnes of ore per annum.

The two month commissioning phase has produced around 15,000 ounces of gold from 460,000 tonnes of low-grade ore stockpiles (including legacy stockpile material) blended with run of mine ore from the upper levels of the Porphyry open pit mine.

Higher-grade Porphyry ore (approximately 1.8-2.2g/t) has recently been introduced to the processing plant.

The first full quarter of gold production will be the current quarter ended 30 June, 2010.

Pre-stripping of the Whirling Dervish open pit mine is also progressing well with first ore scheduled to be introduced to the plant in June/July 2010.

Plant operating unit costs, Porphyry open pit unit mining costs, and Whirling Dervish pre-stripping unit costs are all currently at or below budget forecast.

Saracen Managing Director, Guido Staltari, said today: "The start of full scale production at Carosue Dam represents an important milestone for Saracen and is due to the hard work of all our employees and contractors."

"Saracen looks forward to releasing, over the next three months, its first quarter's gold production result, as well as the results of its further initiatives, which include feasibility/costing studies presently in progress on Karari, Porphyry underground, Red October and mains electric power installation."

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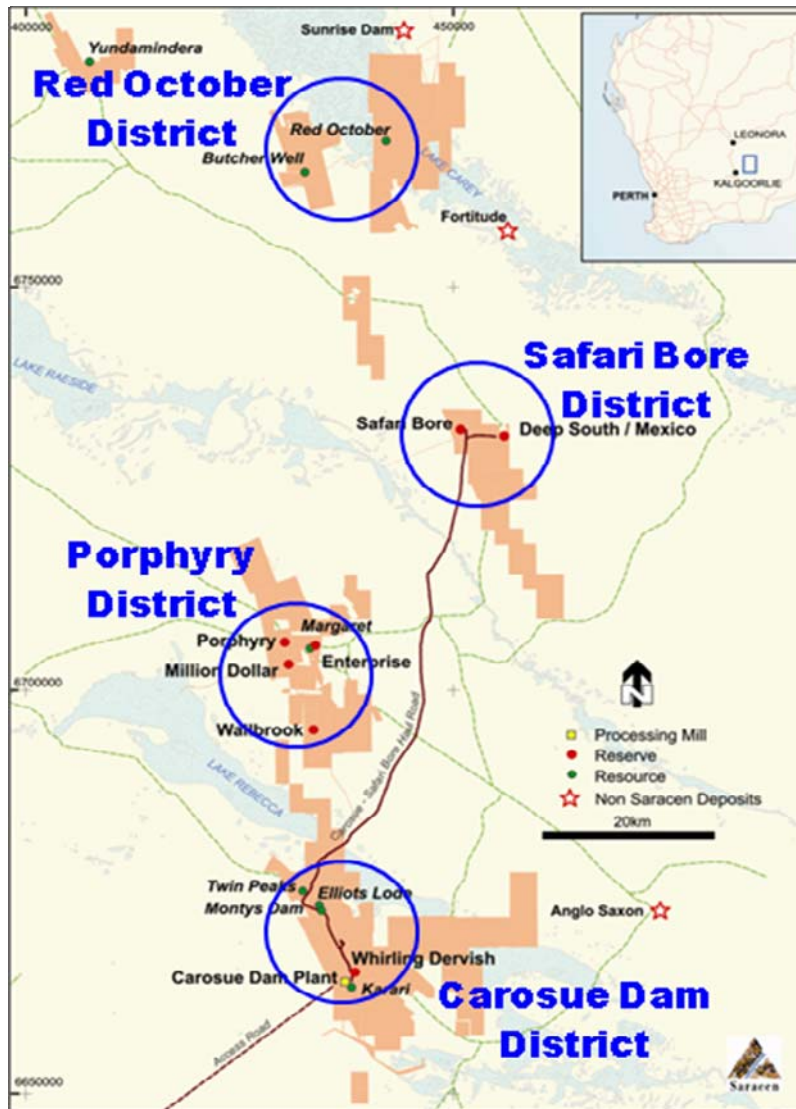
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About Saracen

Background

Saracen Mineral Holdings Limited (ASX:SAR) owns 100% of the Carosue Dam operations 120 km NE east of Kalgoorlie in the South Laverton region of WA, home to other gold mines and deposits including Sunrise Dam, Granny Smith, and Wallaby.

Carosue Dam's 2.4 million tonne per annum processing plant is forecast to produce approximately 100,000 to 120,000 ounces of gold per annum.



Saracen's gold deposits fall within four distinct districts.

The Carosue Dam operations area contains a large number of known gold deposits within four separate districts. These include the Carosue Dam district, Porphyry district, Safari Bore district and Red October district. (see figure).

In Stage 1 ore will be sourced from the Porphyry and Whirling Dervish open cuts and supplemented by mines at Enterprise, Wallbrook and Deep South.

In Stage 2 gold ore will be sourced (subject to positive feasibility study results) from open cut production at Karari, supplemented by underground operations at Porphyry, Red October and Deep South.

Modest two years of partial hedging to cover project outlays.

On 21 December 2009, the Company announced that it had entered into a gold put/call option programme, with the put option component covering 176,000 ounces at a strike price of A\$1,250 per ounce.

The put option program underpins expected strong cash flows over the first two years of the project life, not only ensuring the initial project capital outlays are recouped with minimal financial risk, but also leaving Saracen with considerable exposure to a rising gold price.

The accompanying sale of call options over 103,494 oz of gold sold at a strike price of A\$1,250 per oz represents a modest 12 percent of Saracen's Ore Reserves and allows Saracen to benefit from a rising gold price for the balance of its Ore Reserves.