
SARACEN MINERAL HOLDINGS LIMITED

ACN 009 215 347

NOTICE OF GENERAL MEETING

TIME: 10 am (EST)

DATE: Thursday, 29 July 2010

PLACE: Level 7
350 Collins Street
Melbourne VIC 3000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 3) 9670 0040.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10am (EST) on Thursday, 29 July 2010 at:

Level 7, 350 Collins Street, Melbourne, VIC 3000

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Saracen Mineral Holdings Limited, Level 7, 350 Collins Street, Melbourne, Victoria, 3000; or
- (b) facsimile to the Company on facsimile number (+61 3) 9670 0049,

so that it is received not later than 10am (EST) on 27 July 2010.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders will be held at 10 am (EST) on Thursday, 29 July 2010 at Level 7, 350 Collins Street, Melbourne, VIC 3000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at the close of business on Tuesday, 27 July 2010.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 59,956,923 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – PLACEMENT – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 32,148,400 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 25 JUNE 2010
BY ORDER OF THE BOARD
RAJAN NARAYANASAMY
COMPANY SECRETARY
SARACEN MINERAL HOLDINGS LIMITED

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10am (EST) on 29 July 2010 at Level 7, 350 Collins Street, Melbourne, VIC 3000.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. BACKGROUND

As announced on 23 June 2010, the Company has agreed to issue a total of up to 92.1million Shares at \$0.38 per Share by way of a two tranche placement to sophisticated investors to raise approximately \$35 million before costs.

The issue is to be made in two tranches as follows:

- (a) an issue of 59,956,923 Shares (**Tranche 1 Shares**) at an issue price of \$0.38 each (which has been completed); and
- (b) subject to the approval of Shareholders, an issue not exceeding 32,148,400 Shares (**Tranche 2 Shares**) at an issue price of \$0.38 each.

Resolutions 1 and 2 seek approval for the ratification of the issue of the Tranche 1 Shares and the future issue of the Tranche 2 Shares.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

2.1 General

On or about 30 June 2010, the Company issued 59,956,923 Tranche 1 Shares.

The subscribers pursuant to this issue were not related parties of the Company.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) 59,956,923 Tranche 1 Shares were allotted;

- (b) the issue price was \$0.38 per Tranche 1 Share;
- (c) the Tranche 1 Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Tranche 1 Shares were allotted and issued to sophisticated and professional investor clients of Evans & Partners Pty Limited and Euroz Securities Limited, none of which are related parties of the Company; and
- (e) the Company intends to apply the funds raised from the issue of Tranche 1 Shares towards :
 - (i) the development of the Red October project and more particularly;
 - (a) trial underground mining to confirm the geological interpretation and underground designs for a proposed underground mining operation,
 - (b) obtaining bulk ore to test its metallurgical response of Red October ore in the Carosue Dam plant, and
 - (c) an extensive underground diamond drilling campaign aimed at resource delineation and expansion of the Red October resource at depth and along strike,
 - (ii) full retirement of the existing corporate debt,
 - (iii) drilling of targets in the Red October district, including the immediate environs of Red October, the Butcher Well prospect, and several target zones south of the Sunrise Dam gold mine*,
 - (iv) drill-targeting the down dip extensions of high grade gold mineralisation at Safari Bore, Deep South and the unexplored zone between Porphyry and Million Dollar; and
 - (v) ongoing working capital requirements.

* *The Sunrise Dam gold mine is not an asset of the Company.*

3. RESOLUTION 2 – PLACEMENT - SHARES

3.1 General

Resolution 2 seeks Shareholder approval for the allotment and issue of 32,148,400 Tranche 2 Shares at an issue price of \$0.38 per Tranche 2 Share (**Share Placement**).

None of the subscribers pursuant to this issue will be related parties of the Company.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 2.1 above.

The effect of Resolution 2 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Tranche 2 Share Placement:

- (a) the maximum number of Tranche 2 Shares to be issued is 32,148,400
- (b) the Tranche 2 Shares will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be \$0.38 per Tranche 2 Share;
- (d) the Tranche 2 Shares will be allotted and issued to sophisticated and professional investor clients of Evans & Partners Pty Limited and Euroz Securities Limited, none of which shall be related parties of the Company;
- (e) the Tranche 2 Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to apply the funds raised from the issue of Tranche 2 Shares towards:
 - (i) the development of the Red October project and more particularly:
 - (a) trial underground mining to confirm the geological interpretation and underground designs for a proposed underground mining operation,
 - (b) obtaining bulk ore to test its metallurgical response of Red October ore in the Carosue Dam plant, and
 - (c) an extensive underground diamond drilling campaign aimed at resource delineation and expansion of the Red October resource at depth and along strike,
 - (ii) full retirement of the existing corporate debt,
 - (iii) drilling of targets in the Red October district, including the immediate environs of Red October, the Butcher Well prospect, and several target zones south of the Sunrise Dam gold mine*,
 - (iv) drill-targeting the down dip extensions of high grade gold mineralisation at Safari Bore, Deep South and the unexplored zone between Porphyry and Million Dollar; and
 - (v) ongoing working capital requirements.

* *The Sunrise Dam gold mine is not an asset of the Company.*

4. ENQUIRIES

Shareholders can contact Rajan Narayanasamy on (+ 61 3) 9670 0040 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Saracen Mineral Holdings Limited (ACN 009 215 347).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

EST means Eastern Standard Time as observed in Melbourne, Victoria

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Tranche 1 Share or **Tranche 1 Shares** means a Share(s) proposed to be issued pursuant to Resolution 1.

Tranche 2 Share or **Tranche 2 Shares** means a Share(s) proposed to be issued pursuant to Resolution 2.

PROXY FORM

APPOINTMENT OF PROXY
SARACEN MINERAL HOLDINGS LIMITED
ACN 009 215 347

GENERAL MEETING

I/We

of

being a member of Saracen Mineral Holdings Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 10 am (EST), on 29 July 2010 at Level 7, 350 Collins Street, Melbourne, Vic 3000 and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 1 and 2** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 and 2 and that votes cast by the Chair of the General Meeting for Resolutions 1 and 2 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 1 and 2 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 and 2.

OR

Voting on Business of the General Meeting

Resolution 1 – Ratification of Prior Issue – Shares
Resolution 2 – Placement – Shares

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

Signature of Securityholder(s):

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

Date: _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Saracen Mineral Holdings Limited, Level 7, 350 Collins Street, Melbourne, Victoria, 3000; or
 - (b) facsimile to the Company on facsimile number (+61 3) 9670 0049,so that it is received not later than 10 am (EST) on 27 July 2010.

Proxy forms received later than this time will be invalid.