



Saracen

SARACEN MINERAL HOLDINGS LIMITED

ACN 009 215 347

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00 am (WST)

DATE: Wednesday 26 November 2014

PLACE: Duxton Hotel
1 St Georges Terrace
PERTH WA 6000
Australia

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 contact the Company Secretary on (08) 6229 9100.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders which this Notice of Meeting relates to will be held at 10:00am (WST) on Wednesday 26 November 2014 at:-
Duxton Hotel
1 St Georges Terrace
PERTH WA 6000

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

To vote in person, attend the Annual 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.

To be valid, the appointment of a proxy must be received at least 48 hours prior to the AGM using one of the following methods:-

Faxing the proxy appointment forms, along with power of attorney or other authority (if any under which the form is signed), to one of the following numbers
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

OR

Lodging the proxy appointment form by mail in the enclosed reply paid envelope or by hand at one of the following addresses:-

BY HAND:

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

OR BY MAIL:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne, Victoria 3001

Relevant custodians may lodge their proxy forms online by visiting
www.intermediaryonline.com

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act as they apply to this Annual General Meeting. Broadly, the changes mean that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Saracen Mineral Holdings Limited will be held at the Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia at 10:00 am (WST) on Wednesday 26 November 2014.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual 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 Annual General Meeting are those who are registered Shareholders of the Company at 4:00 pm WST on 24 November 2014.

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

AGENDA

FINANCIAL REPORT

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2014, together with the Declaration of the Directors, the Directors' Report and the Auditor's Report.

Note: Section 317 of the *Corporations Act 2001* requires Directors to present to the meeting the annual financial report, the Declaration of the Directors, the Directors' Report and the Auditor's Report. There is no requirement for a resolution to approve these reports. Shareholders will be given the opportunity to raise questions and make comments on these reports.

1. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR MARTIN REED

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

"That, for the purpose of clause 57 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Martin Reed, being a Director, retires by rotation and, being eligible, is hereby re-elected as a Director."

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MS SAMANTHA TOUGH

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

"That, for the purpose of clause 57 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Ms Samantha Tough, being a Director, retires by rotation and, being eligible, is hereby re-elected as a Director."

3. RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2014."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Note: The Directors will consider the outcome of the vote and comments made by members on the Remuneration Report at the Annual General Meeting when reviewing the Company's remuneration policies. If at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the relevant

financial year are against its adoption at two consecutive Annual General Meetings, members will be required to vote at the second of these Annual General Meetings on a resolution (Spill Resolution) that another meeting be held within 90 days at which all of the Directors of the Company (other than the Managing Director) must come up for re-election.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution.

4. RESOLUTION 4 – ISSUE OF PERFORMANCE RIGHTS TO MR RALEIGH FINLAYSON

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 735,000 Performance Rights to Mr Raleigh Finlayson (or his nominee) under the terms and conditions of the Saracen Mineral Holdings Limited Performance Rights Plan, as detailed in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director (except those who are ineligible to participate in the Saracen Mineral Holdings Limited Performance Rights Plan) 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if the proxy is the Chair of the Meeting.

Dated: 20 October 2014

By order of the Board

G F KACZMAREK
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at the Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia on Wednesday, 26 November 2014 at 10am (WST).

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2014 together with the Declaration of the Directors, the Directors' Report and the Auditor's Report.

In accordance with amendments to the *Corporations Act 2001 (Cth)*, the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. Whilst the Company no longer provides a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view and download a copy of the Company's annual financial report from its website at www.saracen.com.au.

1. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR MARTIN REED

Clause 57 of the Constitution provides that one-third of the Directors (which pursuant to clause 61 of the Constitution is subject to the Managing Director not being taken into account in determining the retirement by rotation of the Directors) or, if their number is not a multiple of 3, then the number nearest to but not exceeding one-third, shall retire from office at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is longer, without submitting himself for re-election. A retiring Director is eligible for re-election.

The Company currently has 5 Directors who are subject to rotation under the Constitution and accordingly 2 must retire.

Mr Reed is the director who has served the longest period since he was last elected and hence now retires and seeks re-election in accordance with Clause 57 of the Constitution and ASX Listing Rule 14.5.

Martin Reed was appointed a Director on 24 August 2012 and has continuously served as a Director since his appointment.

1.1 Director Experience and Qualifications and Other Directorships

Mr Reed is a qualified mining engineer (BE Mining, Grad Dip Management, AICD Diploma) with over 35 years' experience in operations management and project development across a range of commodities, countries and sizes of operations. Recent roles have included Chief Operating Officer and Project Manager for a number of metals companies including Sirius Resources, Sandfire Resources, St Barbara Limited, Paladin Energy Ltd and Windimurra Vanadium Limited. Prior to these appointments, Mr Reed held a number of senior executive positions in the mining industry including roles where he was responsible for the planning and development of several large mining operations in remote locations.

Mr Reed currently has no other directorships of listed companies but has previously served as a Director of Adamus Resources Limited from December 2009 to December 2011 and as a director of Endeavour Mining Corporation from December 2011 to October 2012.

1.2 Directors' Recommendation

The other Directors of the Company recommend that Shareholders support the re-election of Mr Reed. The Board considers Mr Reed to be an independent Director.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MS SAMANTHA TOUGH

A summary of clause 57 of the Constitution is included above at section 1 of this Explanatory Statement.

Although Ms Tough was elected last year along with 3 other Directors, she has volunteered to seek re-election again this year as the Company's Constitution requires that 2 Directors retire at this AGM.

Therefore, Ms Tough now retires and seeks re-election in accordance with Clause 57 of the Constitution and ASX Listing Rule 14.5.

Ms Tough was appointed a Director on 1 October 2013 and has served as a Director since her appointment.

2.1 Director Experience and Qualifications and Other Directorships

Samantha Tough is a professional company director with more than 15 years' experience on public and private company boards. She has a depth of industry experience in resources and energy and is currently Chairman of Retail Energy Market Company Ltd, Structerre Pty Ltd and Aerison Pty Ltd and a director of CBH Group and Strike Resources Limited. She has previously been Chairman of Southern Cross Goldfields Ltd and a director of Murchison Metals Ltd. Ms Tough's executive roles include General Manager North West Shelf at Woodside Energy Ltd, Director Strategy for Hardman Resources Ltd, Senior Vice President Natural Resources at the Commonwealth Bank and Project Director for the Pilbara Power Project.

Ms Tough completed a Bachelor of Laws and Bachelor of Jurisprudence at the University of Western Australia and worked as a barrister and solicitor before progressing to the commercial sector. She is a Fellow of the AICD.

2.2 Directors' Recommendation

The other Directors of the Company recommend that shareholders support the re-election of Ms Tough. The Board considers Ms Tough to be an independent Director.

3. RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT

3.1 General

The Remuneration Report to Shareholders forms part of the Directors' Report for the year ended 30 June 2014 and is set out in the Company's 2014 Annual Report. The *Corporations Act 2001 (Cth)* requires the Remuneration Report be submitted to Shareholders for consideration and adoption. This Resolution is advisory only and does not bind the Company or the Directors of the Company.

The Remuneration Report sets out the remuneration arrangements for the Company's Directors and senior management of the Company.

The Chair of the meeting must allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting.

3.2 Voting consequences

Under the *Corporations Act 2001 (Cth)*, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings (**AGM**), Shareholders at the second AGM will be required to vote on a resolution proposing the calling of another general meeting of shareholders at which all Directors of the Company (excluding the Managing Director) who were in office at the time of approval of the Director's Report for the most recent financial year must stand for re-election (**Spill Resolution**).

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a Shareholder meeting (**Spill Meeting**) within 90 days of the passing of the Spill Resolution.

All of the Directors of the Company who were in office when the Directors' Report as included in the Company's annual report for the year of the Spill Resolution was approved (other than the Managing Director of the Company), will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved will be the Directors of the Company.

3.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following restrictions placed on certain proxies:

Proxy being appointed	Directed Votes	Undirected Votes
Key Management Personnel (other than the Chair) ¹	Can vote directed votes	Cannot vote undirected votes ³
Chair ²	Can vote directed votes	Can vote at discretion of Proxy ⁴
Other third party	Can vote directed votes	Can vote at discretion of Proxy

Notes:

- 1) Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
- 2) Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
- 3) Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
- 4) The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions. The Proxy Form states that by appointing the Chair as a proxy (or where the Chair becomes proxy by default) the Shareholder gives the Chair express authority to exercise the proxy on Resolution 1 (except where indicated differently) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

4. RESOLUTION 4 – ISSUE OF PERFORMANCE RIGHTS TO MR RALEIGH FINLAYSON

4.1 General

The Company has agreed, subject to Shareholders' approval, to issue a total of 735,000 Performance Rights to Mr Raleigh Finlayson (Managing Director of the Company) (or his nominee), comprising:

- (a) 294,000 Class A Performance Rights;
- (b) 147,000 Class B Performance Rights;
- (c) 294,000 Class C Performance Rights;

under the Plan and on the terms and conditions set out in Schedule 1.

The Performance Rights are being issued to Mr Finlayson (or his nominee), as an incentive to seek the satisfaction of the vesting conditions, which the Company intends will be aligned with the interests of Shareholders. In addition, it is intended that the issue of the Performance Rights will serve to reward, retain and motivate Mr Finlayson in relation to his service to the Company.

4.2 Quantum Calculation

Mr Raleigh Finlayson is the Managing Director and the most senior executive of the Company.

The Company's long term incentive (LTI) for the Managing Director has been determined to be equivalent to approximately 50% of Mr Finlayson's 2014/15 total fixed salary (ie base salary plus statutory superannuation of 9.5%). Therefore the monetary value was determined to equate to \$302,125 (being approximately 50% of FY15 total fixed salary of \$602,250 being base salary \$550,000 plus 9.5% superannuation).

The Share price applicable to the allocation is \$0.41 being the VWAP Share price for Saracen over the 30 trading days prior to 1 July 2014. Therefore, the number of Performance Rights to be allocated was $\$302,125/\$0.41 = 734,451$. The Board resolved to round the number to 735,000.

The above is the maximum number of Shares that could be issued if all performance criteria are fully met over the period between 1 July 2014 and 30 June 2017.

4.3 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Performance Rights constitutes giving a financial benefit and Mr Finlayson is a related party of the Company by virtue of him being a Director.

The Directors (other than Mr Finlayson, given his material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights because they are being issued as part of Mr Finlayson's remuneration package and have been negotiated on an arm's length basis.

4.4 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

If this Resolution is passed, Performance Rights will be issued to Mr Finlayson, the Managing Director of the Company (or his nominee). Therefore, the Company requires Shareholder approval to issue the Performance Rights to Mr Finlayson (or his nominee).

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Performance Rights as approval is being obtained under ASX Listing Rule 10.14 and has been obtained under Exception 9(b) of ASX Listing Rule 7.2.

4.5 Vesting Conditions of the Performance Rights

As stated in section 4.1 above, the Company has agreed to grant Performance Rights to Mr Finlayson (or his nominee). The conditions that must be met in order for the Performance Rights to vest are as follows.

- (a) **Class A Performance Rights:** if the Company's performance between 30 June 2014 and 30 June 2017 exceeds the peer companies listed in Schedule 2 (**Peer Companies**):
 - (i) between 50% and 100% (calculated pro rata) of the Class A Performance Rights will vest if the Company's TSR, as calculated at the end of the financial year, falls within the 50th and 75th percentiles when compared with the TSR of the other Peer Companies calculated over the same period; and
 - (ii) 100% of the Class A Performance Rights will vest if the Company's TSR as calculated on at the end of the financial year is above the 75th percentile when compared with the TSR of the other Peer Companies calculated over the same period;

- (b) **Class B Performance Rights:** if from 30 June 2014 and by 30 June 2017 the Company's ore reserves (in ounces of gold) increase:
- (i) by between 0% and 25%, in which case 50% of the Class B Performance Rights will vest; and
 - (ii) by more than 25%, in which case 100% of the Class B Performance Rights will vest;
- (c) **Class C Performance Rights:** if, from 30 June 2014 and by 30 June 2017 the Share price increases:
- (i) by between 25% and 50%, in which case, between 50% and 75% (calculated pro rata) of the Class C Performance Rights will vest; and
 - (ii) by more than 50%, in which case, 100% of the Class C Performance Rights will vest.

The Performance Rights will otherwise be issued on the terms and conditions set out in Schedule 1.

4.6 Technical information required ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Performance Rights to Mr Finlayson (or his nominee):

- (a) the Performance Rights are being issued to Mr Finlayson (or his nominee). Mr Finlayson has not notified a nominee at this time;
- (b) the maximum number of Performance Rights to be issued is 735,000, being 294,000 Class A Performance Rights, 147,000 Class B Performance Rights and 294,000 Class C Performance Rights;
- (c) the Performance Rights are being issued for nil cash consideration under the terms of the Plan and on the terms and conditions set out in Schedule 1;
- (d) Mr Finlayson was issued 1,500,000 Performance Rights under the Plan, for nil cash consideration, following approval by shareholders at the AGM in November 2013. No other Director or person or entity associated with a director has been issued any Performance Rights under the Plan;
- (e) as at the date of this Notice of Meeting, the only related party of the Company who is entitled to participate in the Performance Rights Plan is Mr Raleigh Finlayson;
- (f) no loans have been provided to Mr Finlayson in relation to the acquisition of the Performance Rights; and
- (g) the Performance Rights will be issued to Mr Finlayson (or his nominee) no later than 12 months after the date of the Meeting.

4.7 Recommendation

The Directors of the Company (excluding Mr Finlayson) recommend that shareholders vote in favour of the Resolution.

5. ENQUIRIES

Shareholders can contact the Company Secretary, Gerry Kaczmarek on (08) 6229 9100 if they have any queries in respect of the matters set out in this Notice of Meeting.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **AGM** means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Calculation Date means the ends of each financial year.

Class A Performance Right means a Performance Rights to be issued with the vesting conditions set out in clause 4.5(a) of the Explanatory Statement.

Class B Performance Right means a Performance Rights to be issued with the vesting conditions set out in clause 4.5(b) of the Explanatory Statement.

Class C Performance Right means a Performance Rights to be issued with the vesting conditions set out in clause 4.5(c) of the Explanatory Statement.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

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

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a current Director of the Company.

Eligible Participant means:

- (a) any full time or part time employee, or Executive Director, of the Company or its subsidiaries or any other related body corporate of the Company; and
- (b) subject to any necessary ASIC relief being obtained, a casual employee or contractor of the Company or its subsidiaries or any other related body corporate of the Company,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan.

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

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice means the notice of the 2014 Annual General Meeting of the Company including the Explanatory Statement.

Performance Rights means the Class A Performance Rights, Class B Performance Rights and Class C Performance Rights to be issued under Resolution 4 and otherwise on the terms and conditions set out in Schedule 1.

Plan means the Saracen Mineral Holdings Limited Performance Rights Plan adopted by Shareholders on 19 November 2013.

Remuneration Report means the remuneration report set out in the Company's 2014 annual report.

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

Shareholder means a holder of Shares.

Shares means ordinary fully paid shares in the capital of the Company.

TSR is calculated as the increase in the price of a company' shares on the ASX over the period from 30 June 2014 and the relevant Calculation Date, based on the 30 day VWAP for those shares on those dates, plus any reinvested dividends, expressed as a percentage of the 30 day VWAP share price at the date a Performance Right is granted.

VWAP means the volume weighted average price of Shares.

WST means Western Standard Time in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The Performance Rights are to be issued on the following terms and conditions:

- (a) Subject to the satisfaction of the applicable vesting condition set out in paragraph (b) below, each Performance Right vests into one fully paid ordinary share in the Company (**Share**).
- (b) The Performance Rights shall vest as follows (**Vesting Conditions**):
- (i) **Class A Performance Rights:** if the Company's performance between 30 June 2014 and 30 June 2017 exceeds the peer companies listed in Schedule 3 (**Peer Companies**) as follows:
- (A) between 50% and 100% (calculated pro rata) of the Class A Performance Rights will vest if the Company's TSR, as calculated at the end of the financial year, falls within the 50th and 75th percentiles when compared with the TSR of the other Peer Companies calculated over the same period; and
- (B) 100% of the Class A Performance Rights will vest if the Company's TSR as calculated on at the end of the financial year is above the 75th percentile when compared with the TSR of the other Peer Companies calculated over the same period;
- (ii) **Class B Performance Rights:** if the Company's ore reserves (in ounces of gold) increase from 30 June 2014 to 30 June 2017:
- (A) by between 0% and 25%, in which case 50% of the Class B Performance Rights will vest; and
- (B) by more than 25%, in which case 100% of the Class B Performance Rights will vest;
- (iii) **Class C Performance Rights:** if, from 30 June 2014 and by 30 June 2017 the Share price increases:
- (A) by between 25% and 50%, in which case, between 50% and 75% (calculated pro rata) of the Class C Performance Rights will vest; and
- (B) by more than 50%, in which case, 100% of the Class C Performance Rights will vest.
- (c) A Performance Right will vest where the applicable Vesting Condition is satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:
- (i) a holder or, where the holder is a nominee of an Eligible Participant, that Eligible Participant, ceasing to be an Eligible Participant as a result of:
- (A) death or Total or Permanent Disability; or
- (B) retirement or redundancy;
- (ii) a holder or, where the holder is a nominee of an Eligible Participant, that Eligible Participant, suffering severe financial hardship;
- (iii) the death or terminal illness of the holder (or Eligible Participant, as applicable) or of an immediate family member of the holder (or Eligible Participant, as applicable); or
- (iv) a substantial change in circumstances, out of the control of the holder (or Eligible Participant, as applicable) which affects the ability of the holder (or Eligible Participant, as applicable) to perform his or her role with the Company, its subsidiaries, or any other related body corporate of the Company.
- (d) Any Performance Right not vested before 30 June 2018 (**Expiry Date**) shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Performance Rights, unless otherwise determined by the Board.
- (e) Apart from the Expiry Date, a Performance Right will also lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right;

- (ii) a Vesting Condition in relation to the Performance Right is not satisfied by 30 June 2017 or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception (eg due to death, total and permanent disability, retirement or redundancy);
 - (iii) a vested Performance Right is not exercised within 90 days of the Board notifying that the Performance Right has vested;
 - (iv) a holder (or, where the holder is an associate of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant; and
 - (vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right.
- (f) The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting and exercise of the Performance Rights on the satisfaction of the Vesting Conditions.
- (g) The Company shall notify the holder upon the satisfaction of the Vesting Conditions (**Vesting Notice**). The holder may then exercise their right to accept the vesting of the Performance Rights within 90 days of the Vesting Notice and be issued the associated Shares.
- (h) All Shares allotted upon the vesting and exercise of Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (i) The holder of a Performance Right who is not a Shareholder is not entitled to:
- (i) notice of, or to vote or attend at, a meeting of the Shareholders of the Company; or
 - (ii) receive any dividends declared by the Company,
- unless and until any Performance Right is exercised and the holder holds Shares that provide the right to notice and dividends.
- (j) The Performance Rights are only transferrable with the prior written consent of the Board of the Company or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (k) A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (l) If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (m) There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (n) The Company will not apply for quotation of the Performance Rights. If any Shares issued under the Plan are of the same class of Shares that are quoted on ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the Shares under Chapter 9 of the Listing Rules ends.

SCHEDULE 2 – PEER COMPANIES

Name of Peer Company	ACN / ARBN	ASX Code
Beadell Resources Ltd	ACN 125 222 291	BDR
Evolution Mining Limited	ACN 084 669 036	EVN
Kingsgate Consolidated Limited	ACN 000 837 472	KCN
Millennium Minerals Limited	ACN 003 257 556	MOY
Norton Gold Fields Limited	ACN 112 287 797	NGF
Northern Star Resources Ltd	ACN 092 832 892	NST
Ramelius Resources Limited	ACN 001 717 540	RMS
Resolute Mining Limited	ACN 097 088 689	RSG
St Barbara Limited	ACN 009 165 066	SBM
Silver Lake Resources Limited	ACN 108 779 782	SLR
Troy Resources Limited	ACN 006 243 750	TRY
Regis Resources Limited	ACN 009 174 761	RRL
Doray Minerals Limited	ACN 138 978 631	DRM
Perseus Mining Limited	ACN 106 808 986	PRU
Teranga Gold Corporation	ARBN 146 848 508	TGZ
Oceanagold Corporation	ARBN 124 980 187	OGC
Kingsrose Mining Limited	ACN 112 389 910	KRM

The TSR performance of the Peer Companies will be adjusted/normalised by the Board of Directors in circumstances where one or more of those comparator companies ceases to be listed on the ASX.



Saracen

SARACEN MINERAL HOLDINGS LIMITED
ABN 52 009 215 347

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 10:00 am (WST) Monday, 24 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged 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, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Saracen Mineral Holdings Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Saracen Mineral Holdings Limited to be held at the Duxton Hotel, 1 St Georges Terrace, Perth, WA 6000 on Wednesday, 26 November 2014 at 10:00 am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 3 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 3 and 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Director - Mr Martin Reed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Ms Samantha Tough	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Adoption of Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Performance Rights to Mr Raleigh Finlayson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /