



Saracen

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ASX & MEDIA RELEASE

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SUCCESSFUL COMPLETION OF RETAIL ENTITLEMENT OFFER

Saracen Mineral Holdings Limited (ASX:SAR) ("**Saracen**" or the "**Company**") is pleased to announce the successful completion of the retail component ("**Retail Offer**") for the accelerated 2 for 11 non-renounceable entitlement offer ("**Entitlement Offer**"), as part of an equity capital raising to raise approximately A\$61.2 million ("**Offer**") at A\$0.31 per share.

The Company has received valid acceptances under the Retail Offer for 40,879,335 fully paid ordinary shares ("**New Shares**") including oversubscriptions. The amount available under the Retail Entitlement Offer is 41,709,183 New Shares and was fully underwritten such that Saracen will receive total proceeds under the Retail Entitlement Offer of approximately A\$12.9 million (before costs).

Under the Retail Entitlement Offer, eligible retail shareholders were given the opportunity to subscribe for New Shares over and above their entitlement ("**Retail Oversubscriptions**"), the allocation of which is subject to Saracen's discretion. The majority of shareholders who applied for Retail Oversubscriptions have been allocated the full Retail Oversubscription applied for subject to receiving the higher of:-

- i) two times their entitlement; and
- ii) 5,000 New Shares in total.

Any remaining shares available under the Retail Entitlement Offer have been allocated in accordance with the underwriting agreement with Evans & Partners Pty Ltd and Macquarie Capital (Australia) Limited.

New Shares issued under the Retail Entitlement Offer, which rank pari passu with existing ordinary shares on issue, will be allotted on 27 March and are expected to commence trading on the ASX on 28 March 2014.

Saracen's Managing Director, Raleigh Finlayson said: "We are delighted with the support for the issue from our retail shareholders with over 1,700 shareholders participating. The successful completion of the Offer to raise a total of \$61.2 million will allow the Company to complete the projects for which the funds were raised and, along with all shareholders, I am very excited about the future of the Company."

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The proceeds of the Offer will be used to:-

- i) Fund the acquisition of Thunderbox;
- ii) Accelerate development and exploration activities at existing operations and Thunderbox;
and
- iii) Reduce existing debt and improve financial flexibility.

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About Saracen

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 many other gold mines and deposits including Sunrise Dam, Granny Smith, and Wallaby.

Carosue Dam's 2.4 million tonne per annum processing plant produced 136,168 ounces of gold in FY2013 and is forecast to produce approximately 120-130,000oz in FY2014 and 125-135,000ozs in FY2015.

As at 30 June 2013, the Carosue Dam Operations Mineral Resources was 3.9 million ounces of gold, while Ore Reserves were 0.9 million ounces of gold.

Gold production is from the Whirling Dervish open pit mine, supplemented by high grade underground operations at the Red October underground mine.

In January 2014, Saracen agreed to acquire 100% of the Thunderbox Operations, located approx 45 kms south of Leinster in WA. The Thunderbox Operations are on care and maintenance and include the Thunderbox and Bannockburn gold mines as well as the Waterloo nickel mine. There is also a 2.5 million tonne per annum CIL processing plant and associated infrastructure.

The Thunderbox Deposit was discovered in 1999. Gold production totalled 805,000 ounces when processing operations ended in September 2007. Thunderbox produced at an average cash cost of US\$290/oz with a cash cost in the final year of operation of US\$481/oz.

At January 2014, the Thunderbox Operations Mineral Resources stands at 2.0 million ounces of gold, while Ore Reserves stand at 0.7 million ounces of gold.

Total Mineral Resources for Saracen stands at 6.0 million ounces of gold and 1.6 million ounces of Ore Reserves.

For the location of Saracen's projects, refer to the Figure below.

