



SARACEN MINERAL HOLDINGS LIMITED

ACN: 009 215 347

Bumper first half sets Saracen for transitional 2016

Continued strong cashflow underwrites low-cost growth strategy

Corporate Details:

11th January 2016

ASX code: SAR

Corporate Structure:

Ordinary shares on issue: 792.8m

Unvested employee performance rights:
20.2m

Market Capitalisation: A\$531m
(share price A\$0.67)

Cash & Bullion (31 December): A\$42.1m

Debt: Nil

Directors:

Mr Geoff Clifford
Non-Executive Chairman

Mr Raleigh Finlayson
Managing Director

Mr Mark Connelly
Non-Executive

Mr Martin Reed
Non-Executive

Ms Samantha Tough
Non-Executive

Substantial Shareholders:

Wroxby Pty Ltd 8.2%

Paradice Investment Management 7.9%

Karara Capital Pty Ltd 6.2%

Van Eck Associates Corporation 6.1%

Registered Office:

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Key Points

- Outstanding December quarter gold production of 44,265oz
- First half FY16 production of 82,405oz (outlook 75-80,000oz)
- Cash and bullion of \$42.1m at 31 December 2015 (\$44.9m at 30 September 2015) after spending \$29.3m on project capital and exploration in the quarter
- Project capital expenditure included \$22.7m at Thunderbox, \$1.5m at Kailis/KOTH (including acquisition costs), \$3.1m at Deep South and \$2.0m on exploration
- Karari is now cashflow positive and in commercial production
- First ore mined at Deep South, in line with expectations
- Thunderbox development progressing ahead of schedule – commissioning anticipated in the current quarter

Saracen Mineral Holdings Limited (ASX: SAR) is pleased to announce an outstanding production and cashflow performance for the December Quarter and that it is ahead of schedule to double gold production to 300,000ozpa. Gold production of 82,405oz for the first half of FY16 sits above the outlook range for the full year of 150-160,000oz (Carosue Dam only).

Significantly, cash and bullion declined by only \$2.8 million over the course of the quarter despite Saracen spending \$29.3 million on project capital and exploration, highlighting the significant free cashflow generation at the Carosue Dam Operations.

The \$65 million Thunderbox gold project development is running ahead of schedule with costs under budget. Commissioning of this new open pit operation will double group gold production to ~300,000oz pa at a forecast AISC of <A\$1075/oz, diversifying Saracen's production profile.

Saracen Managing Director Raleigh Finlayson said the Company's strategy to double gold production using 100% internally generated funding is close to fruition. "2016 will be a transformational year for Saracen as we bring Thunderbox on stream and elevate the Company into the ranks of Australia's mid-tier gold producers," he said.

For further information please contact:

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