



Saracen

5 August 2013

ASX & MEDIA RELEASE

GUIDANCE UPGRADE & IMPAIRMENT REVIEW

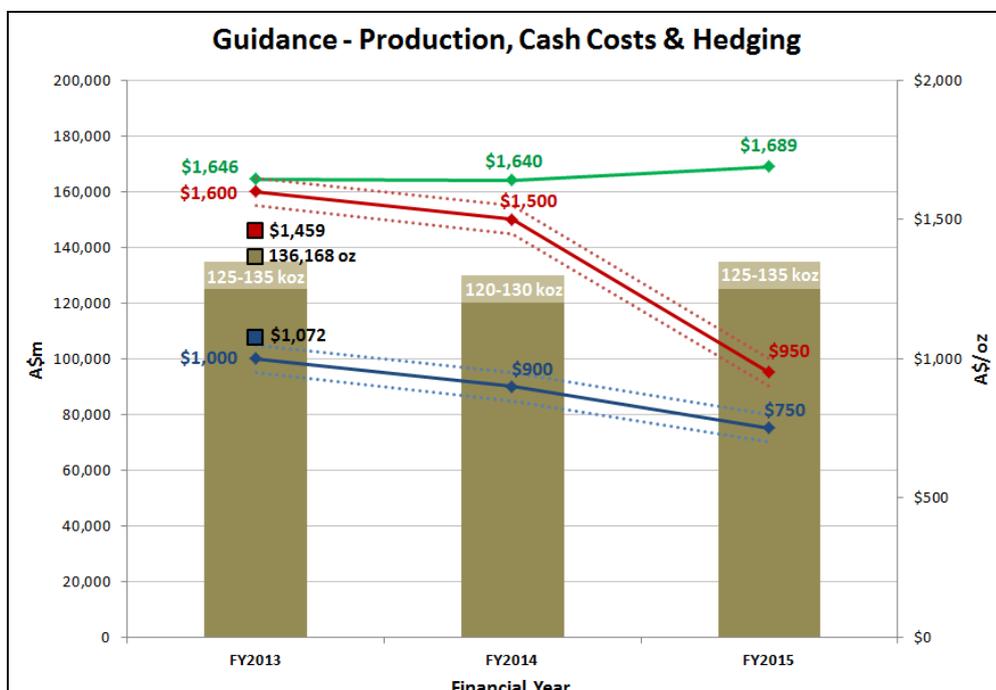
The Directors of Saracen Mineral Holdings Limited (the "Company"), wish to advise that guidance for FY2014 & FY2015 has been upgraded and that an impairment review has been undertaken on assets and will be included in the full year 2012/13 financial results.

Production Guidance for 2013/14 Year

Production guidance for FY2014 has been increased to 120-130koz, an increase of 10koz from previous guidance of 110-120koz. FY2015 guidance has also been increased to 125-135koz, also an increase of 10koz from previous guidance of 115-125koz.

Cash Costs are forecast to fall to A\$900/oz in FY2014, and further to A\$750/oz in FY2015.

"All in" Sustaining Cash Costs are forecast to be A\$1,500/oz in FY2014, then reduce to A\$950/oz in FY2015.



It's important to note that the guidance provided above only includes current reserves, with production from Red October only included in the FY2014 guidance, with FY2015 production being 100% from Whirling Dervish. It's envisaged that production from Red October will be added to the FY2015 guidance in due course once appropriate

Saracen Mineral Holdings Ltd

ACN 009 215 347
Level 4, 89 St Georges Terrace
Perth, WA 6000
Australia
Telephone (61 8) 6229 9100
Facsimile (61 8) 6229 9199

drilling and modelling has been conducted. This will result in increased production, revenue and free cashflow in FY2015.

Impairment Review

At the conclusion of each reporting period, the Company undertakes a detailed review of the carrying value of its assets for accounting purposes. The review for the period ended 30 June 2013 has taken into consideration the significant fall in the gold price since the last assessment was undertaken in December 2012.

Subject to a final review by the Board and the external auditors, the Company expects to recognise non-cash impairment charges of between A\$75m – A\$80m for the full 2012/13 financial year. This **includes** amounts previously written-down in the half year account to 31 December 2012 (A\$30.3m). The write-downs relate to the value of mining and development assets, ore stockpiles and exploration tenements.

The impairment review for mining and development assets was conducted using an average of Saracen's hedge prices and a A\$1,300/oz spot gold price, whilst the review for ore stockpiles utilised a spot gold price assumption of A\$1,300/oz.

The impairment write-downs are non-cash and therefore do not impact the Company's cash position or operations.

For further information please contact:

Raleigh Finlayson

Managing Director

Contact: r.finlayson@saracen.com.au

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 136,138 ounces in FY2013. The Company is forecasting production rates of 120-130,000 ounces in FY2014 and 125-135,000 ounces in FY2015.

As at 30 June 2012, Mineral Resources stood at around 4.1 million oz while Ore Reserves stood at 1.1 million oz.

The Carosue Dam operations area contains a large number of known gold deposits and is divided into the Southern and Northern regions.

Gold production is from the Karari and Whirling Dervish (currently under development) open pit mines in the Southern region ("Southern Operations") supplemented by high grade underground operations at Red October mine in the Northern region ("Northern Operations").