



**Saracen**

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**ASX & MEDIA RELEASE**

**RECORD PRODUCTION FOR FOURTH CONSECUTIVE QUARTER**

The Directors of Saracen Mineral Holdings Limited (**ASX:SAR**) (“Saracen” or “Company”), are pleased to provide an update on the production results for the September 2013 quarter ahead of the full quarterly report which will be released next week.

**September Quarter Production Milestones**

- **41,241 ounces produced in the September quarter 2013** (eclipsing previous record of 36,430 ounces set in the June quarter 2013 by 13%).
- **Record gold sales for the quarter of 43,096 ounces** for revenue of approx A\$66m at an average gold price received of **A\$1,531/oz** (average of spot and hedge prices).
- Milled headgrade of **2.27g/t** for the quarter, eclipsing previous record of 2.09g/t set in the June quarter 2013.
- Record mine production for the quarter from Red October of **68,230 tonnes @ 6.9g/t for 15,106 ounces**.

The 41,241 ounces is the highest quarterly gold production recorded at the Carosue Dam Operations since operations commenced in 2010 and is approximately 4,000 ounces more than internal budget forecasts for the September quarter. The rolling 12-month gold production from the Carosue Dam Operations is 146,962 ounces.

The extra 4,000 ounces produced above budget is a combination of a 195% overcall in the headgrade at the Karari open pit (3.35g/t actual versus 1.72g/t budget) and a 176% overcall in the headgrade at Red October (6.9g/t actual versus 3.9g/t budget), with the majority of ounces at Red October for the quarter coming from development ore rather than stoping ore hence the budget grade of 3.9g/t. The significant overcall in grade, in particular at Red October, is due to the conservative topcuts that have been applied to the ore reserves. These topcuts tend to undercall the very high grade intercepts of greater than 50g/t.

The Whirling Dervish open pit continues to advance ahead of schedule with 106,000 tonnes of ore mined during the quarter at a 5% higher grade than planned (0.93g/t actual versus 0.89g/t budget).

The most pleasing aspect of the quarter was the continued reduction in cash expenditure and significant cash build on the back of record gold sales resulting from the record gold production and gold hedging program that Saracen has in place, with 159,050 ounces at A\$1,687/oz remaining until July 2016. Saracen is now in a **net cash** position compared with last quarter when the company was in a **net debt** position of A\$8.7m. More information on cashflows and cash costs will be provided with the full quarterly report.

**For further information please contact:**

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