



Saracen

12 March 2014

ASX & MEDIA RELEASE

500,000 OUNCE GOLD PRODUCTION MILESTONE

The Directors of Saracen Mineral Holdings Limited (**ASX:SAR**) (“Saracen” or the “Company”), are pleased to announce that the Company’s Carosue Dam Operations (**CDO**) has this week, produced its 500,000th ounce of gold since production commenced under the Saracen ownership in January 2010.

Saracen acquired the CDO tenements, plant and infrastructure in 2006, and has subsequently developed Carosue Dam into a profitable and sustainable gold operation. Gold production has come from a combination of open pit and underground mines, including Whirling Dervish, Red October, Karari and Deep South.

Saracen’s Managing Director, Raleigh Finlayson, commented:

“Reaching 500,000 ounces of gold production is a significant milestone for the Carosue Dam Operations and for Saracen. When we acquired the project in 2006, total Mineral Resources stood at 780,000 ounces and we had no Ore Reserves. We have now produced 500,000 ounces of gold and have increased Mineral Resources to approximately 3.9 million ounces including 860,000 ounces of Ore Reserves.

Following the successful completion of a \$61.2million capital raising, we are looking forward to extending the resource and reserve base through further exploration and development programmes at CDO, specifically at Red October and Karari.

*The strong production and forecast cashflow generation at CDO will also allow us to progress the recently acquired Thunderbox Operations (**TBO**), located 45km south of Leinster, WA. TBO will become our second production centre, with first production potentially commencing within 18 months. An exploration drill program will test the down plunge extensions of the Thunderbox deposit mineralisation which remains open and untested approximately 450m below surface.*

To all our employees who have assisted the Company on this journey, the Saracen Board extends a sincere thank you for your efforts and contribution and we look forward to the journey continuing.”

For further information please contact:

Raleigh Finlayson
Managing Director

Contact: r.finlayson@saracen.com.au

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



Ron Follows (Gold Room Supervisor) & Cleo Leunig (Plant Metallurgist) holding Saracen gold bar SGMCD1469G containing the 500,000th ounce produced at the Carosue Dam Operations.

Competent Persons Statement:

The information on Group Mineral Resources and Ore Reserves is extracted from the reports entitled “2013 Mineral Resources and Ore Reserves” dated 8 October 2013 and “Saracen Acquires Thunderbox Operations” dated 21 January 2014. Both reports are available to view on the ASX Website at www.asx.com.au and the Company’s website at www.saracen.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources and Ore Reserves, that all market assumptions and technical assumptions underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

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 Figure 1 below.

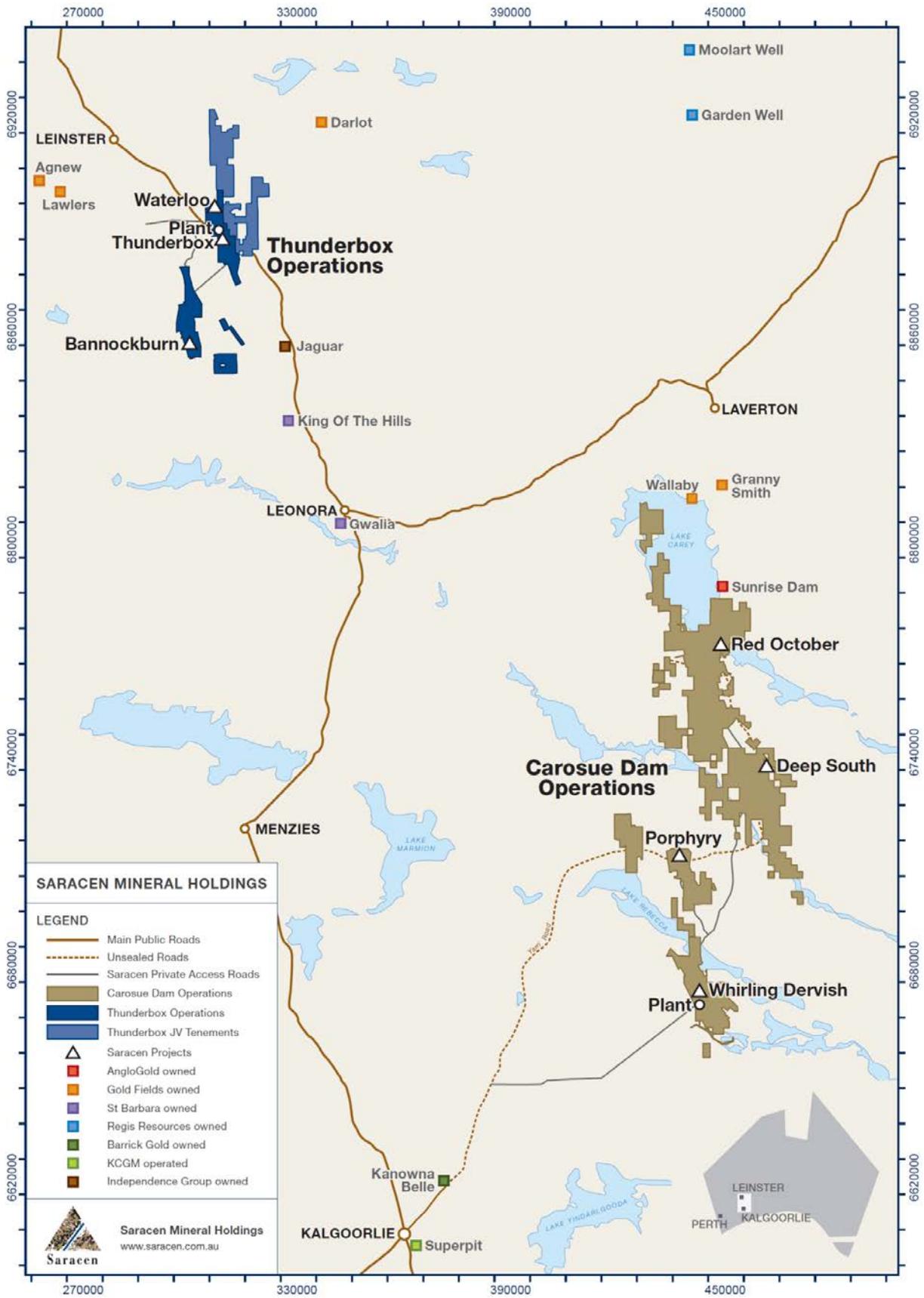


Figure 1: Saracen's Thunderbox & Carosue Dam Operations