



Saracen Mineral Holdings Limited

Notification to Ineligible Shareholders

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

20th November 2019

Dear Shareholder

SARACEN MINERAL HOLDINGS LIMITED ENTITLEMENT OFFER - NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 18 November 2019, Saracen Mineral Holdings Limited ACN 009 215 347 ("SAR" or "Offeror"), announced an underwritten A\$427 million 1-for-5.75 pro-rata accelerated non renounceable entitlement offer ("Entitlement Offer") of new fully paid ordinary shares ("New Shares") at an offer price of A\$2.95 per New Share ("Offer Price"). Concurrently with the Entitlement Offer, SAR also undertook an underwritten placement of New Shares to institutional investors ("Institutional Placement") to raise approximately A\$369 million at the same offer price, taking the total equity raising size to A\$796 million (together, the "Equity raising").

The proceeds of the Equity Raising will be used to partially fund SAR's acquisition of a 50% interest in the Kalgoorlie Consolidated Gold Mines Joint Venture ("KCGM JV") through the purchase of 100% of the shares in Barrick (Australia Pacific) Pty Limited and associated transaction costs. The KCGM JV owns and operates the Super Pit gold mine in Kalgoorlie-Boulder, Western Australia.

The Entitlement Offer comprises an institutional entitlement offer ("Institutional Entitlement Offer") and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms ("Retail Entitlement Offer"). The Entitlement Offer is being made by SAR in accordance with section 708AA of the *Corporations Act 2001* (Cth) (Act) as modified by the Australian Securities and Investments Commission Corporations Instrument (Non-Traditional Rights Issues) Instrument 2016/84, meaning that no prospectus or other disclosure document needs to be prepared. The Institutional Entitlement Offer and Institutional Placement have already closed and the results have been announced to ASX.

This notice is to inform you about the Retail Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. **You are not required to do anything in response to this letter.**

Details of the Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Shareholders (as defined below), on the basis of 1 New Share for every 5.75 existing fully paid ordinary shares in SAR held at 7:00pm (Sydney time) on 20 November 2019 ("Record Date").

Documents relating to the Retail Entitlement Offer were lodged with ASX on 20 November 2019 and are being mailed to Eligible Retail Shareholders by 25 November 2019.

Eligibility criteria

SAR has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Act, that it would be unreasonable to make offers to shareholders in countries other than Australia and New Zealand in connection with the Retail Entitlement Offer having regard to:

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- the relatively small number of shareholders in the other jurisdictions where the Retail Entitlement Offer would be made;
 - the number and value of securities for which such shareholders would otherwise have been entitled; and
 - the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Retail Entitlement Offer would be made,

(called “Ineligible Retail Shareholders”).

Shareholders who are eligible to participate in the Retail Entitlement Offer (“Eligible Retail Shareholders”) are shareholders who:

- are registered as a holder of existing SAR shares as at 7.00pm (Sydney time) on the Record Date;
- have a registered address in Australia or New Zealand as listed on SAR’s share register on the Record Date;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such a person holds shares in SAR for the account or benefit of such persons in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer (and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or other formal offer document to be lodged or registered.

SAR may (at its absolute discretion) extend the Retail Entitlement Offer to certain institutional shareholders in foreign jurisdictions who did not participate in the institutional component of the Entitlement Offer (subject to compliance with applicable laws).

Unfortunately, according to our records, SAR has determined that you do not satisfy the eligibility criteria for an Eligible Retail Shareholder stated above. Accordingly, SAR wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will also not be sent the retail offer document relating to the Retail Entitlement Offer nor be able to subscribe for New Shares under the Retail Entitlement Offer.

Ineligible Shares

New Shares (“Ineligible Institutional Shares”) that would have been offered under the Entitlement Offer to ineligible institutional shareholders, had they been entitled to participate in the Institutional Entitlement Offer were offered for issue under an institutional shortfall bookbuild, and to the extent not taken up under the institutional shortfall bookbuild, will be taken up by the underwriters, subject to the terms of the underwriting agreement. New Shares (“Ineligible Retail Shares”) that would have been offered under the Entitlement Offer to Ineligible Retail Shareholders, had they been entitled to participate in the Retail Entitlement Offer, will be taken up by the underwriters, subject to the terms of the underwriting agreement.

The price at which Ineligible Institutional Shares will be issued under the Institutional Shortfall Bookbuild and the price at which Ineligible Institutional Shares and Ineligible Retail Shares will be taken up by the underwriters, subject to the terms of the underwriting agreement, is the same as the Offer Price. Accordingly there will be no net proceeds from those issues in excess of the Offer Price under the Entitlement Offer and ineligible institutional shareholders and Ineligible Retail Shareholders will not receive any payment or value in connection with the Ineligible Institutional Shares or Ineligible Retail Shares.

Further information

If you have any questions in relation to any of the above matters, please call the Saracen Offer Information Line on 1300 140 292 (within Australia) or + 61 3 9415 4285 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to

Friday. For other questions, you should contact your stockbroker, accountant, taxation advisor, financial adviser or other professional adviser.

On behalf of the Board and management of SAR, thank you for your continued support of SAR.

Yours faithfully,

Saracen Mineral Holdings Limited

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This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in SAR. In particular, this letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, nor will be registered under the U.S. Securities Act of 1933, as amended ("Securities Act") or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States unless they have been registered under the Securities Act (which SAR has no obligation to do so or procure) or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of persons in the United States, in each case, in "offshore transactions" (as defined in Rule 902(h) of the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

Important information

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this document, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies. Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Past performance is not a reliable indicator of future performance.