



Saracen

27 February 2014

ASX & MEDIA RELEASE

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**SUCCESSFUL COMPLETION OF PLACEMENT AND
INSTITUTIONAL ENTITLEMENT OFFER AND
UNDERWRITING AND DETAILS OF RETAIL ENTITLEMENT OFFER**

Saracen Mineral Holdings Limited (ASX:SAR) ("**Saracen**" or the "**Company**") is pleased to announce the successful completion of the bookbuild for the recently announced institutional placement ("**Placement**") and the accelerated institutional component ("**Institutional Entitlement Offer**") of the 2 for 11 non-renounceable entitlement offer ("**Entitlement Offer**"), as part of an equity capital raising to raise approximately A\$61.2 million ("**Offer**") at A\$0.31 per share ("**Issue Price**").

The Placement and Institutional Entitlement Offer has successfully raised a total of approximately **A\$48.3 million** (before costs) for the issue of approximately 155.8 million fully paid ordinary shares ("**New Shares**") to institutional and sophisticated investors, comprised as follows:-

- Placement of approximately 89.3 million New Shares to raise approximately A\$27.7 million; and
- Institutional Entitlement Offer of approximately 66.5 million New Shares to raise approximately A\$20.6 million.

The Placement and Institutional Offer were strongly supported by both existing institutional shareholders and a number of new institutional investors.

As a result of the strong support for the Offer, the retail component of the Entitlement Offer ("**Retail Entitlement Offer**") has now been **fully underwritten by the Joint Lead Managers**.

Evans and Partners Pty Ltd and Macquarie Capital (Australia) Limited acted as joint lead managers ("**Joint Lead Managers**") to the Offer and Argonaut Securities Pty Ltd acted as co-manager.

New Shares issued under both the Placement and the Entitlement Offer will rank pari passu with existing ordinary shares on issue.

Saracen's Managing Director, Raleigh Finlayson said: "We are delighted with the very strong support for the Company from both Saracen's longstanding shareholders and new institutional investors. Completion of the Offer will strengthen Saracen's balance sheet and allow Saracen to accelerate our plans for Red October, Karari and Thunderbox once the acquisition is completed. We look forward to the participation of our eligible retail shareholders in the Retail Entitlement Offer which is at the same issue price."

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Settlement of the Placement and the Institutional Entitlement Offer is scheduled for 6 March 2014, with the New Shares expected to commence trading on the ASX on 7 March 2014.

The proceeds of the Offer will be used to:-

- i) fund the acquisition of Thunderbox (use of equity funding rather than cash on hand and debt facilities);
- ii) accelerate development and exploration activities at existing operations and Thunderbox; and
- iii) reduce existing debt and improve financial flexibility.

Retail Entitlement Offer

The Retail Entitlement Offer is expected to raise approximately A\$12.9 million from the issue of approximately 41.7 million new shares. The Retail Entitlement Offer opens on 5 March 2014 and is expected to close at 5.00pm (AEDT) on 20 March 2014.

Shareholders who are eligible to participate under the terms of the Retail Entitlement Offer will be offered the opportunity to subscribe for 2 New Shares for every 11 existing shares held at 5.00pm (AEDT) on 28 February 2014 at the Offer Price of A\$0.31 per New Share. This is the same entitlement ratio and Issue Price as applied to the Institutional Entitlement Offer. Eligible retail shareholders will also be given the opportunity to subscribe for New Shares over and above their entitlement ("**Shortfall Shares**"). Shortfall Shares will only be issued if the Retail Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. The Directors, in conjunction with the Underwriters, reserve the right to, in their absolute discretion, reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than applied for.

Eligible retail shareholders should carefully read the retail entitlement offer booklet, investor presentation and personalised entitlement and acceptance form, which is expected to be mailed to each eligible retail shareholder on 5 March 2014.

The Retail Entitlement Offer is not being extended to any retail shareholder with a registered address outside Australia and New Zealand.

Saracen shares are expected to resume trading on the ASX today.

For further information please contact:

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