23 June 2014

ASX & MEDIA RELEASE

RED OCTOBER EXPLORATION UPDATE

The Directors of Saracen Mineral Holdings Limited (**ASX: SAR**) ("Saracen" or the "Company") are pleased to provide an update on exploration activities at the Red October Underground Mine.

Highlights include:

- Resource extension drilling confirms high grade continuity at depth;
- Resource extensions undergoing modelling for inclusion in FY2015 mine plan;
- Exploration drill drive now complete and exploration drilling has commenced;
- Discovery of the Anchor Lode.

Significant intercepts include:

- **ROGC316 – 12.4m @ 32.8g/t from 152.7m** (estimated true width 6.0m)
  Inc' – 0.5m @ 74.1g/t
  – 4.9m @ 72.5g/t
  – 0.5m @ 86.7g/t
- **ROGC301 – 0.4m @ 319.0g/t from 143.5m** (estimated true width 0.3m)
- **ROGC296 – 4.3m @ 13.2g/t from 154.0m** (estimated true width 3.9m)
- **ROGC307 – 2.9m @ 16.1g/t from 118.9m** (estimated true width 2.1m)
- **ROGC308 – 5.4m @ 55.4g/t from 167.9m** (estimated true width 3.5m)
- **ROGC299 – 5.4m @ 5.1g/t from 141.6m** (estimated true width 3.2m)
- **ROGC319 – 0.5m @ 34.9g/t from 140.2m** (estimated true width 0.5m)
- **ROGC328 – 0.4m @ 63.1g/t from 141.6m** (estimated true width 0.3m)

Comment from Managing Director, Raleigh Finlayson:

"We are very pleased to announce these results which are some of the highest grade intercepts that we have ever drilled at Red October. These results are a prelude to the commencement of the most significant and far reaching exploration drilling program to be conducted at Red October.

"ROGC316 is a significant intercept (12.4m @ 32.8g/t) and represents the deepest hole into the high grading, south plunging, Red October shear below the currently defined mine plan.

"These results are hopefully the start of a significant pipeline of exploration news flow over the coming quarters, with the Red October underground drilling program to be followed by major exploration programs at Thunderbox and Karari."

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Resource Extension Drilling:

Underground drilling at Red October has continued with the follow-up of the high grade results announced in the March 2014 quarterly report (highlights included **ROGC302 - 2.0m @ 55.6g/t** and **ROGC286 – 1m @ 80.4g/t**). The program was successful in replicating the earlier high grade intercepts which remain open at depth. The area is currently undergoing resource modelling and economic evaluation, with the objective of adding them to the mine life. Holes of note in this area are **ROGC296 – 4.3m @ 13.2g/t** and **ROGC307 – 2.9m @ 16.1g/t** (refer Figure 1).

Drilling directed at the southern extension of the main Red October Shear has intersected another cross cutting mineralised shear. This new shear has been recognised in a number of holes and is referred to as the "Anchor" Lode.

The structure is steeply dipping to the north and has similar characteristics to the previously identified Smurf structures. The Anchor lode appears to offset the main Red October shear by up to 20m. Notable intersections into the Anchor lode are **ROGC319 – 0.5m @ 34.9g/t, ROGC328 – 0.4m @ 63.1g/t and ROGC301 – 0.4m @ 319.0g/t** (refer Figure 1).

Hangingwall Drill Drive Exploration:

Completion of the hangingwall drill drive has resulted in the commencement of a 15,000 metre exploration program that will drill test the resource to approximately twice the depth that it is currently defined (refer to Figure 2).

The drill drive has been accessed from the 1042 Level, and has extended 200m into the hangingwall. A second underground drill rig has been mobilised to expedite the progress of the exploration program. It is expected that the phase 1 drilling program will be completed during the December quarter 2014.

The first hole (ROEX012) from the exploration drive has been completed and successfully intersected the Red October shear at a depth of 351 metres, returning a low grade result of 2.6m @ 0.4g/t. The hole was extended into the footwall by 100m to identify any Smurf or Anchor Lode analogues. A narrow zone typical of the Smurf style mineralisation was intersected at 381 metres returning 1.0m @ 0.65g/t.

The results highlight the variability of the grade tenor of the Red October mineralisation, with ROEX004 returning 3.0m @ 4.2g/t in the Red October shear and ROEX001 returning 0.3m @ 18.5g/t in the footwall structure, both in close proximity to ROEX012 (refer Figure 1). The presence of the Red October shear and cross cutting structures in the recent deeper drilling at similar geometries to those seen in the active mining levels is very important and encouraging for future exploration success.

The area immediately below ROGC316 (12.4m @ 32.8g/t) will be drilled from the hangingwall drill drive to test the high-grade, down-dip extensions of the Red October shear in the southern area of the mine. Results in this area so far have been highly encouraging (refer Figure 1).

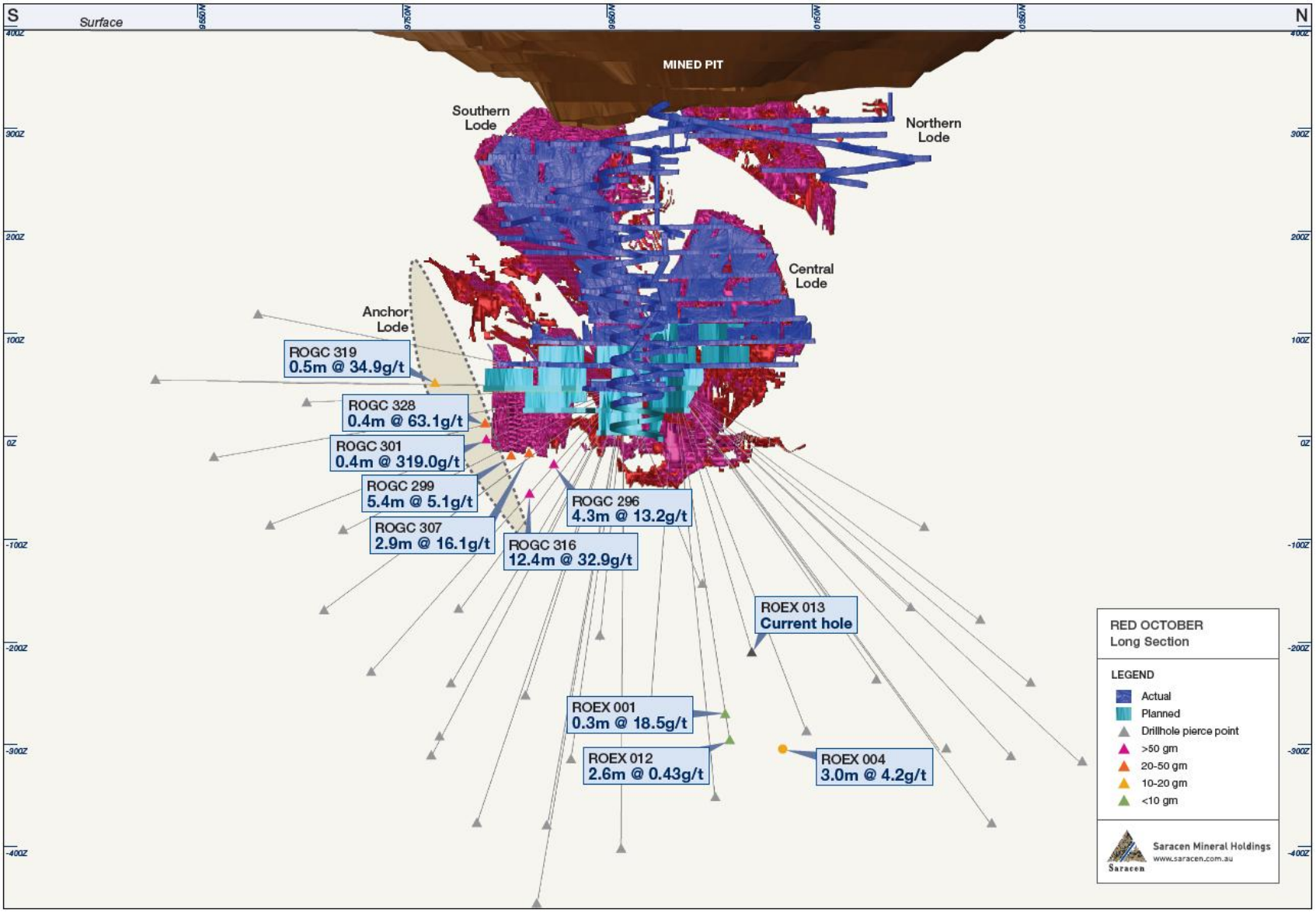

Figure 1 – Red October long section showing drilling results outside current mine plan

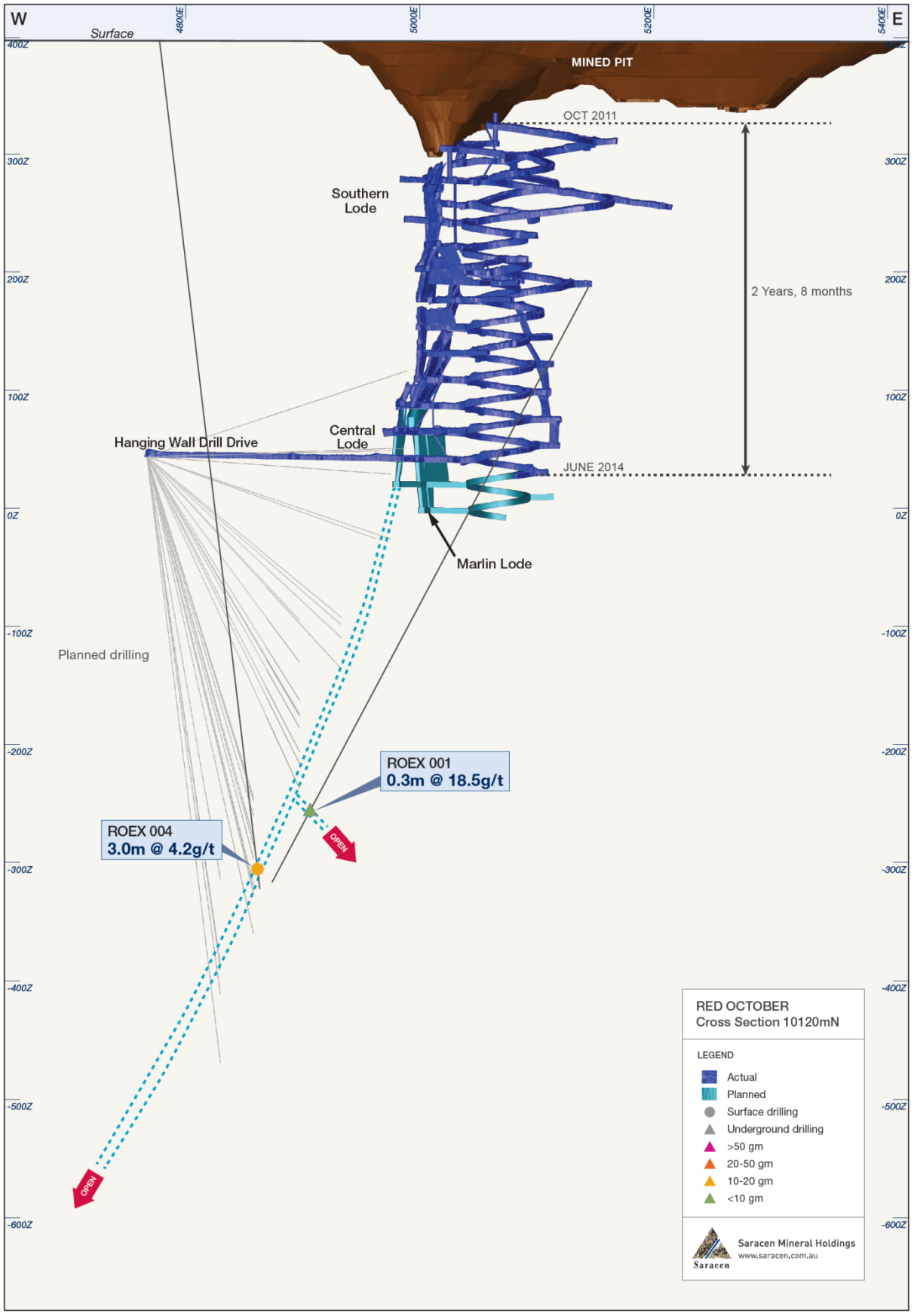

Figure 2– Red October cross section illustrating the recently completed hangingwall drill drive

For further information please contact:

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Competent Persons Statement:

The information in the report to which this statement is attached that relates to Exploration Results and Mineral Resources is based upon information compiled by Mr Daniel Howe, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Daniel Howe is a full-time employee of the company. Daniel Howe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves'. Daniel Howe consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Summary of Drill Results

RED OCTOBER DRILLING JUNE 2014 QUARTER										Downhole	
Hole	Easting	Northing	RL	Depth	Azimuth	Dip		From (m)	To (m)	Width (m)	Grade g/t
ROEX012	442869.2	6768003.23	45.108	491.1	86.19	-75		163.2	164	0.8	0.82
							and	351	353.6	2.6	0.43
							and	381	382	1	0.65
ROEX013	442869.2	6768003.23	45.108		92.19	-63	in progress				
ROGC296	443013.8	6767771.031	46.649	216	293.3	-28.3		104	104.7	0.7	17.50
							and	139.6	141.2	1.6	4.80
							and	154	158.3	4.3	13.16
							and	209.5	210	0.5	7.60
ROGC297	443013.4	6767770.657	46.574	194.6	283.9	-26.4		109.7	110.4	0.7	9.52
ROGC298	443012.8	6767770.101	46.188	246	268.7	-28.9		18.9	19.3	0.4	2.53
							and	144.1	151	6.9	3.69
							and	156.4	157.1	0.7	3.36
							and	162.3	163.1	0.8	2.52
							and	184.6	188.6	4	3.26
ROGC299	443012.8	6767770.121	46.269	201	270.1	-27		18.9	19.4	0.5	2.80
							and	141.6	147	5.4	5.08
ROGC300	443012.2	6767769.527	46.253	302.7	260.1	-26.8		18.9	20	1.1	3.29
							and	24	25	1	2.58
							and	147.6	148	0.4	3.76
							and	163.6	163.9	0.3	15.20
							and	168.1	168.7	0.6	3.05
							and	243.8	244.8	1	3.98
							and	252.9	253.4	0.5	5.74
							and	269.5	270	0.5	7.26
ROGC301	443012.2	6767769.515	45.55	230.4	261.7	-21.8		19.7	20.3	0.6	3.80
							and	55.4	56.05	0.65	8.81
							and	77.3	77.75	0.45	5.07
							and	143.5	143.9	0.4	319.00
ROGC305	443015	6767772.052	46.724		351.19	-36	in progress				
ROGC306	443012.6	6767770.032	46.976	193.3	275.19	-15		136.8	137.1	0.3	13.10
							and	147	149.9	2.9	3.18
							and	169.9	170.5	0.6	3.21
							and	176	177.5	1.5	5.58
ROGC307	443012.9	6767770.23	46.593	171	279.7	-29		55	55.4	0.4	9.47
							and	118.9	121.8	2.9	16.13
ROGC308	443012.7	6767770.014	46.421	230.9	273.5	-35		18.4	19.2	0.8	3.94
							and	154.4	156.7	2.3	34.86
							and	167.9	173.3	5.4	55.43
							and	202.5	204	1.5	3.01
ROGC309	443013.1	6767770.543	46.559	174	286.2	-38.2		18.7	19.5	0.8	2.64
							and	126.8	127.3	0.5	3.52
ROGC310	443013.5	6767770.818	46.754	149.2	297.9	-34.9		19.3	20	0.7	3.66
							and	109.8	111.7	1.9	3.35
ROGC314	443014	6767771.309	46.367	211.5	323.19	-43		22.4	22.85	0.45	2.83
							and	25.3	26.2	0.9	2.70
							and	107	107.9	0.9	8.61
							and	165	166	1	2.99
ROGC315	443013.1	6767770.239	46.358	164.4	319.19	-39		22.4	23.3	0.9	4.42
							and	134.4	135.6	1.2	3.03
ROGC316	443013.1	6767770.239	46.358	204	279.9	-41.4		152.7	165.1	12.4	32.87
							incl	152.7	153.25	0.55	74.10
								157.3	158.3	1	8.03
								159.2	164.1	4.9	72.53
							and	180.9	181.4	0.5	86.70
ROGC317	443011.8	6767768.7	48.303	158	251.8	11		38.8	39.3	0.5	2.51
							and	45	45.8	0.8	3.54
							and	48.4	49.8	1.4	5.86
							and	150	150.5	0.5	3.69
							and	151.5	151.9	0.4	6.59
ROGC318	443012.1	6767767.906	48.37	182.4	237.7	12.1		53.1	55	1.9	5.10
							and	106	107	1	4.85
ROGC319	443011.8	6767768.715	47.796	158.4	250.7	4.1		29.2	31.2	2	3.58
							and	34.5	35.3	0.8	3.52
							and	140.2	140.7	0.5	34.90
ROGC320	443013.3	6767767.338	45.548	149.9	263.6	-13.2		136	137.3	1.3	3.46
ROGC321	442960.4	6767757.613	66.363	125.6	241.7	-7.5	no significant intercepts				
ROGC322	442960.4	6767757.613	66.363	132	228	-7.6	no significant intercepts				
ROGC323	443013.1	6767770.239	46.358	150	254.9	-3.9		136.5	136.8	0.3	4.16
ROGC324	442960.4	6767757.613	66.363	120	236.9	-20.3	no significant intercepts				
ROGC325	443013.3	6767767.338	45.548	188.8	248	-13.2	no significant intercepts				
ROGC326	443013.1	6767770.239	46.358	164.9	249.7	-13.1		22.9	23.5	0.6	3.70
							and	132.2	132.5	0.3	13.40
ROGC327	442960.4	6767757.613	66.363	127	237.9	-27.4	no significant intercepts				
ROGC328	443013.3	6767767.338	45.548	170.9	257.1	-17.9		134	135	1	6.67
							and	141.6	142	0.4	63.10
ROGC329	443013.1	6767770.239	46.358	159	250.8	-20		21.6	22.6	1	3.56
							and	49.7	50.3	0.6	2.71
ROGC330	443013.3	6767767.338	45.548	185.6	247.7	-19.5		22.7	23.5	0.8	3.21
							and	39	40	1	5.42
ROGC332	443013.3	6767767.338	45.548	180	248.4	-27.9	outstanding results				
ROGC335	443012.3	6767768.717	46.128	197.8	264.9	-31	outstanding results				
RORD034	442959.2	6767698.229	189.969	411.1	251.9	-37.7		93.3	94.3	1	1.29
							and	95.8	97.9	2.1	1.29
							and	298.6	302.1	3.5	1.52
RORD035	442959.2	6767697.44	190.083	428.1	233.1	-27.1		270.6	275	4.4	1.72
							and	407.6	408.6	1	1.04
							and	409.8	412.6	2.8	1.07

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 125-135,000oz in FY2014 and 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.

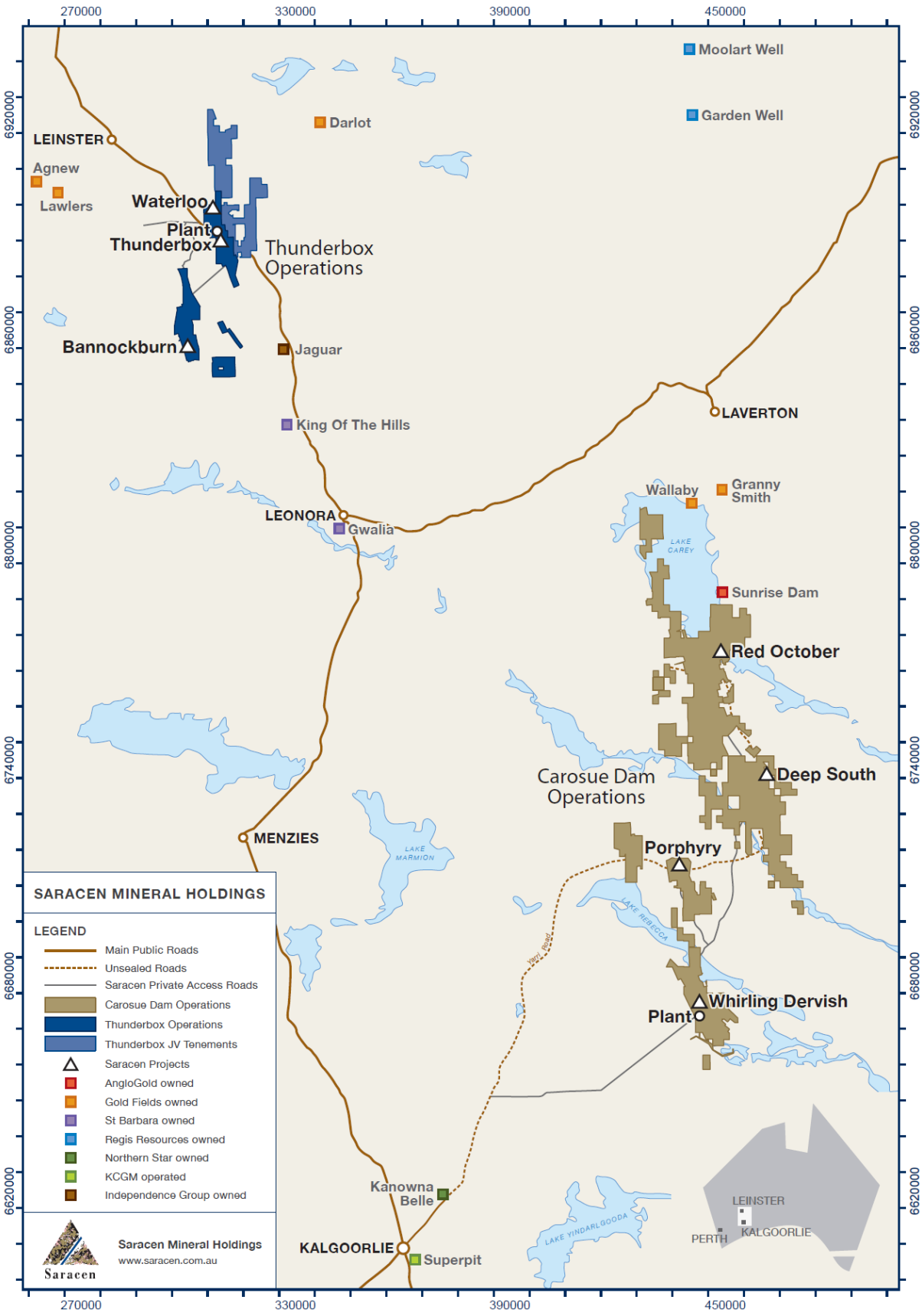
In May 2014, Saracen completed the acquisition of the Thunderbox Operations, located approx 45 kms south of Leinster in WA. The Thunderbox Operations are on care and maintenance and include the Thunderbox and Bannockburn gold mines as well as the Waterloo nickel mine. There is also a 2.5 million tonne 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 the map below.



Saracen's Thunderbox & Carosue Dam Operations

JORC 2012 Table 1 Red October

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Sampling activities conducted at Red October by Saracen include reverse circulation (RC), surface and underground diamond drilling (DD) and underground face chip sampling. Historic sampling methods conducted since 1989 have included aircore (AC), rotary air blast (RAB), RC and surface and underground DD holes.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Sampling for RC, DD and face chip sampling is carried out as specified within Saracen sampling and QAQC procedures as per industry standard. RC chips and NQ diamond core provide high quality representative samples for analysis. RC, RAB, AC and surface DD drilling completed by previous holders is assumed to adhere to industry standard at that time (1989- 2004).
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. *Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information*	Saracen sampling activities have been carried out to industry standard. Reverse circulation drilling is used to obtain 1m samples, diamond core is sampled to geological intervals (0.2m to 1.2m) and cut into half core and UG faces are chip sampled to geological intervals (0.2 to 1m), with all methods producing representative samples weighing under 3kg. Samples are selected to weigh less than 3 kg to ensure total sample inclusion at the pulverisation stage. Saracen core and chip samples are crushed, dried and pulverised to a nominal 90% passing 75µm to produce a 40 g sub sample for analysis by FA/AAS. Visible gold is occasionally encountered in drillcore and face samples. Historical AC, RAB, RC and diamond sampling is assumed to have been carried out to industry standard at that time. Analysis methods include fire assay, aqua regia and unspecified methods.
Drilling Techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube,depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method,etc.).*	The deposit was initially sampled by 495 AC holes, 73 RAB holes, 391 RC holes (assumed standard 5 ¼'' bit size) and 159 surface diamond NQ and HQ core holes. 5 RC holes were drilled using a 143mm diameter bit with a face sampling hammer. The rig was equipped with an external auxiliary/ booster. Saracen has previously completed 6 reverse circulation drillholes, 9 surface HQ and NQ diamond drillholes, 258 underground NQ diamond drill holes and sampled 622 underground faces.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
		All diamond drill core has been oriented using an Ezi-mark tool. Some historic surface diamond drill core appears to have been oriented by unknown methods.
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	RC chip recoveries are recorded in the database as a percentage based on a visual weight estimate. Underground and surface diamond core recoveries are recorded as percentages calculated from measured core versus drilled metres, and intervals are logged and recorded in the database. Diamond core recoveries average >90%. Limited historic surface sampling and surface diamond recoveries have been recorded.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	During RC drilling daily rig inspections are carried out to check splitter condition, general site and address general issues. Ground condition concerns led to extensive hole conditioning meaning contamination was minimised and particular attention was paid to sample recovery. Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against depth given on the core blocks. UG faces are sampled left to right across the face allowing a representative sample to be taken due to the vertical nature of the orebody. Historical AC, RAB, RC and diamond drilling to industry standard at that time.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	There is no known relationship between sample recovery and grade for RC drilling. Diamond drilling has high recoveries due to the competent nature of the ground meaning loss of material is minimal. Any historical relationship is not known.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature.* *Core (or costean, channel, etc) photography.*	Logging of all RC chips and diamond drill core is carried out. Logging records lithology, mineralogy, texture, mineralisation, weathering, alteration and veining. Logging is both qualitative and quantitative in nature. Geotechnical and structural logging is carried out on all diamond core holes to record recovery, RQD, defect number, type, fill material, shape and roughness and alpha and beta angles. Core is photographed in both dry and wet state. All faces are photographed and mapped.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
		Qualitative and quantitative logging of historic data varies in its completeness. Some surface diamond drill photography has been preserved.
	The total length and percentage of the relevant intersections logged	All RC and diamond drillholes are logged in full and all faces are mapped. Historical logging is approximately 95% complete, some AC, RAB and RC precollar information is unavailable.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	All diamond core is cut in half onsite using an automatic core saw. Samples are always collected from the same side.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC drilling has been cone split and was dry sampled. UG faces are chip sampled using a hammer. AC, RAB and RC drilling has been sampled using spear, grab, riffle and unknown methods.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation of RC chips, diamond core and UG face chips adhere to industry best practice. It is conducted by a commercial laboratory and involves oven drying, coarse crushing then total grinding using an LM5 to a grind size of 90% passing 75 microns. Best practice is assumed at the time of historic sampling.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	All subsampling activities are carried out by commercial laboratory and are considered to be satisfactory. Sampling by previous holders is assumed to adhere to industry standard at the time.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second halfsampling.	RC field duplicate samples are carried out at a rate of 1:20 and are sampled directly from the on-board splitter on the rig. These are submitted for the same assay process as the original samples and the laboratory are unaware of such submissions. No duplicates have been taken of UG diamond core or face samples. Sampling by previous holders assumed to be industry standard at the time.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes of 3kg are considered to be appropriate given the grain size (90% passing 75 microns) of the material sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	A 40 gram fire assay with AAS finish is used to determine the gold concentration for RC chip, UG diamond core and face chip samples. This method is considered one of the most suitable for determining gold concentrations in rock and is a total digest method. Historic sampling includes fire assay, aqua regia and unknown methods.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were utilised for reporting gold mineralisation.
	Nature of quality control procedures adopted (e.g.standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e.lack of bias) and precision have been established.	Certified reference material (standards and blanks) with a wide range of values are inserted into every RC, diamond drillhole and UG face to assess laboratory accuracy and precision and possible contamination. These are not identifiable to the laboratory. QAQC data returned are checked against pass/fail limits with the SQL database and are passed or failed on import. A report is generated and reviewed by the geologist as necessary upon failure to determine further action. QAQC data is reported monthly and demonstrates sufficient levels of accuracy and precision. Sample preparation checks for fineness are carried out to ensure a grindsize of 90% passing 75 microns. The laboratory performs a number of internal processes including standards, blanks, repeats and checks. Industry best practice is assumed for previous holders. . Historic QAQC data is stored in the database but not reviewed.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intercepts are verified by the Geology Manager and corporate personnel.
	The use of twinned holes.	No specific twinned holes have been drilled at Red October but underground diamond drilling has confirmed the width and grade of previous exploration drilling.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols	Primary data is collated in a set of excel templates utilising lookup codes. This data is forwarded to the Database Administrator for entry into a secure acQuire database with inbuilt validation functions. Chips from RC drillholes are stored in chip trays for future reference. Remaining half core is stored in core trays and archived on site Hard copies of face mapping and sampling records are kept on site. Data from previous owners was taken from a database compilation and was validated as much as practicable before entry into the Saracen acQuire database.
	Discuss any adjustment to assay data.	No adjustments have been made to assay data. First gold assay is utilised for resource estimation. Reassays carried out due to failed QAQC will replace original results, though both are stored in the database.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All drillhole collar s are picked up by company surveyors using a Leica TS15i (total station) with an expected accuracy of +/-2mm. Underground faces are located using a Leica D5 disto with and accuracy of +/- 1mm from a known survey point. Exploration RC holes have been gyroscopically downhole surveyed by ABIMS where possible once drilling is completed. Surveys are carried out every 30m downhole during RC and diamond drilling using an Eastman single shot camera. Previous holders' survey accuracy and quality is generally unknown.
	Specification of the grid system used.	A local grid system (Red October) is used. It is rotated 44.19 degrees east of MGA_GDA94. The two point conversion to MGA_GDA94 zone 51 is ROEast RONorth RL MGAEast MGANorth RL Point 1 5890.71 10826.86 0 444223.25 6767834.66 0 Point 2 3969.83 9946.71 0 442233.31 6768542.17 0 Historic data is converted to Red October local grid on export from the database.
	Quality and adequacy of topographic control.	DGPS survey has been used to establish a topographic surface.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The nominal spacing for the reported results are not uniform and therefore a definitive drill spacing will not be quoted
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not all data reported meets the required continuity measures to be considered for inclusion in an resource estimate. Holes reported inside or with in 40m of the resource will be incorporated into the resource model, or if sufficient density of data confirms continuity, it will be considered for inclusion in the resource.
Orientation of data in relation to geological structure	*Whether sample compositing has been applied.*	RC drillholes are sampled to 1m intervals and underground core and faces are sampled to geological intervals; compositing is not applied until the estimation stage. Some historic RAB and RC sampling was composited into 3-4m samples with areas of interest re-sampled to 1m intervals. It is unknown at what threshold this occurred.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	RC drilling was carried out at the most appropriate angle possible. The mineralisation is intersected at closely as possible to perpendicular. The steeply dipping nature of the mineralisation means that tmost holes pass through mineralisation at lower angles than ideal. Production reconciliation and underground observations indicate that there is limited sampling bias. Underground diamond drilling is designed to intersect the orebody in the best possible orientation given the constraints of underground drill locations. UG faces are sampled left to right across the face allowing a representative sample to be taken due to the vertical nature of the orebody
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No significant sampling bias has been recognised due to orientation of drilling in regards to mineralised structures
Sample security	*The measures taken to ensure sample security.*	Samples are prepared on site under supervision of Saracen geological staff. Samples are selected, bagged into tied numbered calico bags then grouped into larger secured bags and delivered to the laboratory by Saracen personnel.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	An internal review of companywide sampling methodologies was conducted to create the current sampling and QAQC procedures. No external audits or reviews have been conducted.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Red October is wholly located within Mining Lease M39/412. Mining Lease M39/412 is held 100% by Saracen Gold Mines Pty Ltd a wholly owned subsidiary of Saracen Mineral Holdings Limited. Mining Lease M39/412 has a 21 year life (held until 2019) and is renewable for a further 21 years on a continuing basis. Aboriginal Heritage sites within the tenement (Site Numbers WO 2442, 2447, 2448, 2451, 2452 and 2457)

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
		are not affected by current mining practices. Third party royalties are payable on the tenement: • A Royalty is payable under Royalty Deed M39/411, 412, 413 based on a percentage of deemed revenue (minus allowable costs) on gold produced in excess of 160,000 ounces • A Royalty is payable based on a percentage of proceeds of sale or percentage of mineral value. All production is subject to a Western Australian state government NSR royalty of 2.5%.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing and the licence to operate already exists.
Exploration done by other parties	A*cknowledgment and appraisal of exploration by other parties.*	Mount Martin carried out exploration including RAB and RC drilling in 1989. This along with ground magnetics was used to delineate a number of anomalies on islands to the immediate north and south of Red October. Mount Burgess Gold Mining identified a north east trending magnetic anomaly on Lake Carey between the islands considered analogous to Sunrise Dam in 1993. Aircore and RC drilling was carried out to define what would become the Red October pit. Sons of Gwalia entered into a joint venture with Mount Burgess, carrying out RC and diamond drilling to define a pittable reserve before purchasing Mount Burgess' remaining equity. Extension RC and diamond drilling from within and around the pit defined the potential underground resource.
Geology	*Deposit type, geological setting and style of mineralisation.*	Red October gold mine is situated within an Archaean greenstone belt of the Laverton Tectonic Zone. The stratigraphic sequence consists of footwall tholeiitic basalts, mineralised shale (containing ductile textures defined by pyrite mineralisation) and a hangingwall dominated by ultramafic flows interbedded with high-Mg basalts. Prehnite- pumpellyite facies are evident within both the tholeiitic basalts and komatiite flows. Sulphide mineralisation is hypothesised to have been caused from interaction with an auriferous quartz vein, which has caused the intense pyrite-defined ductile textures of the shale in the upper levels. The fluid is believed to have been sourced from the intruding granitoid to the south of the deposit
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *··easting and northing of the drill hole collar* *··elevation or RL (Reduced Level – elevation*	A drillhole summary for all holes in the current campaign is attached. All material data is periodically released on the ASX: 14/10/2013, 08/10/2013, 23/07/2013, 10/07/2013, 17/04/2013, 25/01/2013, 10/10/2012, 26/09/2012, 31/07/2012, 14/06/2012, 27/04/2012, 27/01/2012, 06/01/2012, 28/07/2011, 03/06/2011, 21/04/2011, 27/01/2011, 27/10/2010, 29/07/2010, 28/04/2010, 29/01/2010

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
	above sea level in metres) of the drill hole collar *··dip and azimuth of the hole* *··down hole length and interception depth* *··hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	All significant intercepts have been length weighted with a lower cut-off Au grade of 1ppm. No high grade cut is applied
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Intercepts are aggregated with minimum width of 1m and maximum width of 3m for internal dilution. Where stand out higher grade zone exist with in the broader mineralised zone, the higher grade interval is reported also.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents are reported
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	This announcement includes sufficient detail to clearly describe the geometry of the mineralisation and the drilling. Due to subtle changes in the strike and dip which are known, it is difficult to accurately report true widths, and therefore the majority of results are reported as downhole lengths. Where an estimate of true width is possible it is clearly noted.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	The release illustrates in longsection and in cross section views the nature of the drilling and its relationship to the mineralisation.
Balanced Reporting	*Where comprehensive reporting of all Exploration Results are not practicable, representative reporting*	All results from the recent campaign have been reported.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
	of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Dr John McLellan from GMEX Pty Ltd was contracted to carry out a stress modelling study on the Red October deposit. A data set of structural observations from core and field mapping was compiled and used to create a three dimensional mesh of the deposit. A series of regional scale stress fields of varying deformational stages and strengths were applied to the mesh to predict the behaviour of the Red October deposit and highlight areas of increased stress and strain and thus likely mineralisation. Two targets were drilled in the recent RC campaign with results supporting John's findings.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive*	The exploration effort continues at Red October. The focus remains in the near mine scale areas to extend and build the resource base.