SARACEN MINERAL HOLDINGS LIMITED

ACN: 009 215 347

More thick, high-grade hits at Karari point to significant mine life growth at Carosue Dam

Karari emerging into "a substantial mineralised system"

Key Points

- More strong drill intersections from Karari underground, located 500m from the Carosue Dam mill
- Significant results from extensional and grade control drilling include:

Extensional

- KRRD055 - 23.4m @ 7.5g/t from 321m
- KRRD059 - 41.0m @ 3.3g/t from 297m
- KRRD062 - 18.8m @ 5.6g/t from 216m
- KRRD045 - 21.0m @ 4.8g/t from 275m

Grade Control

- KRSD010 - 18.8m @ 4.9g/t from 1m
- KRSD011 - 21.0m @ 6.7g/t from 0m
- KRSD017 - 25.0m @ 11.0g/t from 14m
- KRSD023 - 9.1m @ 8.7g/t from 30m
- KRSD024 - 8.0m @ 8.2g/t from 25m

- The deepest intersection to date at Karari (23.4m @ 7.5g/t) is located just 405m below surface
- In addition to attractive grades, the widths are conducive to high productivity / low unit cost underground mining
- The results show Saracen is on track to establish a >5 year mine life at its Carosue Dam operations
- Karari remains open down-plunge and to the south
- Drilling continues with two underground rigs
- Maiden Karari underground Ore Reserve anticipated later in 2015

Saracen Mineral Holdings **(ASX: SAR)** is pleased to advise that recent drilling at Karari, part of its Carosue Dam gold operation in WA, has further expanded the emerging deposit.

The outstanding new results, which include multiple high-grade extensional intersections (Figures 1-4), are expected to underpin a significant Resource-Reserve increase in late 2015.

Karari forms a key part of Saracen's strategy to establish a >5 year mine life at Carosue Dam, with the new results extending the mineralisation at depth below previous drilling.

Corporate Details:

3rd July 2015

***ASX code*:** SAR

Corporate Structure:

Ordinary shares on issue: 792.8m

Unvested employee performance rights: 7.3m

Market Capitalisation: A$349m
(share price A$0.44)

Cash & Bullion (31 March): A$30m

Debt: Nil

Directors:

Mr Geoff Clifford
Non-Executive Chairman

Mr Raleigh Finlayson
Managing Director

Mr Mark Connelly
Non-Executive

Mr Barrie Parker
Non-Executive

Mr Martin Reed
Non-Executive

Ms Samantha Tough
Non-Executive

***Substantial Shareholders*:**

Wroxby Pty Ltd 8.0%

Paradice Investment Management 7.8%

Karara Capital Pty Ltd 5.6%

Eley Griffiths Group 5.3%

Van Eck Associates Corporation 5.0%

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The ongoing results support the case for a robust underground mine at Karari, where multiple high grade lodes and attractive widths point to a significant mineralised system.

Stoping is planned to commence at Karari in the current (September) quarter. The economics of production will be supported by:

- Multiple high grade lodes;
- Attractive mining widths;
- Shallow mineralisation (deepest intersection just 405m below surface – Figure 1);
- Proximity to the processing plant (~500m from the Carosue Dam mill); and
- A growing mineralised system.

Drilling continues with two underground rigs, with the mineralisation remaining open down-plunge and to the south. The geometry of the mineralisation relative to the installed development enables drill testing of up to 400m of vertical extent, which has the potential to translate into >4 years of Reserves.

A geological overview is presented in Appendix A (pages 7-8).

When combined with upcoming production from the Thunderbox open pit (currently under development), production from the two operational centres is planned to hit ~300,000ozpa at an AISC of <A$1075/oz within two years.

Saracen's Managing Director Raleigh Finlayson said Karari was rapidly evolving into a substantial mineralised system, with recent drilling returning impressive thicknesses and grades of mineralisation below previous drilling.

"Karari is now well on the way to becoming a key driver of Saracen's future growth," Mr Finlayson said.

"With multiple lodes, impressive grades and attractive mining characteristics, it ticks all the boxes to become a shallow, long-life, high margin underground mine which will underpin our future production for many years at Carosue Dam.

"Aggressive drilling is continuing with two rigs to support our objective of delivering a maiden underground Ore Reserve for Karari later in the year" he said.

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Competent Persons Statements

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.

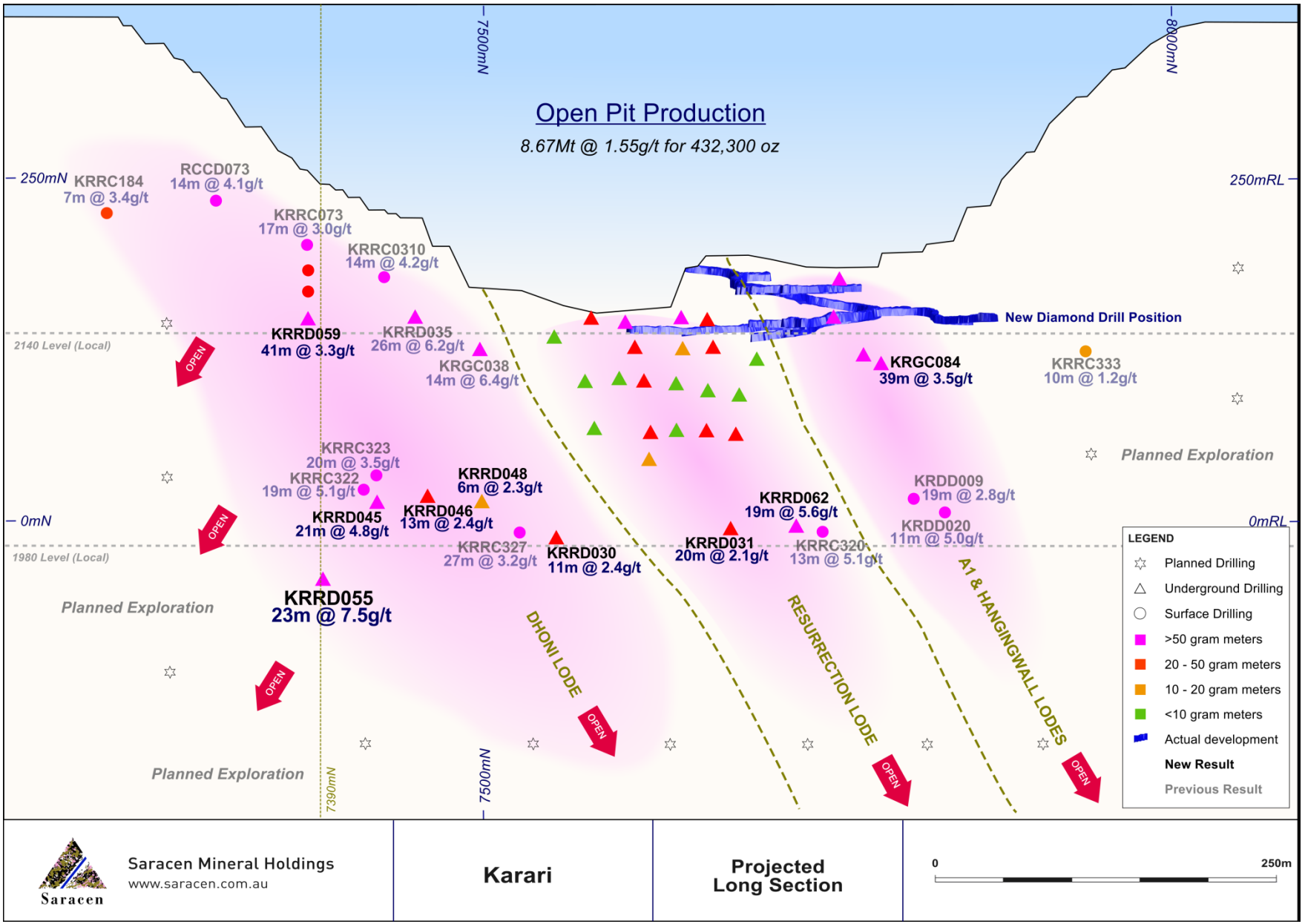

Figure 1: Projected Long Section View of recent high grade drill results at Karari

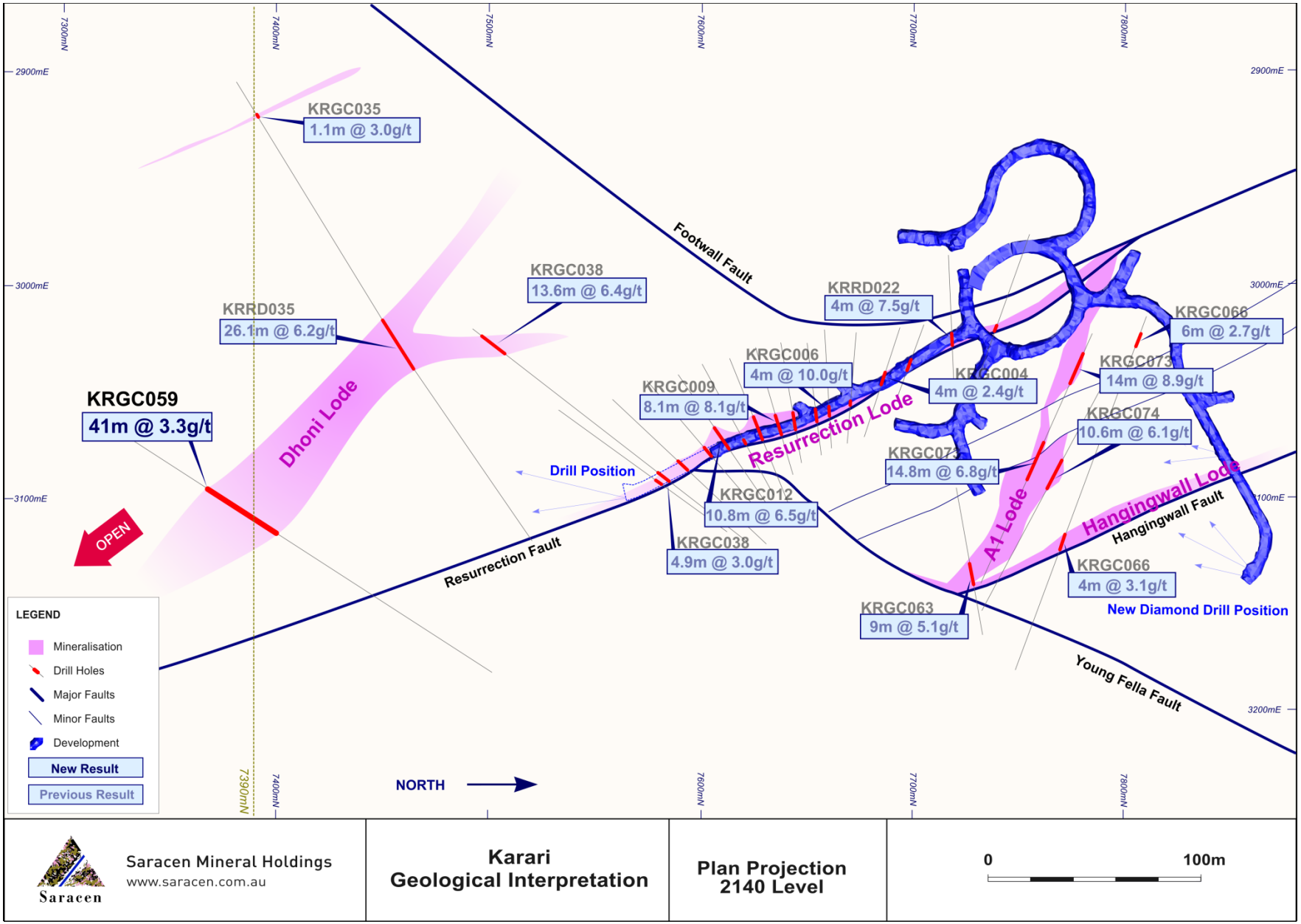

Figure 2: Plan View of recent high grade drilling results at Karari (2140 Level)

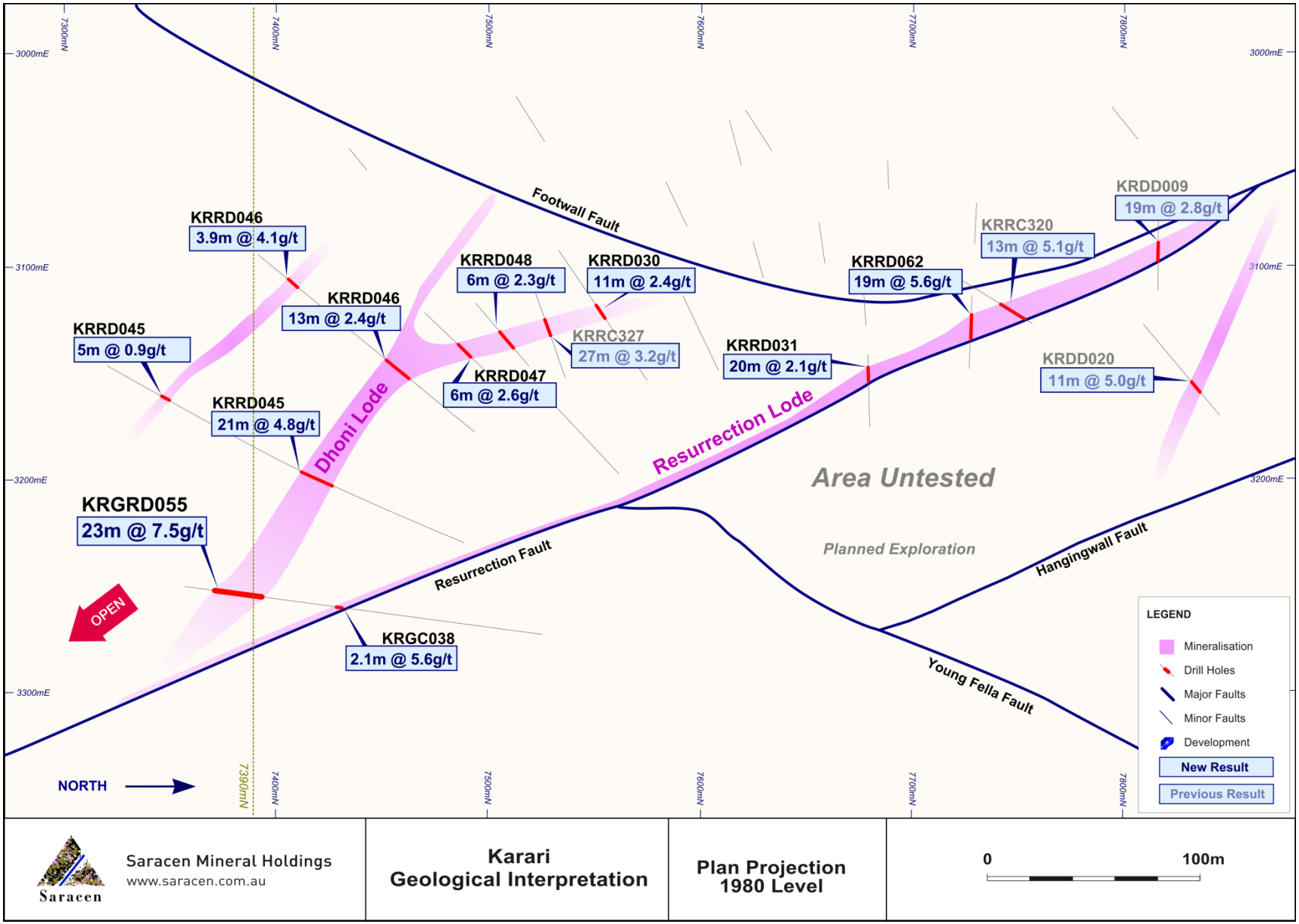

Figure 3: Plan View of recent high grade drilling results at Karari (1980 Level)

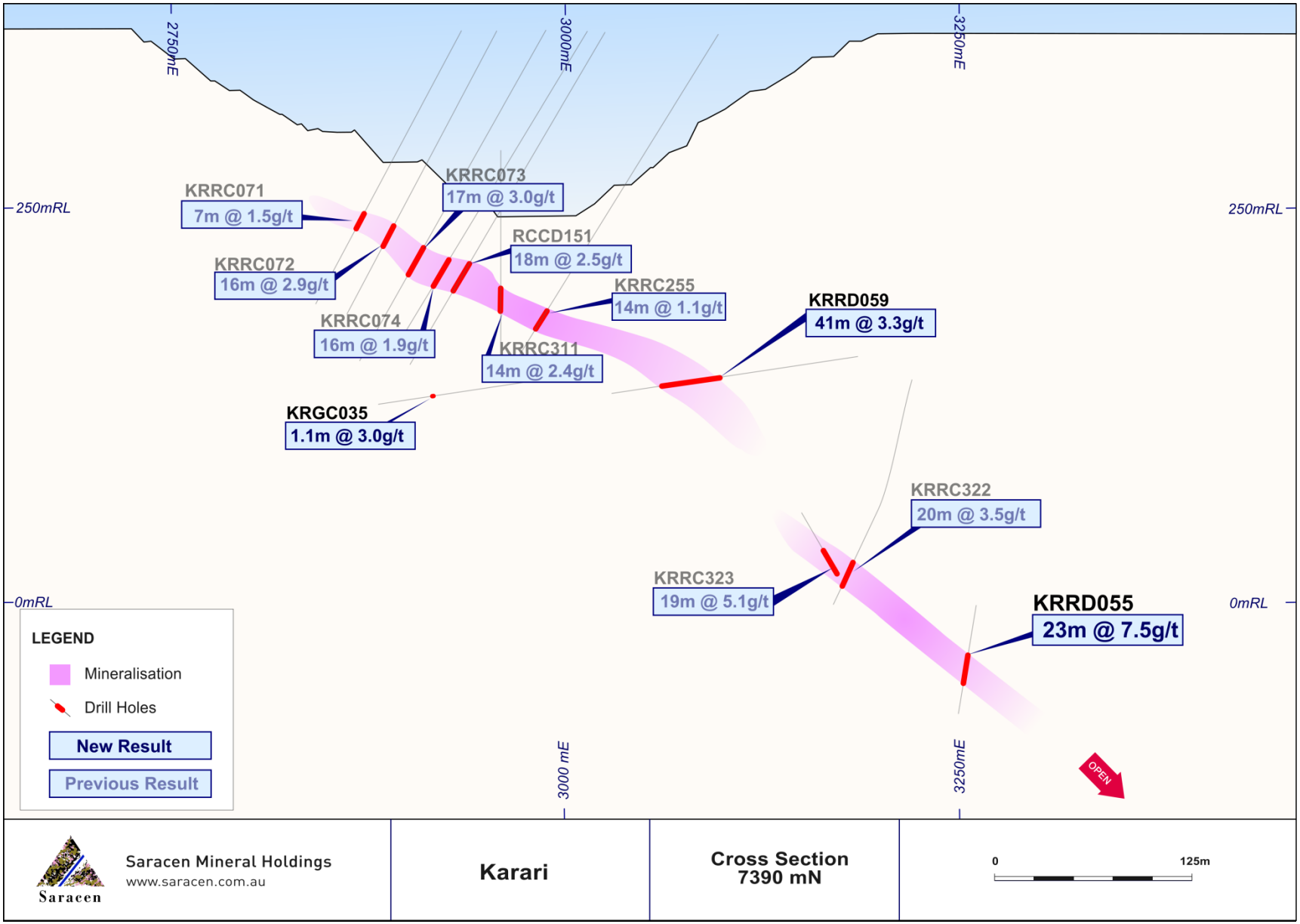

Figure 4: Cross Section View of the recent high grade drilling results into the Dhoni lode at Karari (7390mN)

Appendix A – Geological Overview

The Karari deposit is hosted within a sequence of intermediate volcanoclastic sandstones and tuffs with minor siltstone. The host stratigraphy is locally intruded by syenite porphyries and lamprophyres. The stratigraphy strikes north-west and dips moderately north-east (~60º). To the east of the Hangingwall Fault the stratigraphy is dominated by coarse grained monzonite and porphyritic monzonite. The monzonitic units are also intruded by syenite porphyries and lamprophyres whilst to the west of the Footwall Fault the stratigraphy is dominated by siltstones and shales.

The deposit is structurally complex and is the result of several overprinting deformation events, some of which are not related to mineralisation. Overprinting faults displace the geology and the mineralisation locally (0.5m to 10m). Gold mineralisation is closely associated with north-northwest trending shear zones and faults (Hangingwall and Resurrection) which act as bounding features, with northwest trending linking structures (A1 Lode and Dhoni Lode). In cross section the structures appear as a series of repetitious moderately dipping en echelon vein arrays (Figure 5) that formed during a combination of normal/dextral movement on steep east dipping faults and rheological contacts. The intersection of these shear zones creates a high grade moderate north-easterly plunge. At these intersections thicker zones of mineralisation have been observed in recent drilling.

Several alteration styles are recognised at Karari. An early district scale hematite alteration dominates and is overprinted by varying degrees of sodic and potassic alteration. Gold mineralisation is most closely associated with zones of sodic alteration and appears to be spatially related to monzonite porphyry dykes. The higher grades are associated with more intense sericite-albite, silica and pyrite alteration (Figure 6 and 7). This intense alteration is most prevalent at the intersection of structures. This has been observed in underground development at the intersection of the Hangingwall and A1 lodes. Locally the alteration is so intense the identification of the primary lithology is not possible.

As drilling and development continues, valuable observations are being made to further the understanding of the deposit. Currently a detailed structural study is being undertaken to understand the kinematics and timing relationships between the different lodes. In conjunction with this is a detailed assessment of the multi-element geochemistry, which will provide tighter constraints on the lithology and alteration assemblages associated with mineralisation. Built on the back of these studies will be a 3D geological model. The model will integrate all available data to develop a framework of geometric controls that will improve exploration targeting both locally and regionally.

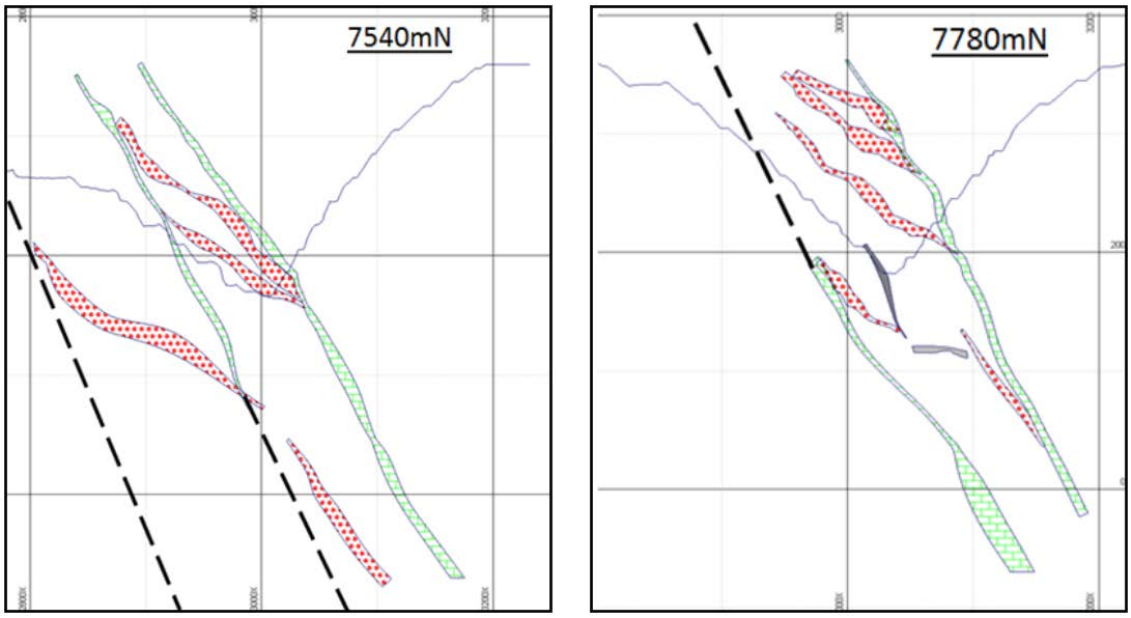

Figure 5 – Cross section - En echelon vein arrays (red), between steeper faults (green and black projections)

Figure 6 – Crosscutting sericite – albite, silica and pyrite alteration on the left of image.

Figure 7 – Typical sodic alteration selvages around early vein sets.

Summary of Drilling Results – Karari

KARARI DRILLING JUNE 2015										Downhole	
Hole	Easting	Northing	RL	Depth	Azimuth	Dip		From (m)	To (m)	Width (m)	Grade g/t
KRGC084	438626.46	6663513.173	172.022	313	287.1	-13.6		172.22	178.77	6.60	3.60
							and	186	225	39.00	3.47
							incl	186	201	15.00	3.98
							incl	209	225	16.00	4.16
							and	240	241.54	1.50	5.94
KRGC170	438628.07	6663497.754	171.5	258.1	267.6	-28.2		130.75	131.45	0.70	12.10
							and	139	140	1.00	3.93
							and	199	201.55	2.55	5.01
							and	205.85	206.75	0.90	6.02
KRGC174	438628.07	6663497.754	171.5	270.1	266.7	-34.5		140	141	1.00	5.44
							and	200.5	203.15	2.65	2.83
KRGC183	438628.07	6663497.754	171.5	240	265.2	-36.4	no significant results				
KRGC185	438628.07	6663497.754	171.5	270.1	262.9	-28.9	no significant results				
KRRD026	438632.03	6663469.073	172.85	431	229.6	-36		118	119	1.00	9.30
							and	203	204	1.00	3.41
KRRD028	438632.03	6663469.073	172.85	300	249.8	-44.2	no significant results				
KRRD029	438632.03	6663469.073	172.85	324	235.6	-44	no significant results				
KRRD030	438632.03	6663469.073	172.85	318	222.6	-42.5		128.5	129.35	0.85	3.69
							and	202.3	203.1	0.80	2.66
							and	240	241	1.00	3.08
							and	265.65	277	11.05	2.44
KRRD031	438631.52	6663469.713	171.584	334.7	269	-55.2		208.3	228	19.70	2.09
KRRD033	438337.32	6663491.97	175.564	126.4	89.3	-50.9	no significant results				
KRRD034	438332.38	6663491.674	175.082	117.1	271.6	-85	no significant results				
KRRD045	438635.8	6663427.596	172.594	671.6	192.6	-34.8		275	296	21.00	4.79
							and	381	386	5.00	0.94
KRRD046	438635.57	6663427.347	172.7	569.1	210.6	-36.1		263	276.3	13.30	2.39
							and	350	353.9	3.90	4.07
KRRD047	438635.57	6663427.347	172.4	540.1	216.5	-48.1		262.1	268	5.90	2.66
KRRD048	438635.57	6663427.347	172.6	486.1	218.3	-49.3		260.4	266.3	5.90	2.33
KRRD049	438635.57	6663427.347	172.7	471.3	235.2	-40.3		256.1	265.65	9.55	4.79
KRRD055	438636.42	6663424.944	172.1	725.4	181.8	-38		170	172	2.00	8.03
							and	276	277	1.00	3.16
							and	285	287.12	2.12	5.61
							and	307	309	2.00	2.88
							and	320.55	344	23.45	7.49
							incl	320.55	324	3.45	16.19
							incl	329	331.48	2.48	26.89
							incl	336	344	8.00	5.61
							and	353	354	1.00	3.02
KRRD056	438635.67	6663425.889	172.088	630	195.6	-51	results pending				
KRRD057	438635.67	6663425.889	172.088	600	202.1	-57.2	results pending				
KRRD059	438635.58	6663428.217	173.66	500				195.4	196.76	1.36	4.90
							and	258	260	2.00	2.74
							and	296.98	338	41.02	3.30
							incl	296.98	297.6	0.62	10.40
							incl	304.39	317	12.61	4.42
							incl	323	326.5	3.50	4.92
							incl	331.3	336.6	5.30	7.51
KRRD060	438635.57	6663427.347	172.7	595	222.6	-55.8		210.74	211.52	0.78	9.97
							and	219.6	220	0.40	3.91
							and	284.45	285	0.55	3.44
KRRD061	438628.07	6663497.754	171.5	300	264.6	-44.8		201.2	202	0.80	5.52
KRRD062	438628.07	6663497.754	171.5	313.7	279.6	-52		151.78	152.32	0.54	3.96
							and	216.18	235	18.82	5.58
KRRD063	438628.07	6663497.754	171.5	305	251.8	-55.2	results pending				
KRRD064	438628.07	6663497.754	171.5	270	278.6	-26	results pending				

KARARI DRILLING JUNE 2015										Downhole	
Hole	Easting	Northing	RL	Depth	Azimuth	Dip		From (m)	To (m)	Width (m)	Grade g/t
KRSD001	438451.79	6663563.621	192.1	16	73.65	0	no siginificant results				
KRSD002	438457.54	6663550.291	191.841	15	78.4	-1		0	7.25	7.25	2.77
KRSD003	438462.57	6663536.837	191.636	47	81.6	-1		0	1	1.00	3.06
							and	3.45	4	0.55	4.60
KRSD004	438467.91	6663517.064	191.252	33	89.6	0.3		3	4.44	1.44	3.24
KRSD005	438472.12	6663497.483	190.717	21.1	90.1	-0.4		0	1	1.00	2.64
							and	4.94	8	3.06	3.17
KRSD006	438444.86	6663567.304	191.747	92	289.9	-6.6		1.58	3	1.42	6.88
							and	32	33	1.00	2.80
							and	34.2	38	3.80	2.68
							and	54	55	1.00	3.15
KRSD007	438447.13	6663561.461	192.048	30	250.6	-0.3	no significant results				
KRSD008	438451.63	6663548.964	191.803	30	250.6	-0.1	no significant results				
KRSD009	438457.51	6663536.004	191.685	28	255.6	-0.1		1.16	2.6	1.44	3.86
							and	6.45	7.29	0.84	3.63
KRSD010	438457.6	6663535.452	190.438	32	189.2	-32.2		1.34	20.09	18.75	4.90
KRSD011	438449.81	6663517.704	192.301	30	184.6	21.8		0	21	21.00	6.73
KRSD012	438449.97	6663518.176	190.346	15	194.1	-26.5		0	6.42	6.42	7.45
KRSD013	438446.69	6663562.929	191.414	60	227.6	-21.2		0	1	1.00	3.54
							and	37	37.63	0.63	3.27
							and	55.03	57	1.97	5.37
KRSD014	438464.82	6663547.672	168.672	22	63.1	-1.8		9.9	10.9	1.00	2.88
KRSD015	438471.55	6663535.051	168.249	21	58.6	-0.6		0.9	3.6	2.70	2.95
KRSD016	438478.99	6663522.213	167.849	16.1	73.6	-0.4		2	3	1.00	3.67
KRSD017	438430.3	6663515.091	167.229	30	296.2	-0.3		14	24.95	10.95	5.29
KRSD018	438459.99	6663546.228	167.604	25	223.6	-29.2		1.6	3.15	1.55	2.87
							and	6.8	11	4.20	5.45
KRSD019	438467.1	6663531.825	167.209	22	237.6	-39.5		0	5.62	5.62	5.68
KRSD020	438479.79	6663487.674	167.879	21	232.5	25.6		0	9	9.00	5.06
KRSD021	438485.52	6663494.674	167.752	20	93.6	1.6		1.05	4	2.95	2.87
KRSD022	438479.9	6663487.749	167.99	15	268.9	-0.8		10.55	11.55	1.00	5.86
KRSD023	438437.99	6663514.96	143.748	64	16.25	9		30	39.12	9.12	8.66
							and	54.4	55	0.60	3.34
							and	56.44	57.34	0.90	3.67
KRSD024	438437.82	6663514.936	143.739	50.8	354.25	11		25	33	8.00	8.20
								44	45	1.00	3.02
								48	49	1.00	3.49
KRSD025	438436.68	6663514.62	143.766	50	333.25	12	results pending				
KRSD026	438437.08	6663514.545	144.87	90	16.25	-19	results pending				
KRSD027	438437.08	6663514.545	144.87	92.3	354.25	-19	results pending				
KRSD028	438437.08	6663514.545	144.87	75	339.25	-18	results pending				

JORC 2012 Table 1 Karari

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 methods undertaken by Saracen at Karari have included reverse circulation drillholes (RC), diamond drillholes (DD) and RC grade control drilling within the pit, and diamond drilling and face chip sampling underground. Historic sampling methods conducted since 1991 have included aircore (AC), rotary air blast (RAB), reverse circulation and diamond drillholes.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Sampling for diamond and RC drilling and face chip sampling is carried out as specified within Saracen sampling and QAQC procedures as per industry standard. RC chips and diamond core provide high quality representative samples for analysis. RC, RAB, AC and DD core drilling was completed by previous holders to industry standard at that time (1991- 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*	RC chips are cone or riffle split and sampled into 1m intervals, diamond core is NQ or HQ sized, sampled to 1m intervals or geological boundaries where necessary and cut into half core and underground faces are chip sampled to geological boundaries (0.2-1m). All methods are used to produce representative sample of less than 3 kg. 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 40g or 50 g sub sample for analysis by FA/AAS. Some grade control RC chips were analysed in the Saracen on site laboratory using a PAL (pulverise and leach) method. Visible gold is sometimes encountered in underground drillcore and face samples. Historical AC, RAB, RC and diamond sampling was carried out to industry standard at that time. Analysis methods include fire assay 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 11 AC holes, 452 RAB holes, 496 RC holes (assumed standard 5 ¼ ''bit size) and 25 surface unknown diameter diamond core holes. In the recent program 16 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 surface RC precollars with HQ and NQ diamond tail drill holes (precollars averaging 198m, diamond tails averaging 190m) , 19 RC holes from both surface and within the pit and 3052 grade control RC holes within the pit. 79 NQ diamond holes have been drilled underground. Diamond tails were 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 sampling recoveries are recorded in the database as a percentage based on a visual weight estimate; no historic recoveries have been recorded. Diamond core recovery percentages calculated from measured core versus drilled intervals are logged and recorded in the database. Recoveries average >90%.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	RC drilling daily rig inspections are carried out to check splitter condition, general site and address general issues.

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
		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 from left to right across the face at the same height from the floor. During GC campaigns the sample bags weight versus bulk reject weight are compared to ensure adequate and even sample recovery. 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 RC chips and diamond drill core records lithology, mineralogy, texture, mineralisation, weathering, alteration and veining. Geotechnical and structural logging is carried out on all diamond holes to record recovery, RQD, defect number, type, fill material, shape and roughness and alpha and beta angles. All faces are photographed and mapped. Chips from all RC holes (exploration and GC) are stored in chip trays for future reference while remaining core is stored in core trays and archived on site. Core is photographed in both dry and wet state. Qualitative and quantitative logging of historic data varies in its completeness.
	The total length and percentage of the relevant intersections logged	All RC and diamond drillholes holes are logged in full and all faces are mapped. Every second drill line is logged in grade control programs with infill logging carried out as deemed necessary. Historical logging is approximately 95% complete.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	All drill 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.	All exploration and grade control RC samples are cone or riffle split. Occasional wet samples are encountered. Underground faces are chip sampled using a hammer. AC, RAB and RC drilling has been sampled using riffle and unknown methods.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation of diamond core and RC and underground face chips adhere to industry best practice. It is conducted by a commercial laboratory and involves oven drying, coarse crushing then total grinding to a 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 assumed to be 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 half sampling.	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 underground 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.

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
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.*	RC chip samples, grade control chip samples, underground face chip samples and diamond core are analysed by external laboratories using a 40g or 50g fire assay with AAS finish. These methods are considered suitable for determining gold concentrations in rock and are total digest methods. Some GC samples were analysed in the Saracen onsite laboratory using pulverise and leach method. This method is a partial digest. Historic sampling includes fire assay and unknown methods.
	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 have been 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 drillhole at a rate of 1:25 for exploration RC and DD, and 1:40 for GC drilling. 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. 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. QAQC data analysis demonstrates sufficient accuracy and precision. Industry best practice is assumed for previous holders.
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 Karari but grade control drilling and 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. Data from previous owners was taken from a database compilation and 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.
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.*	Exploration drillholes are located using a Leica 1200 GPS with an accuracy of +/- 10mm. Drillhole collars within the pit and immediate surrounds are picked up by company surveyors using a Trimble R8 GNSS (GPS) with an expected accuracy of +/-8mm. All undergournd drillhole collars 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. Underground downhole surveys are carried out using a Reflex single shot camera at regular intervals (usually 30m) down the hole. A multishot survey is carried out every 3m upon completion of the drillhole. Surveys are carried out every 30m downhole during RC and surface diamond drilling using an Eastman single shot camera A number of drillholes have also been gyroscopically surveyed.

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		Previous holders' survey accuracy and quality is unknown
	Specification of the grid system used.	A local grid system (Karari) is used. The two point conversion to MGA_GDA94 zone 51 is KAREast KARNorth RL MGAEast MGANorth RL Point 1 4000 8000 0 439359.94 6663787.79 0 Point 2 3000 7400 0 438359.84 6663187.72 0 Historic data is converted to the Karari local grid upon export from the database.
	Quality and adequacy of topographic control.	Topographic control originally used site based survey pickups in addition to Kevron aerial photogrammetric surveys with +/- 5m resolution. Pre mining, new and more detailed topography has since been captured and will be used in future updates and for subsequent planning purposes.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The nominal spacing for drilling is 25m x 25m. The recent drilling has been completed on ~ 150m spaced lines
	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.	Data spacing and distribution are sufficient to establish the degree of geological and grade continuity appropriate for JORC classifications applied.
Orientation of data in relation to geological structure	*Whether sample compositing has been applied.*	Sample 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.
	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The majority of drillholes are positioned to achieve optimum intersection angles to the ore zone as are practicable. 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.
	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 secured cages and collected by the laboratory personnel. Sample submissions are documented via laboratory tracking systems and assays are returned via email
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.*	The Karari pit is located on M28/166 and M28/167 Mining Leases M28/166 and M28/167 are held 100% by Saracen Gold Mines Pty Ltd a wholly owned subsidiary of Saracen Mineral Holdings Limited. Mining Leases M28/166 and M28/167 have a 21 year life (held until 2020) and are renewable for a further 21 years on a continuing basis. There are no registered Aboriginal Heritage sites within Mining Leases M28/166 and M28/167. Mining Leases M28/166 and M28/167 are subject to two third party royalties payable on the tenements, a bank mortgage (Mortgage 41595) and two caveats (Caveat 51H/067 and 52H/067, respectively). All production is subject to a Western Australian state government NSR royalty of 2.5%. The tenements are subject to the Pinjin Pastoral Compensation Agreement.
	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 tenements are in good standing and the licence to operate already exists
Exploration done by other parties	A*cknowledgment and appraisal of exploration by other parties.*	The Carosue Dam project area in which the Karari deposit is located has been subjected to extensive gold exploration by numerous companies since 1991. Karari was highlighted as an area of interest following an aeromagnetic survey conducted by CRA Exploration. Auger sampling of the target defined a widespread gold anomaly with follow up RAB drilling intersecting significant gold mineralisation. RC and DD drilling further defined the mineralisation before Aberfoyle entered into a joint venture agreement with CRA. Further drilling by Aberfoyle defined mineralisation over a 600m strike length. Aberfoyle were subject to a hostile takeover by Western Metals with PacMin then purchasing the Carosue Dam project. An intensive resource definition program consisting of both RC and DD drilling was carried out before mining of Karari commenced in 2000.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Karari deposit sits along the regional NNW-trending Keith-Kilkenny fault zone within the eastern edge of the Norseman-Wiluna greenstone belt. The deposit itself is lithologically and structurally controlled and sits within an altered volcaniclastic sandstone unit that has been offset along a series of major faults running NE-SW and NW-SE, as well as intruded by large lamprophyre units post mineralization. Mineralization is dominated by pyrite and hosted in broad hematite altered sandstone units with a central high grade siliceous core light-moderately dipping to the North.
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 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*	All material data is periodically released on the ASX: 25/05/2015, 05/05/2015,17/03/2015, 14/10/2013, 25/01/2013, 28/07/2011, 03/06/2011, 21/04/2011, 09/02/2011, 03/11/2008

Section 2: Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
	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 underground diamond drillhole significant intercepts have been length weighted with a minimum Au grade of 1ppm. No high grade cut off has been 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.	There are no metal equivalents reported in this release.
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').*	Previous announcements included sufficient detail to clearly illustrate the geometry of the mineralisation and the recent drilling. All results are reported as downhole lengths.
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.*	All Diagrams are referenced in this release.
Balanced Reporting	*Where comprehensive reporting of all Exploration Results are not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All results from previous campaigns have been reported, irrespective of success or not.
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.*	No substantive data acquisition has been completed in recent times.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Underground drilling is on going and surface drilling will be required for deep extensions. A structural study is currently underway as is an intense multi element geochemistry sampling program.

Section 2: Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	