

Saracen Mineral Holdings Limited

ASX: SAR



Australia's newest mid-tier gold miner

RALEIGH FINLAYSON
MANAGING DIRECTOR

Australia - May 2016

Qualification



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Corporate overview



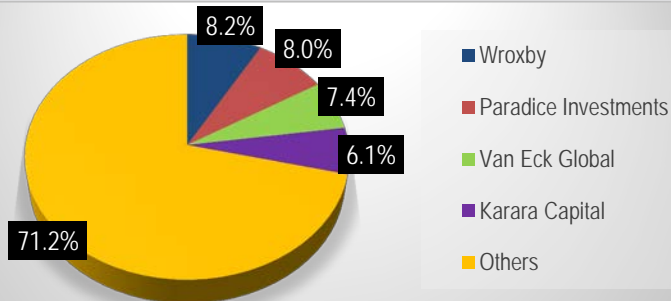
Corporate Structure

ASX Code	SAR	
Shares	800.8m	
Share Price	A\$1.165	At 3 May 2016
Market Cap	A\$933m (US\$709m)	
Liquidity	30-day ADV 4.7m shares	
Cash and bullion	A\$34m (US\$26m)	At 31 Mar 2016
Debt	Nil	
Hedging	279koz @ A\$1,518/oz or -19% of Reserve	
Mineral Resources	7.6 Moz	As at 30 Jun 2015
Ore Reserves	1.5 Moz	

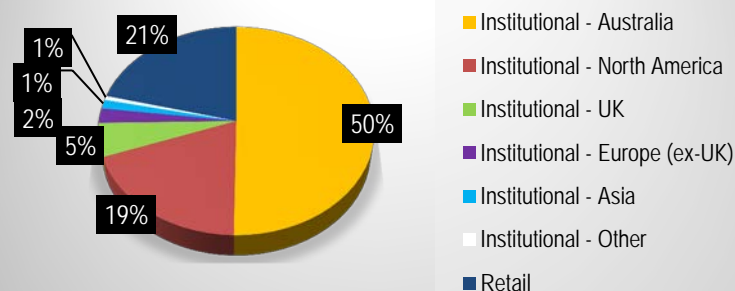
Board & Management

Non-Executive Chairman	Geoff Clifford
Managing Director	Raleigh Finlayson
Non-Executive Director	Mark Connelly
Non-Executive Director	Martin Reed
Non-Executive Director	Samantha Tough
Chief Financial Officer	Gerry Kaczmarek
Chief Operating Officer	Craig Bradshaw
Chief Geologist	Daniel Howe
Corporate Development Officer	Troy Irvin

Substantial Shareholders



Ownership Geographic



* Australian dollars converted at an exchange rate of A\$0.76 per \$1US

Key value-drivers



1. Produce – Carosue Dam

FY15 record 167koz, FY16 outlook 150-160koz @ AISC A\$1025-1075/oz (~US\$779-817/oz)

2. Develop – Thunderbox

First gold ahead of schedule / under budget, commercial production imminent, Stage 1 ~125koz pa over ~4.5 years

3. Grow – Earnings visibility

Potential +5 year mine life at Karari, +10 year mine life at Thunderbox, other organic opportunities

4. Monetise – Build cash on balance sheet

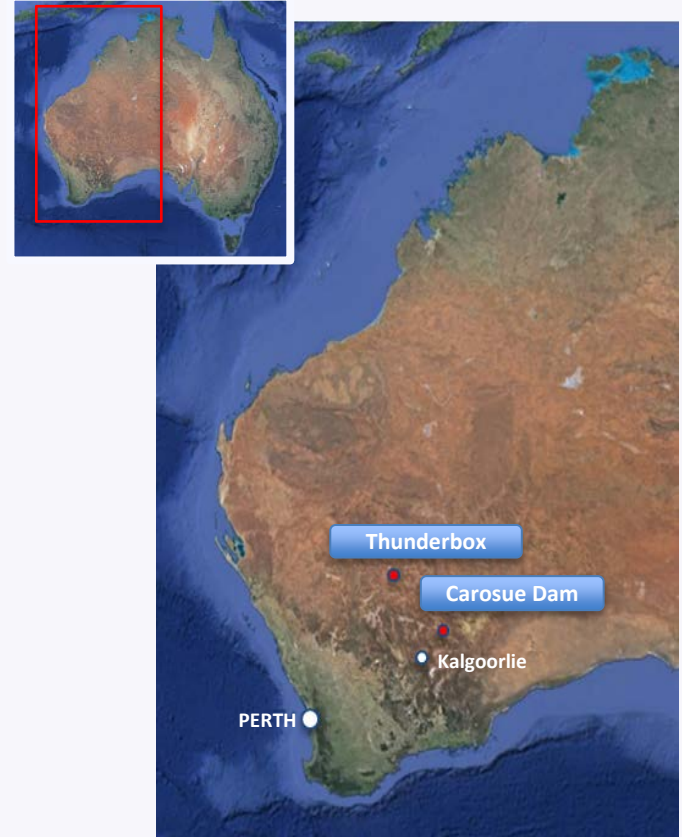
No debt, 100% internally funded Thunderbox, building a sustainable free cash-flow positive business

Delivering

Australia's newest mid-tier gold miner



- Production to double to ~300koz at AISC <A\$1075/oz (<US\$817/oz), driving substantial increase in cash-flow
- Two operational centres in Western Australia:
 - *Carosue Dam (NE of Kalgoorlie) – Outstanding operational track record, transitioned to multiple high-grade, high-margin underground mines, ~150-160kozpa*
 - *Thunderbox (SE of Leinster) – Acquired from Norilsk, large-scale open pit re-development of ahead of schedule, ~125kozpa, multiple growth opportunities including bulk underground mining potential and high grade “sweeteners”*
- Large endowment – 7.6Moz Resources, 1.5Moz Reserves
- High impact exploration upside: Multiple extensional opportunities, true greenfields discovery potential

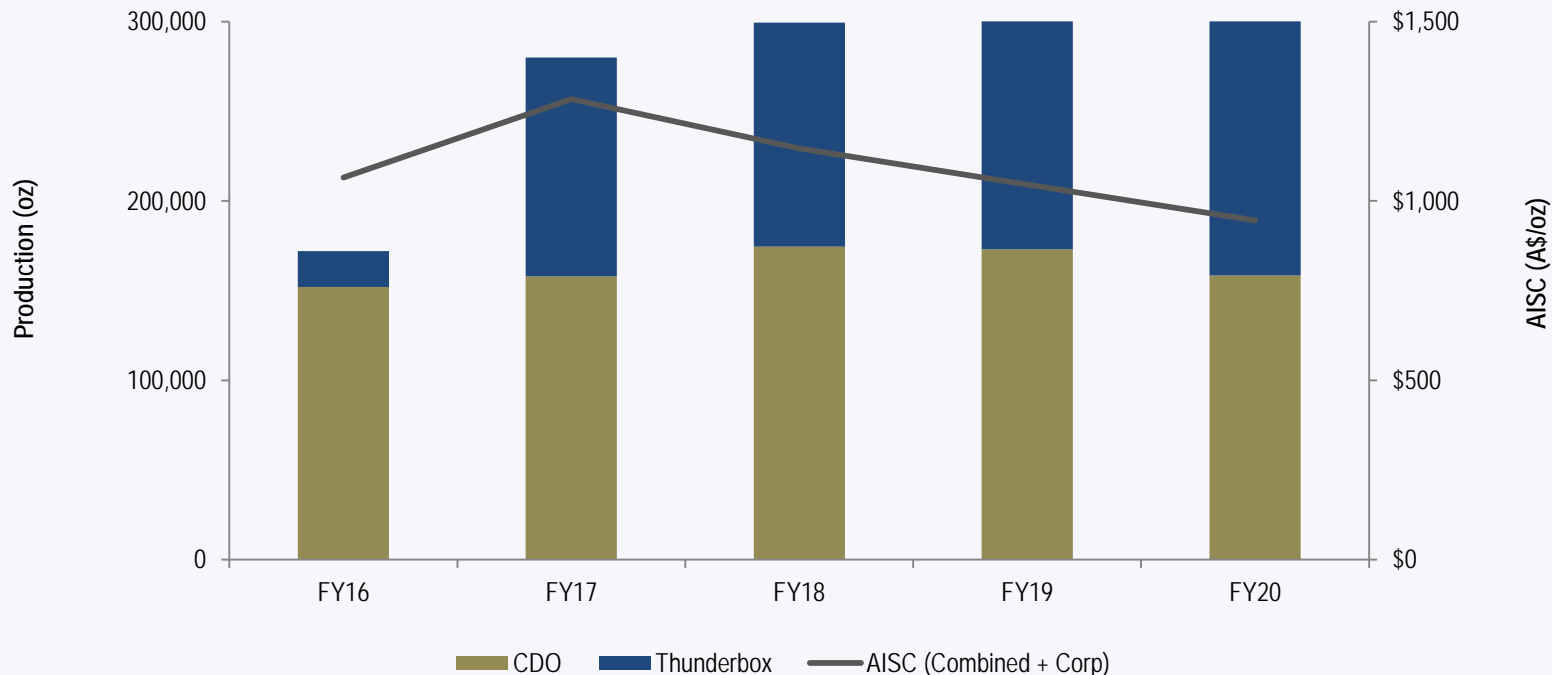


SAR total invested capital ~A\$500m

Five year production outlook



High confidence level: 83% classified as Ore Reserves



Notes:

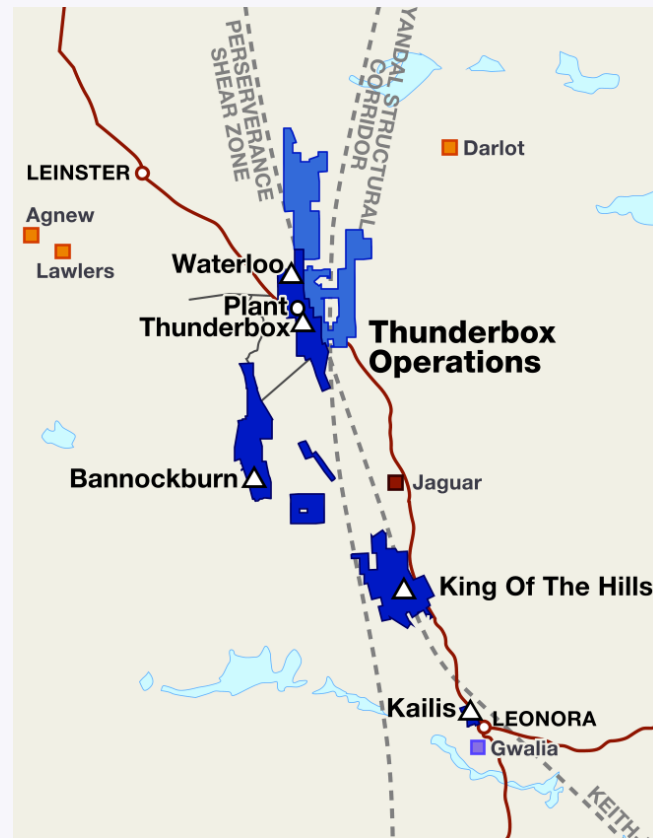
- Refer to the ASX announcement dated 27th October 2015 – “Robust five-year outlook - Revised”

A ~300kozpa low-cost, high-margin Australian gold producer

Thunderbox – Australia’s newest gold mine



- 2.5Mtpa CIL plant - First gold poured four months ahead of schedule, just two years after acquisition
- A\$65M (US\$49m) pre-production capex sunk
- Stage 1 OP – 596koz contained, ~A\$1000/oz AISC (US\$760/oz), 4-5 year mine life
- Plus high grade margin “sweeteners”:
 - KOTH – Scoping Study underway, drilling imminent
 - Kailis - 2.5g/t OP cutback – Low AISC of A\$915/oz (US\$695/oz)
- Outstanding future growth potential – Two main lodes open down-plunge with deepest hole 55m @ 3.0g/t Au
- Targeting a >10-year mine life at ~125kozpa



Robust, long-life open pit operation with underground potential

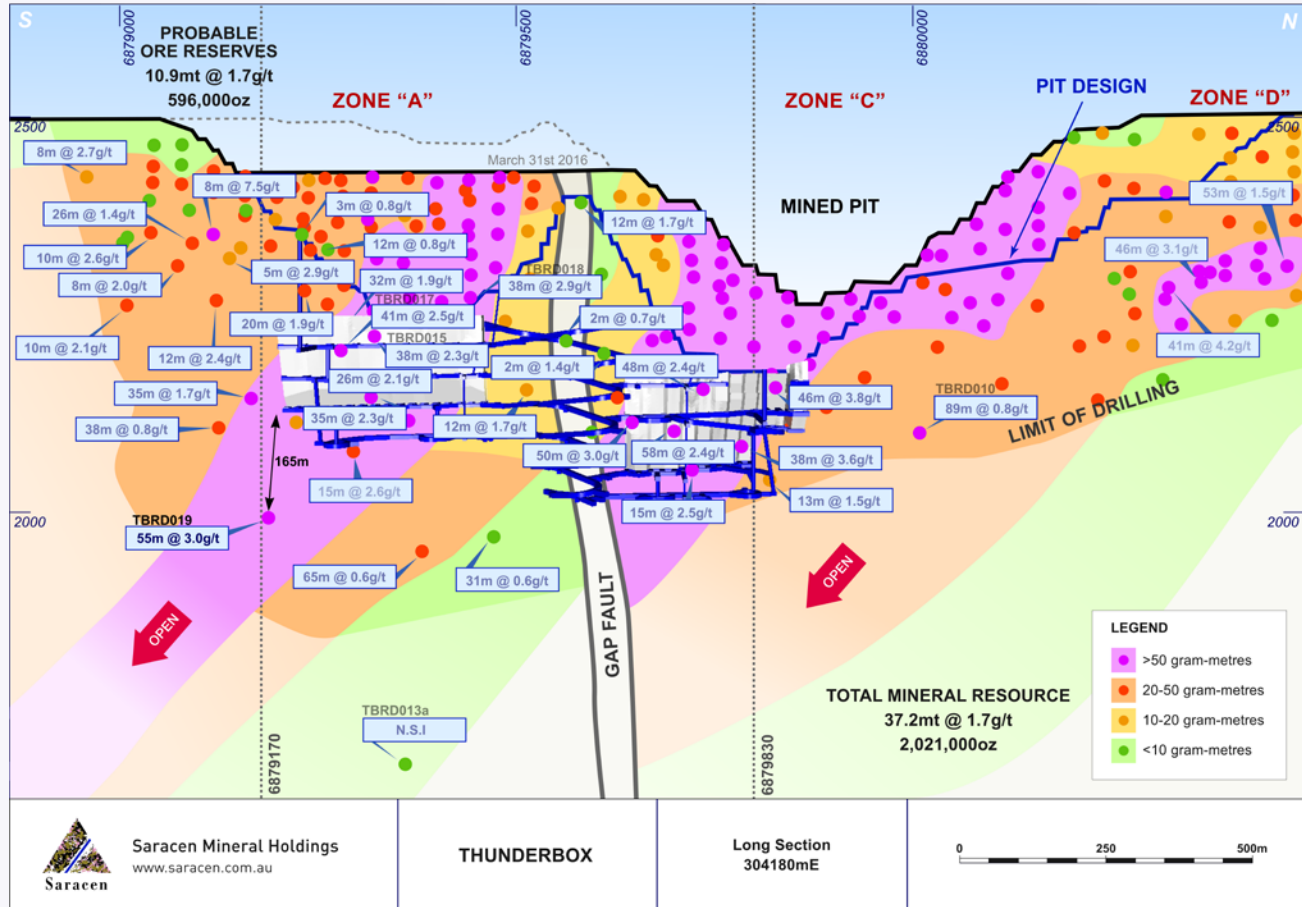
Thunderbox – Potential >10 year mine life



Consistent and persistent:

- High productivity / low cost mining
- Historic production 10.9Mt @ 2.4g/t for 806koz (2002-2007)
- Multiple growth opportunities beyond the initial 4-5 year open pit:

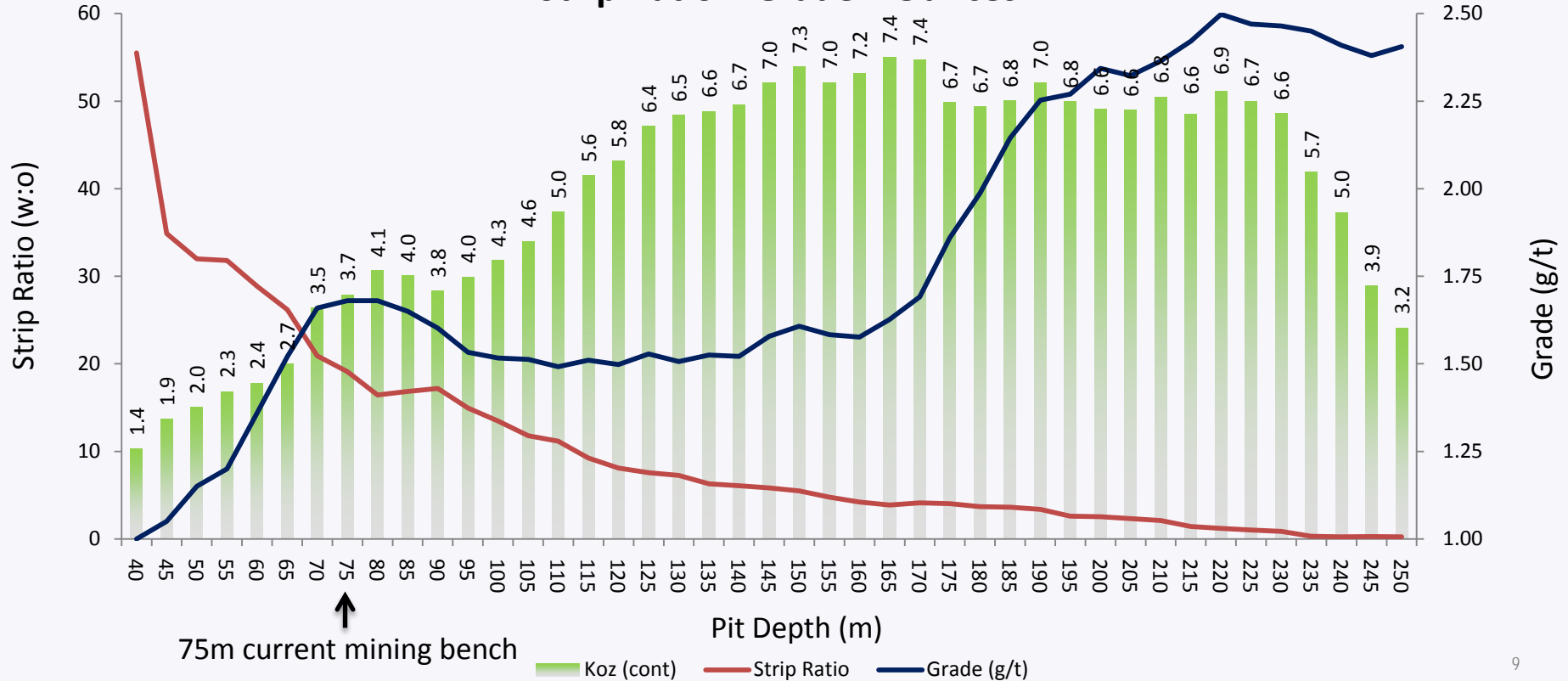
1. Bulk UG potential
2. KOTH high grade
3. Kailis high grade
4. Thunderbox Zone "D"
5. Satellite open pits



Thunderbox – Does what it says on the tin



Thunderbox - Zone 'A' Pit Strip Ratio v Grade v Ounces

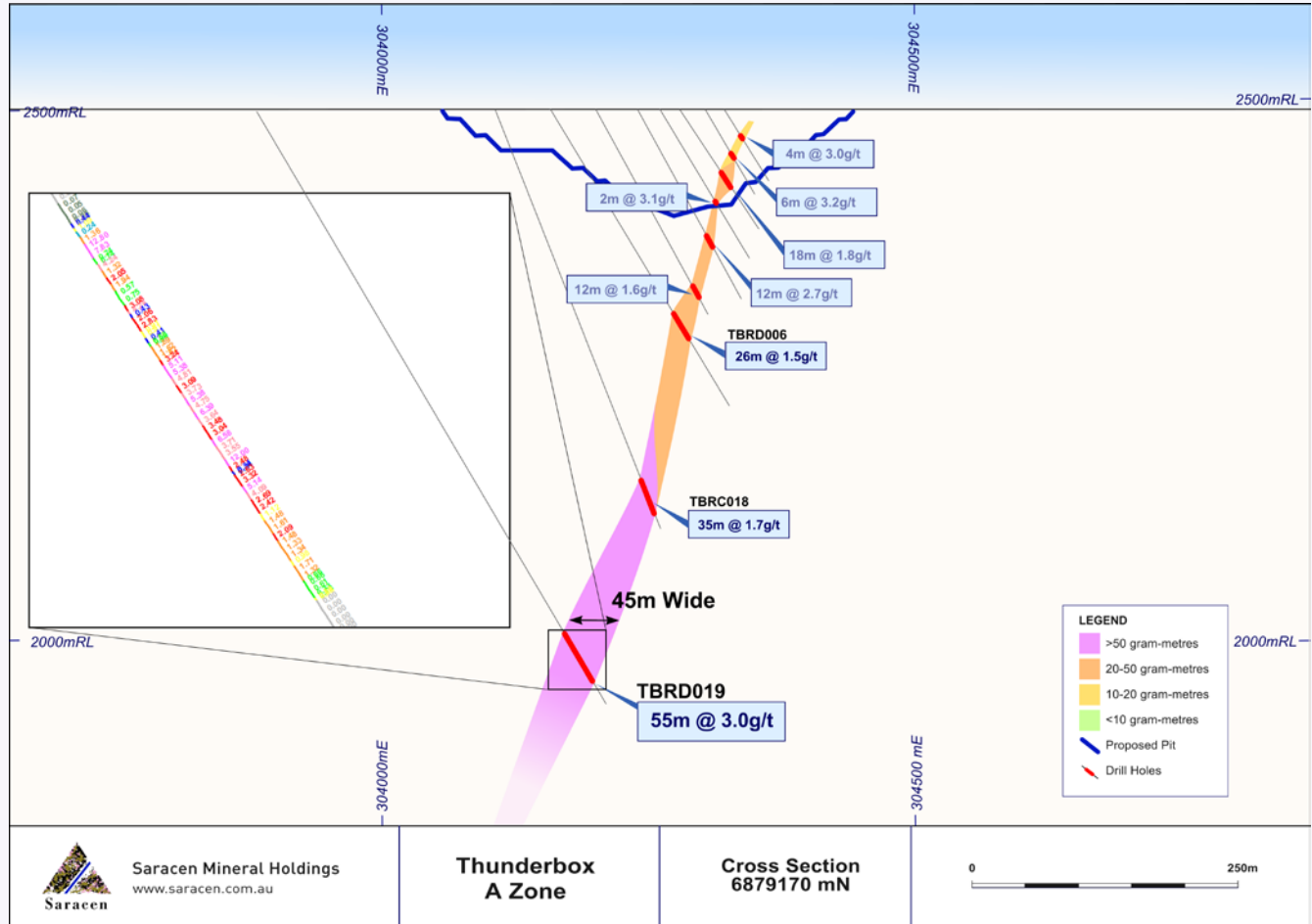


Thunderbox growth – Underground



Consistent and persistent:

- Drilled to just ~500m
- 55m @ 3.0g/t... the last, deepest and best hole...
- ...including 20m @ 4.5g/t
- Opportunity to exploit higher grade zones
- Open down plunge
- Drilling this year will aim to define a multi-year underground mine



Thunderbox “sweeteners”

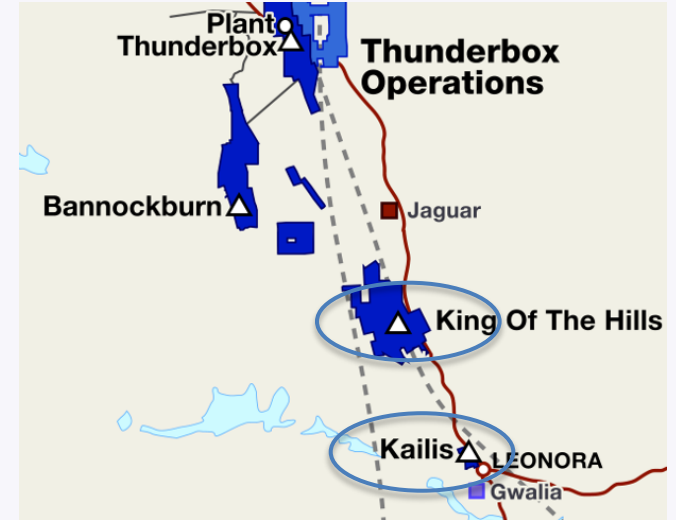


King of the Hills

Trucking distance	65km to plant (~0.12g/t @ spot)
Consideration	Acquired for \$3m (along with Kailis)
Historical production	Size mineralised system ~2Moz mined since 1985

Kailis

Trucking distance	80km to plant (~0.15g/t @ spot)
Reserves and AISC	998kt @ 3.0g/t for 95koz, A\$915/oz
Historical production	High grade OP 250kt @ 6.2g/t for ~50koz in 1990's



High margin opportunities adjacent to the Goldfields Highway

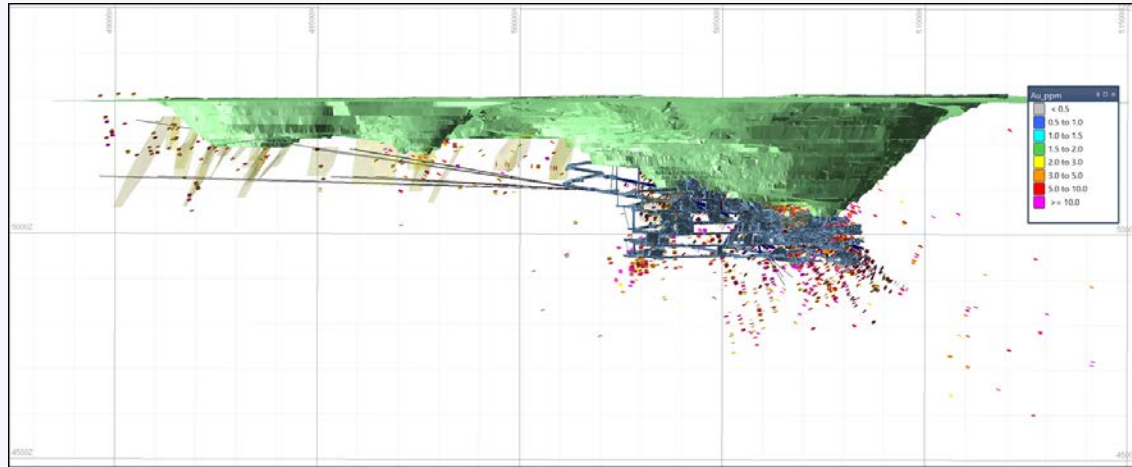
Thunderbox growth - King of the Hills



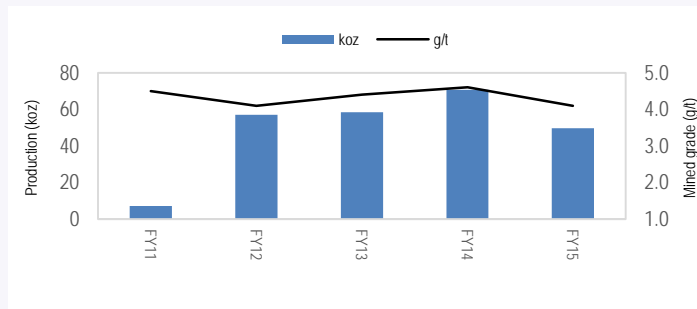
Sleeping giant?

- Scoping Study underway
- Phase 1 structural study completed
- Review remnant mining opportunities
- Higher grade zones identified south of UG development
- Imminent drilling to test southern opportunities

Planned drilling at King of the Hills:



King of the Hills – UG production history:

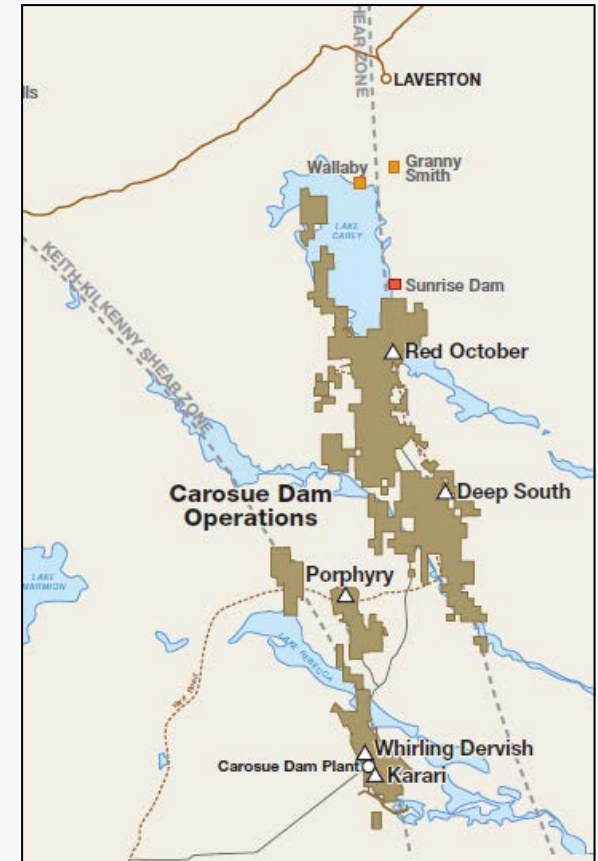


King of the Hills - High grade, consistent, underground production FY11-FY15

Carosue Dam – Bread winner



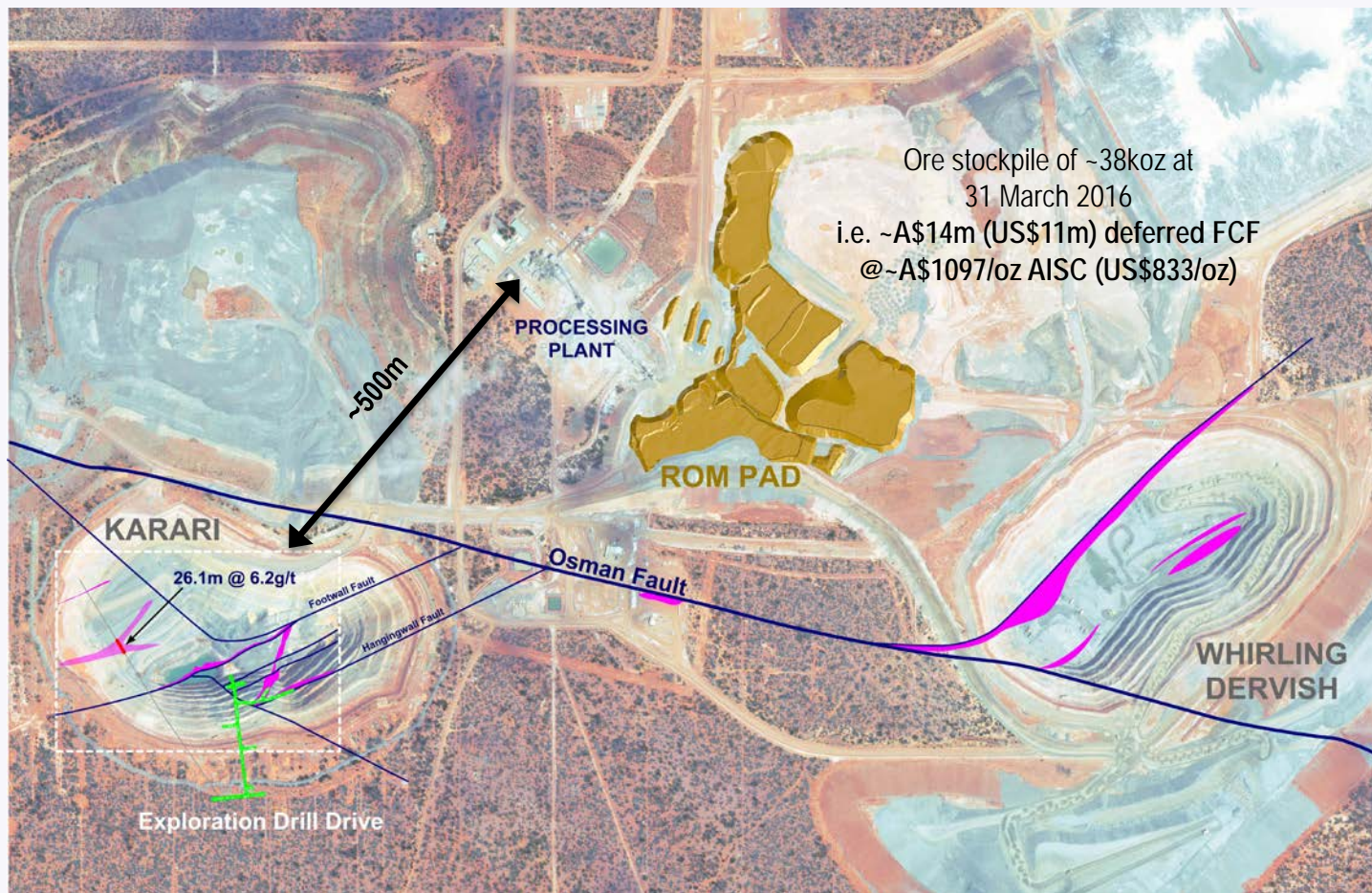
- 2.4Mtpa CIL plant, operated since 2010
- FY16 outlook 150-160koz @ AISC A\$1025-1075/oz (US\$779-817), ore sourced in ~equal portions from:
 - *Karari UG – Multiple lodes, emerging discovery, intensive drilling continuing, long hole stoping underway, **GROWING!***
 - *Red October UG – Very high grade ~6-7g/t Au*
 - *Ore stockpile – ~50koz contained, mining cost sunk*
- Deep South – Shallow, high-grade, low capex, stoping from June quarter, mineralisation open in all directions
- Outstanding exploration upside – Extensive tenement holding in world-class ~23Moz Laverton District, 180km strike length of two key regional structures



Carosue Dam - Karari / Whirling Dervish

Centre of gravity:

- Emerging baseload
- Growth deposits
- 38koz stockpile
- ~500m from the mill

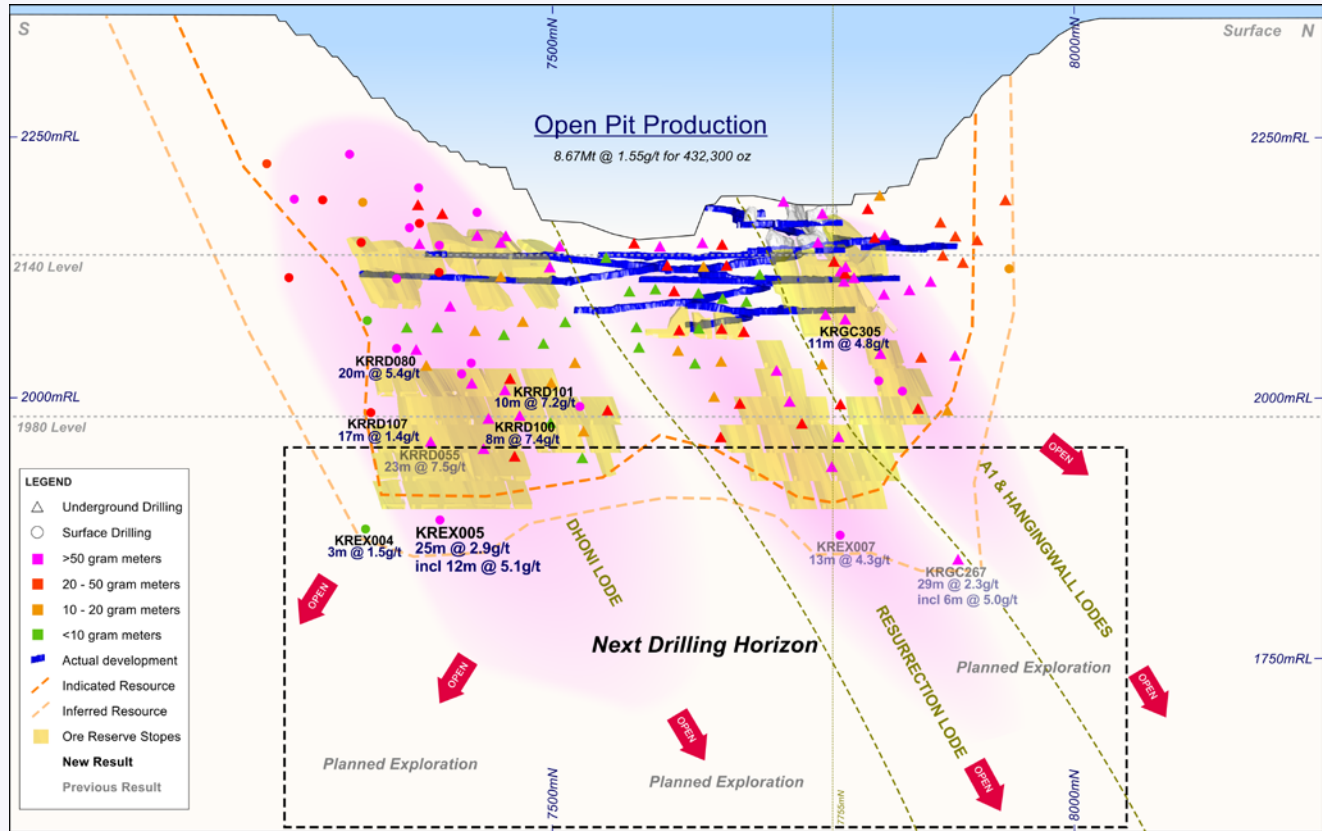


Carosue Dam (Karari) – Think big...



Potential >5 years:

- Emerging discovery – Far bigger than previously understood
- Open down-plunge
- Open along strike
- Latest drilling extended ~100m down dip (12m @ 5.1g/t)
- Development of new drill platforms underway
- Target >5 years base load adjacent to the mill



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Karari

Projected Long Section

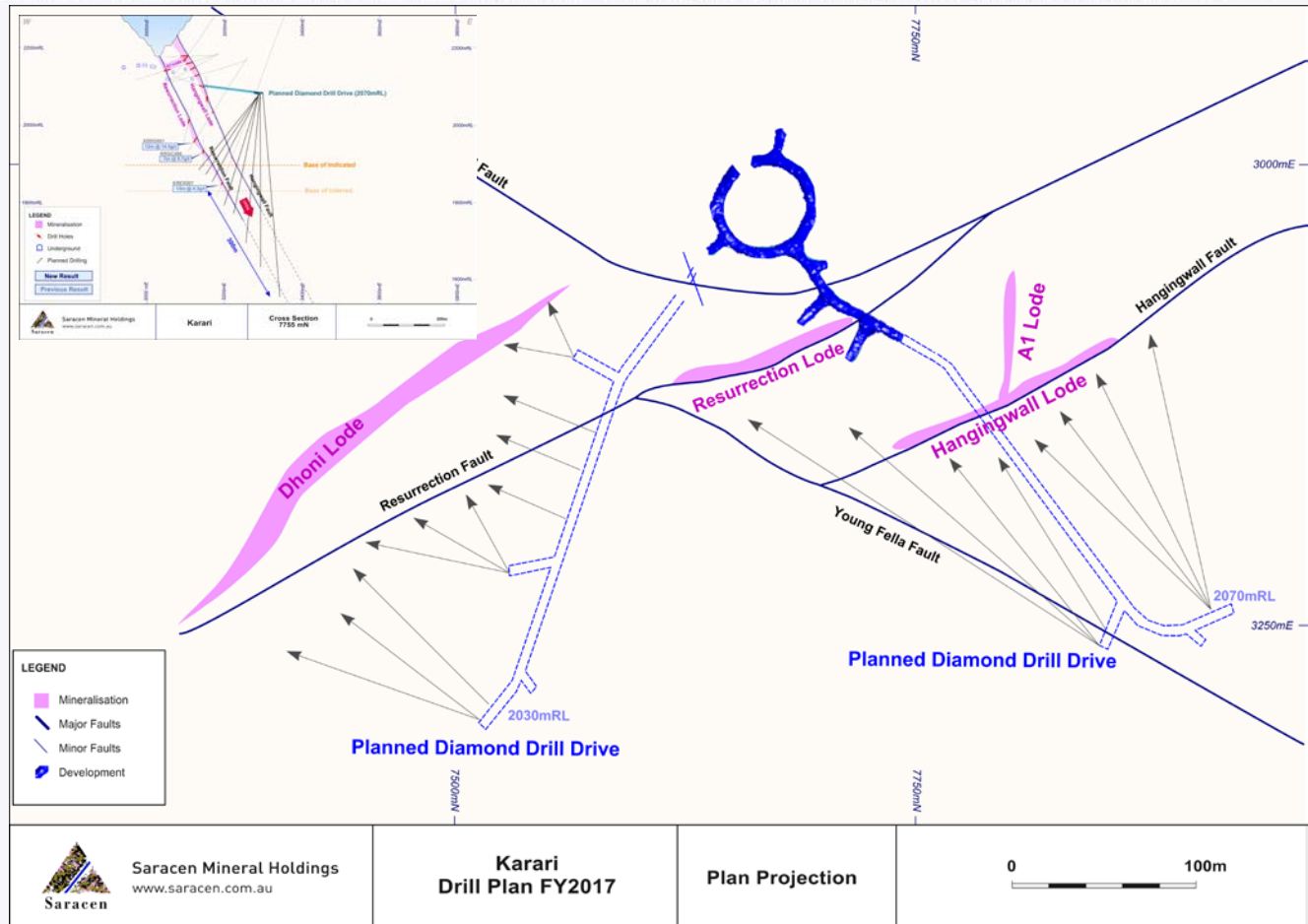


Carosue Dam (Karari) – ...think bigger



Potential >5 years:

- Multiple lodes
- Multiple orientations
- Attractive widths
- Shallow
- Excellent ground conditions
- New drill platforms to allow Resource to be tested another 300m down dip

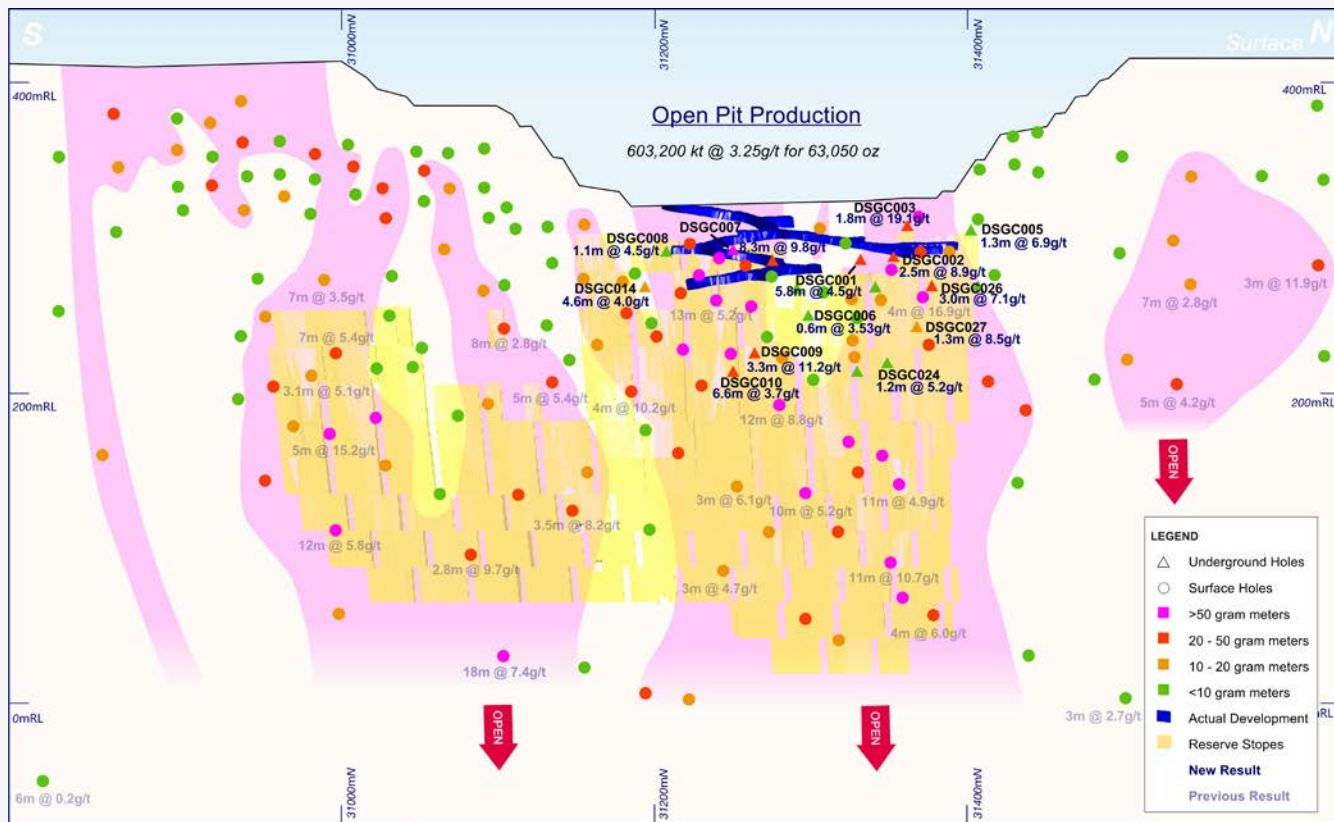


Carosue Dam (Deep South) – Shallow north!



Commercial production imminent:

- 2 high grade parallel lodes (Butler, Scarlett)
- Shallow, good ground conditions, ~4m wide ore
- Strike length up to 500m
- Open along strike and at depth
- Fixed costs shared with Red October
- Regional structure open over several km



LEGEND	
△	Underground Holes
○	Surface Holes
■ (Pink)	>50 gram meters
■ (Yellow)	20 - 50 gram meters
■ (Orange)	10 - 20 gram meters
■ (Green)	<10 gram meters
— (Blue)	Actual Development
— (Yellow)	Reserve Stopes
■ (Dark Blue)	New Result
■ (Light Blue)	Previous Result



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DEEP SOUTH

Long Section Projection

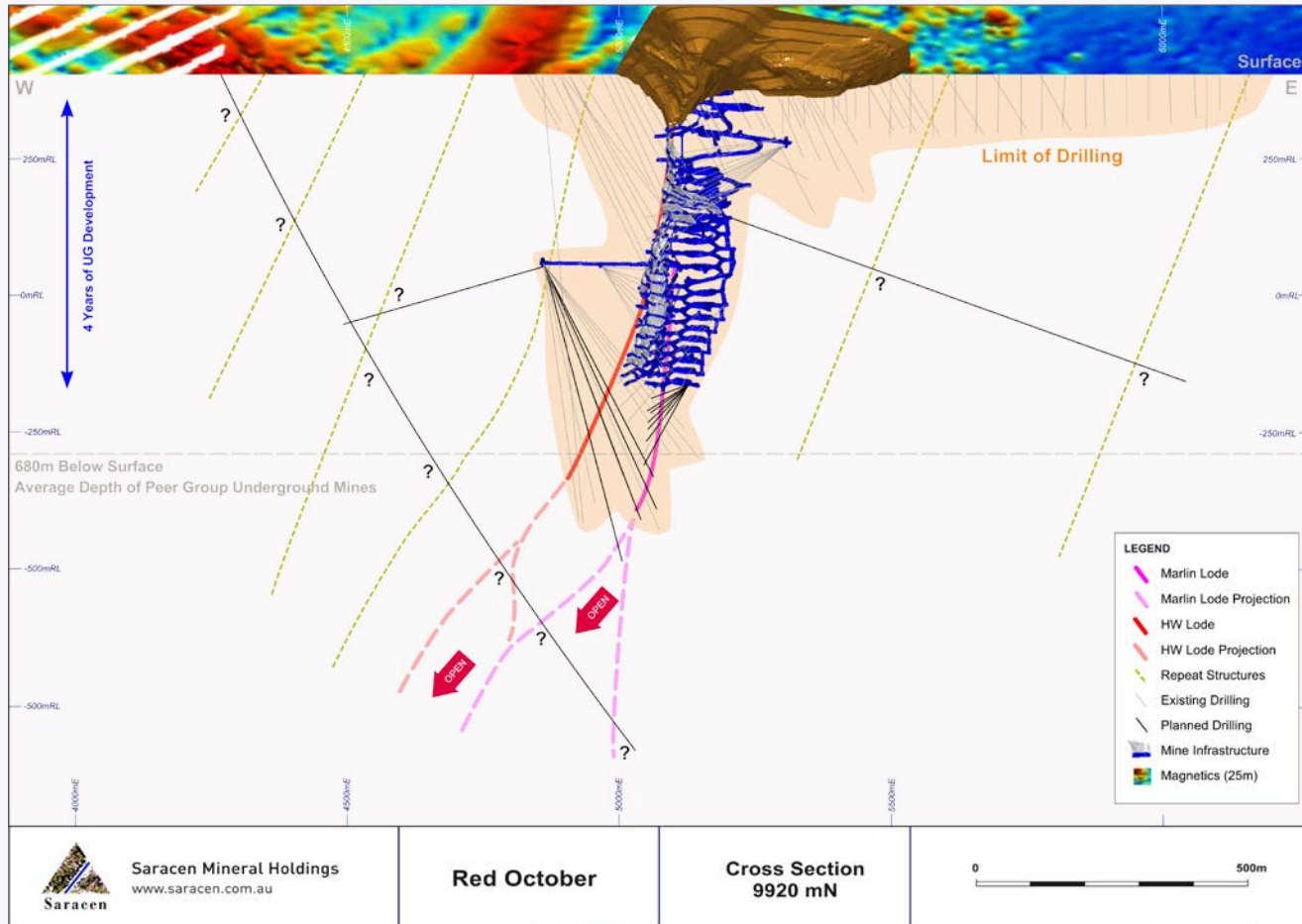


Carosue Dam - Hunt for another Red October



Teaspoon of sugar:

- FY15 65koz mined, 6.7g/t, AISC A\$971/oz
- Deep South base load enables optimisation
- Reconfigure to a lower vertical advance rate
- Evaluate alternative narrow mining methods
- De-risked higher grade / higher quality production
- Lateral and vertical extensions near decline



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Red October

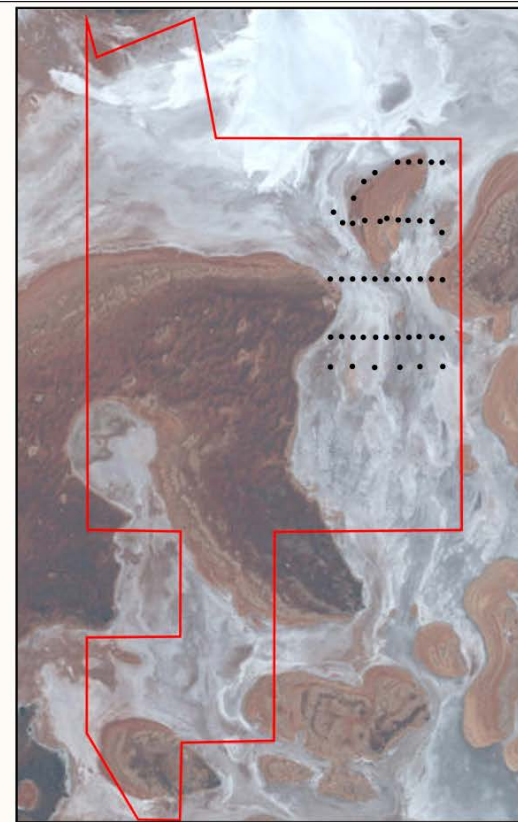
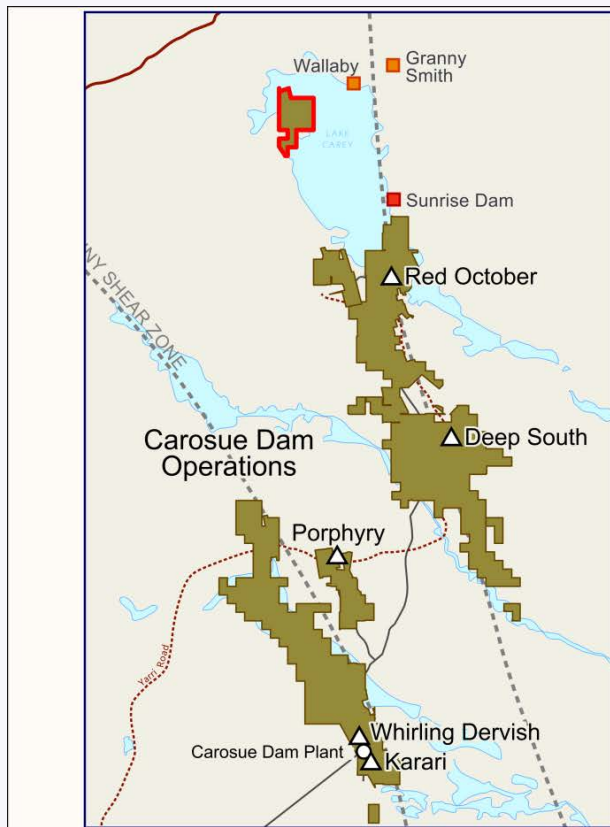
Cross Section
9920 mN



North Lake Carey – Elephant country

Greenfield discovery potential:

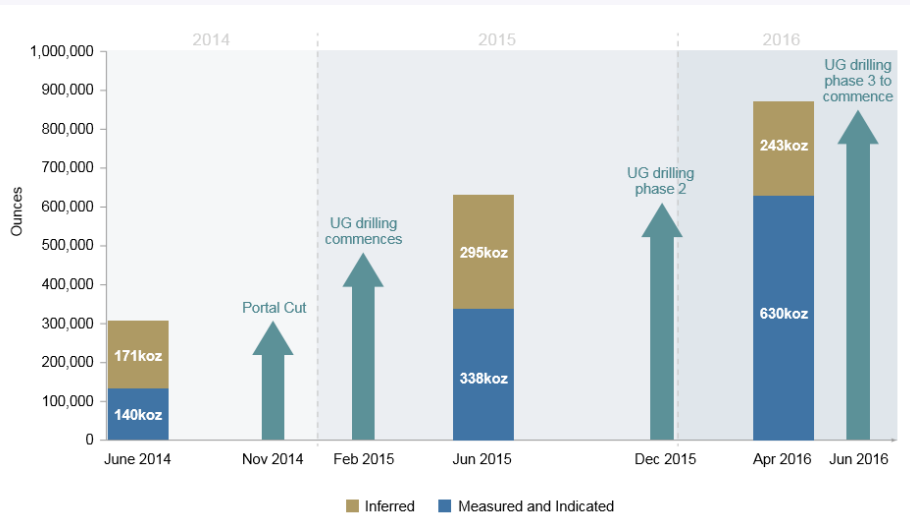
- Extremely well endowed neighbourhood
- Low resolution magnetics highlight structural complexity
- Immaturity leads to opportunity
- Challenging lake environment
- No previous drilling
- Lithology unknown / alteration unknown / structures unknown



Gaining momentum with the drill bit



Organic growth at Karari just the beginning...



...planned drilling in the next ~6 months:

June quarter:

- Red October – Extensions, repeats
- KOTH – Remnants, extensions
- Deep South – Grade control, extensions

September quarter:

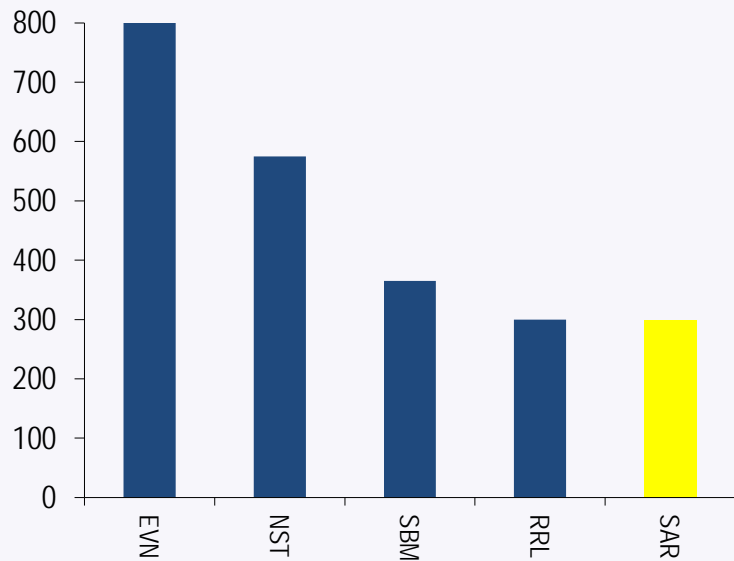
- Red October Surface ~1800m diamond hole / daughters
- Karari – Extensions (improve visibility beyond FY20)
- Thunderbox – Extensions (follow up 55m @ 3.0g/t etc)

Karari UG discovery cost A\$9.90/oz

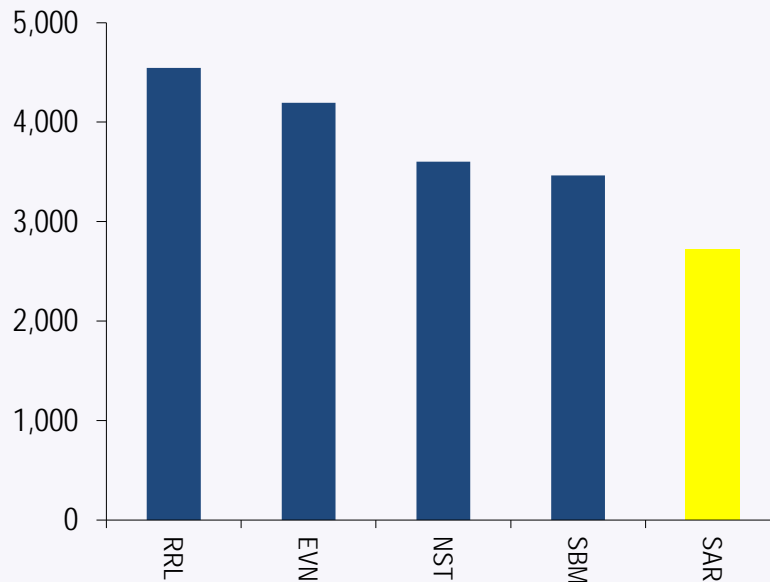
Aggressive drilling planned for December half 2016

Capturing the mid-tier premium

Annual production (koz)

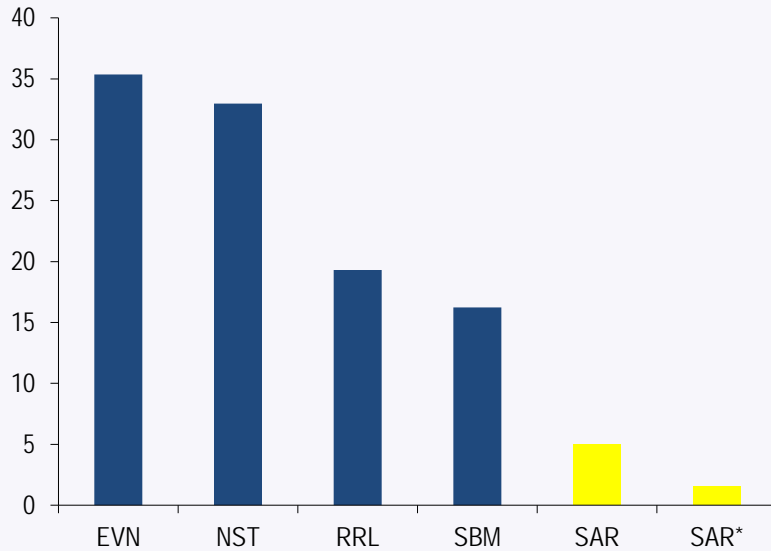


EV / production (A\$/oz)



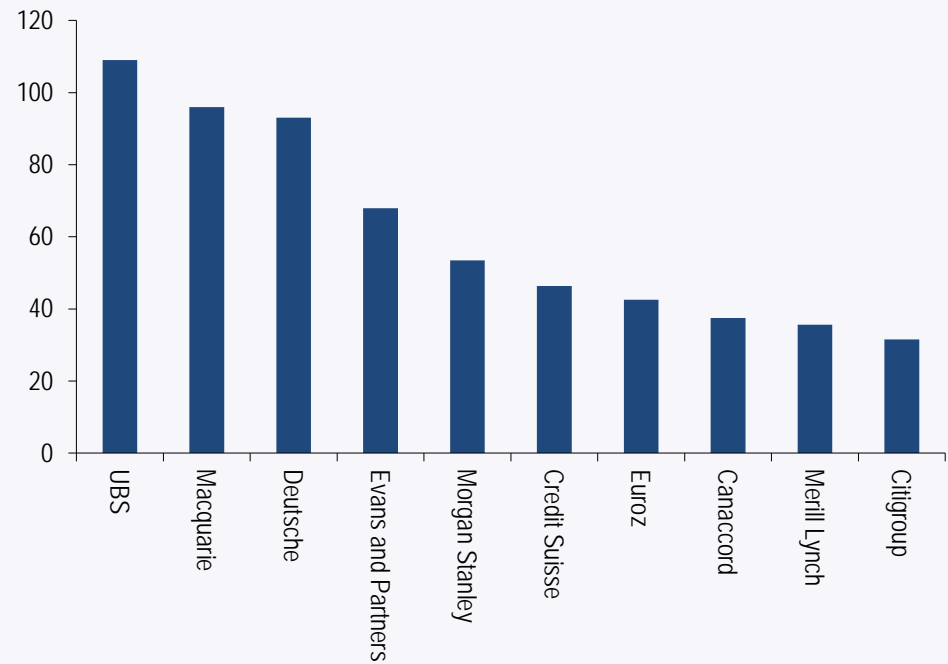
Australia's most under-valued mid-tier gold producer

Liquidity (A\$m/day)



* SAR 12 months ago

Brokers – Shares traded last 12 months (m)



Saracen is a progressive business



From...

...to...

Delivery	Meeting or exceeding guidance (FY13-15)	Meeting or exceeding guidance
Free cash flow	FY15A A\$16m	Consensus FY17F A\$100m
Production	~130-160koz pa from 1 operation	>300koz pa from 2 operations
Balance sheet	Retired debt, internally funded Thunderbox	Putting cash on balance sheet
Growth	Thunderbox OP, two new UG mines	Thunderbox UG, new districts (Red October etc)
Returns	Much improved	Consistent TSR outperformance
Share register	Australian-centric	Global
Exploration	Minimal	More!

Aiming for gold sector leadership



Contact Details

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