



Saracen

30 January 2020

Saracen Mineral Holdings Limited

Saracen sells shareholding in Red 5

Proceeds of ~A\$39m will be used to reduce debt associated with KCGM acquisition

Saracen Mineral Holdings (ASX: SAR) advises that it has sold its 10.5% interest in Red 5 Limited (ASX: RED) for approximately A\$39 million.

The sale was completed at A30c per share via a book build process before the ASX market open on 30th January 2020.

Saracen Managing Director Raleigh Finlayson said the proceeds of the sale would be used to pay down debt associated with the Company's recent acquisition of a 50 per cent share of the Kalgoorlie Super Pit.

"Reducing the debt used to fund the Super Pit purchase is a key priority for us and the Red 5 sale reflects that strategy," Mr Finlayson said.

"I would like to acknowledge the outstanding work done by Red 5 Managing Director Mark Williams and his team in establishing a substantial gold resource at the King of the Hills project."

"On behalf of Saracen, I wish Red 5 all the best for the future."

Background:

Saracen acquired the King of the Hills (KOTH) and Kailis projects from St Barbara Limited (ASX: SBM) for A\$3.0m in 2015.

Saracen sold KOTH to Red 5 in August 2017 for A\$7m in upfront cash, 90m Red 5 shares issued at a deemed price of A5c per share, and A\$4.5m in deferred cash (received 12 months after completion).

Saracen acquired another 40.6m Red 5 shares at A5c per share for ~A\$2.0m in Red 5's August 2017 rights issue to take its total holding to 130.6m shares, all of which Saracen has now sold.

Corporate Structure:

Ordinary shares on issue:	1,102.9m
Unvested employee performance rights:	17.2m
Market capitalisation:	A\$4.4b (share price A\$3.98)
Cash, bullion and investments (31 December):	A\$283.8m
Debt (31 December):	A\$385.0m
Substantial shareholders:	Van Eck Global 12.0% BlackRock Group 9.8%

This announcement has been authorised for release to the ASX by Jeremy Ryan, Manager Legal / Company Secretary.

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