



SARACEN MINERAL HOLDINGS LIMITED

ACN: 009 215 347

QUARTERLY REPORT: MARCH 2013

Corporate Details:

As at 31 March 2013

ASX codes:

Ordinary shares: SAR
30 June 2013 Options: SARO

Issued capital:

595.2 m ordinary shares

7.1m listed options expiring 30 June 2013 exercisable at 23.51c.

2.5m unlisted participating options expiring 30 June 2013 exercisable at 23.51c.

8.3m unlisted incentive options with various expiry dates and exercise prices.

Substantial Shareholders:

Van Eck Associates Corporation
42.4m (7.1%)

Renaissance Smaller Companies Pty Ltd
30.4m (5.1%)

Vinva Investment Management
30.1m (5.1%)

Registered Office:

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Perth WA 6000
Telephone: (61 8) 6229 9100
Facsimile: (61 8) 6229 9199

Directors:

Mr Guido Staltari
Executive Chairman

Mr Raleigh Finlayson
Managing Director

Mr Ivan Hoffman OAM
Non-executive

Mr Barrie Parker
Non-executive

Mr Martin Reed
Non-executive

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Record Quarter Gold Production

- Record Quarter Production – 36,430 oz at cash cost A\$991/oz.
- Mill grade +2g/t for the quarter – the first time since operations commenced.
- Year to date production of 98,909 oz at cash costs A\$993/oz.
- On track for record production year of 125-135koz at cash costs of \$975-1,075/oz.
- Grades from Deep South of 4g/t approximately 87% higher than reserves.
- Expansion Projects on track. The Whirling Dervish cut back on schedule and process plant upgrade due for completion by December.
- Drilling at Red October outside of existing ore reserve returns 5.0m @ 15.3g/t and 2.2m @ 53.9g/t.
- Gold hedging of 188,300 ounces at average price of A\$1,698
- Mark to Market value of hedges of A\$56m at A\$1,300/oz spot

Comment from Managing Director, Raleigh Finlayson:

"Our Carosue Dam Operations have recorded consecutive production records with 32,038 ounces in the December quarter being eclipsed by 36,430 ounces in this March quarter."

"The most pleasing aspect of our latest production record is that it was achieved with only 14% of ounces being contributed from the Red October underground mine versus 27% in the previous quarter as the mine focused on development work on the Central lode. This highlights the contribution being made from our open pit operations, particularly Deep South."

"We are pleased that the major capital works phase at Red October to establish the primary ventilation network and access the Central Lode is largely behind us, with our focus reverting back to ore production on multiple stoping horizons. We are ahead of our revised production guidance, which we increased to 125-135koz in December, on the back of a strong start to the calendar year which is set to continue."

"Saracen's prudent capital management is reflected in the 188,000 ounces of hedging we have at an average price of A\$1698/oz which provides a measure of comfort given the erratic performance of bullion and gold equities of late."

"The mark to market value of our current hedging is A\$56m (net after costs) assuming a spot gold price of A\$1,300/oz. This puts us in the enviable position of either delivering into our hedge to provide gold price protection over the next 3.5 years or a partial close-out or resetting the price to release cash to reduce debt. No decision has been made but we are continuing to closely monitor the spot price and our debt position."

Summary

Operations

- Record quarterly gold production of 36,430oz at a cash cost of \$991/oz (excluding royalties) from the processing 624,840t @ 2.01g/t.
- Record gold production of 13,383oz in January.
- Deep South open pit significantly over-performing with an additional 55% more ounces defined and mined year to date (19,580oz v 12,608oz), due to 87% higher grade (4.03g/t v 2.15g/t).
- 1 millionth ounce produced from the Carosue Dam Operations in February 2013.
- Open Pit mining expenditure set to reduce dramatically over the next two quarters with the reduction of half the mining fleet following the completion of the Deep South and Karari open pits.

Exploration

- Surface exploration activities reduced following two years of successful resource and reserve delineation resulting in +6 years of reserves.
- Significant underground exploration program has commenced at Red October to test resource extensions along strike and down dip.
- A series of infill and extensional holes to the north of the current underground reserve at Deep South will also be drilled.

Development

- The Whirling Dervish pre-strip is currently 100% on schedule with 4.4 million cubic metres of overburden mined year to date. Total capital expenditure year to date is \$19.1m.
- Fixed price EPC contract valued at \$16 million awarded in February 2013 to GR Engineering Services Limited. Detailed design and site establishment is ongoing. The completion date of December 2013 remains on track.
- The very encouraging mine to mill reconciliations coming out of the Deep South open pit will provide potential upside for the underground mine feasibility study which is nearing completion.

Corporate

- Mr Raleigh Finlayson appointed Managing Director effective 2 April 2013.
- \$12m drawn down in the quarter towards the expansion project.
- Cash and gold holdings at quarter end totalled \$30.0m (including cash backed bonds of \$7.3 million).
- Available cash of \$22.7m (including gold on hand but excluding bonds), drawn debt of \$22.0m, net cash position of \$0.7m, with the Whirling Dervish capital development of \$19.1m effectively funded by operational cashflows.
- Gold hedging in place for 188,300 ounces at average price of A\$1698.
- Mark to Market value of the hedging of A\$56m (net of costs) assuming a spot price of A\$1,300/oz.

Health and Safety

There was one Lost Time Injury ("LTI") recorded during the quarter when an underground airleg miner sustained a strained shoulder that prevented the miner being able to return to work for two days whilst undergoing treatment.

Despite the LTI recorded during the quarter, the Carosue Dam Operations LTI frequency rate has fallen to 1.7 below the industry average of 1.9.

Processing

Mill Production	Unit	Dec 12 Qtr	March 13 Qtr	9 months to 31 March 2013
Total Ore Milled	<i>t</i>	614,699	624,840	1,894,108
	<i>g/t</i>	1.80	2.01	1.80
Recovery	<i>%</i>	90.0%	90.3%	90.1%
Gold Produced	<i>oz</i>	32,031	36,430	98,909
Cash Operating Costs (excluding Royalties)*	<i>A\$/oz</i>	951	991	993
Royalties	<i>A\$/oz</i>	60	64	61

Table 1 – Production and Cash Costs

*Cash costs represent the costs for mining, processing and site administration including accounting for movements in stockpile, stripping ratio adjustments, and gold-in-circuit. They do not include exploration, mine development or capital costs. They include by-product credits but do not include the cost of royalties, depreciation and amortisation.

Gold production for the quarter was a **record 36,430oz** from the processing of 624,840 tonnes at a grade of 2.01g/t Au and recovery of 90%. The quarterly average head grade of 2.01g/t was also the highest quarterly average since operations commenced in January 2010. Cash operating costs for the quarter were A\$991/oz (including \$21/oz of accounting adjustments). Additional details of the make-up of the cash cost is contained in the Finance section below.

The quarterly record was driven by a **record month in January** where gold production was **13,383oz** from the processing of 222,077 tonnes at a **head grade of 2.1g/t**. Table 2 shows that 29% of the ounces for January were from Red October.

Red October's contribution in February and March dropped to 5% as the mine's focus shifted towards decline development to access the Central lode. **Very importantly the mill headgrade still averaged 2.0g/t for February and March** due mainly to a **significant overcall on the grade delivered from Deep South** where estimated mine reserves for the quarter of 8,000oz at 2.33g/t were reconciled to 15,000oz at 4.73g/t. More information on the overcall is provided in the Open Pit Mining section below.

March Quarter Produced oz	Jan	Feb/Mar	Total
Red October Rec Au (oz)	3,913	1,040	4,953
Total Mill Rec Au (oz)	13,383	23,047	36,430
Mill Grade (g/t)	2.1	2.0	2.0
% Rec au from Red October	29%	5%	14%

Table 2 – March quarter production contribution from Red October

Plant Expansion

The \$25m 12-month expansion of the Carosue Dam plant from 2.4mtpa to 3.2mtpa (Stage1) is proceeding as planned. The contract for the fixed price EPC contract was let to GR Engineering Services Limited (GRES) in February. This contract has a value of \$16 million and covers the installation of two tertiary crushers, three conveyor belts, a screen house, an additional CIP leach tank and various plant modifications with the aim of reducing the size of crushed ore from 25-33mm to 7-8mm to improve mill throughput and energy efficiency. This is the main contract for the plant expansion and adds to the contracts already let for the procurement of the two tertiary crushers, feeders and screen house (total \$3m) and downstream upgrade works (\$4m). Activity during the quarter focused on preparing the final design for construction and establishing the footprint in preparation for construction. GRES personnel and equipment are due on site in April to commence construction.

Open Pit Mining

Commercial open pit mining operations continued at Deep South and Karari during the quarter. The Deep South open pit is located 80km north of the mill and is currently 17% ahead of schedule and is due to be completed in May 2013. The Karari open pit is located within 500m of the mill and is currently 3% ahead of schedule and is due to be completed in July 2013. At the completion of these open pits, those mining fleets will be demobilised. Thereafter, the remaining site fleet will consist of two excavator's and associated equipment which will deliver ore from the Whirling Dervish open pit for the next two years. This schedule will see total open pit mining expenditure reduce significantly over the next two quarters.

Table 3 below highlights that year to date all mine sources have outperformed reserves by 15%.

Pleasingly the remaining active sources (Karari, Deep South and Red October) are outperforming reserves by 20%. The most significant contributor to the over-performance is the Deep South open pit, where the mined grade is 87% higher than reserve (4.03g/t v 2.15g/t). There are two main reasons for this significant overcall, firstly excellent mining practices reducing dilution by 24% and secondly, more ounces have been defined and mined through the grade control process compared to the original reserve estimation. This is particularly encouraging considering the potential for this overcall to continue into the underground reserves which could lead to significant upside in the underground mine economics.

YTD

MINE	Active	Budget - Reserve			Reconciled Mined			Ounces Variance
		Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	
Karari	Yes	1,070,690	1.20	41,326	1,045,818	1.35	45,479	+10%
Deep South	Yes	182,457	2.15	12,608	151,223	4.03	19,580	+55%
Redbrook	No	86,531	1.13	3,138	65,791	1.31	2,774	-12%
Margarets	No	221,865	1.45	10,364	199,484	1.56	10,035	-3%
Old Camp	No	139,318	1.35	6,069	124,605	1.66	6,666	+10%
Sizzler	No	41,296	2.58	3,423	38,444	2.90	3,586	+5%
Red October	Yes	62,873	8.57	17,316	77,543	8.27	20,612	+19%
Total	All Sources	1,805,030	1.62	94,244	1,702,908	1.99	108,732	+15%
Total	Active Mines	1,316,020	1.68	71,250	1,274,584	2.09	85,671	+20%

Table 3 – Mine Reconciliation by Source YTD FY2013

Development

The pre-strip of the Whirling Dervish pit remains on track and in line with forecast with a total of 4.4 million cubic metres of overburden excavated since mining commenced in November 2012. Year to date expenditure is \$19.1m or \$4.34/bcm versus a pre-strip budget of \$4.16/bcm, representing 4% higher unit costs. The pre-strip started in November with a 260t and 200t excavator fleet combination. During the quarter the decision was made to swap out the 200t excavator with a 120t excavator due to productivity performance issues with the 200t excavator and the desire to slow the pre-strip and capital outflows as there is no advantage in continuing to fast track mining as it will have only resulted in building a larger stockpile until the mill expansion is completed in December 2013.

The new fleet combination has also resulted in a lower unit rate of \$4.26/bcm in March (within 2% of budget) which is an excellent result considering the loss of several days due to rain.

A comparison of previous reserves compared with the final mine design and mining inventories for the Whirling Dervish cutback are provided below:

Whirling Dervish	Current Reserves	Mine Design	Variance %
Pre-strip (BCM)	7.2m	8.4m	117%
Pre-strip (\$)	\$30m	\$35m	117%
Pre-strip (\$/bcm)	\$4.16	\$4.16	100%
Pre-strip complete	Jun-13	Jul-13	1 mth
Ore Tonnes (mt)	5.6	6.7	120%
Ore Grade (g/t)	1.3	1.3	96%
Contained Au (koz)	237	273	115%
Mill Recovery (%)	92%	92%	100%
Recovered Au (koz)	218	251	115%
Overall Strip Ratio (w:o)	7.9	6.7	85%
Operating Strip Ratio (w:o)	4.3	3.4	79%

Table 4 – Current Reserves versus mining inventory in the final mine design for Whirling Dervish

The final mine design provides an additional 36koz of gold inventory above the current reserves and sees the overall strip ratio decrease by 15% and the operating strip ratio (excludes pre-strip) decrease by 21%. The changes to the design were brought about by a combination of optimising pit ramp configurations and reconciling the resource model to the previous mined Whirling Dervish stage 1 which over-performed.

The ore reserves statement will be updated to represent the final mine design ore inventories tabled above in September 2013.

The A\$30m capex guidance provided for Whirling Dervish in FY2013 (released on the 3rd Dec 2012) remains unchanged, with the additional \$5m capex required to mine the extra 1.2 million cubic metres of pre-strip in the final mine design to be incurred in Q1FY2014. This is \$3m above the guidance provided for FY2014 but delivers:

- An additional 36koz to the project over the next two years.
- 1.1mt of additional ore to the expanded mill (3.2mtpa).
- Approximately \$15 million of extra cashflow (undiscounted and assuming A\$1,600/oz – average of spot and hedge price) to the bottom line.



Figure 1 – Whirling Dervish cutback

Underground Mining







Red October

One of the main priorities for the quarter, as flagged in the December quarterly, was the establishment of the primary ventilation network, an upgrade of the underground power reticulation and establishment of escape ways for the second means of egress. All three of these critical capital works projects have now been completed with primary ventilation now established to the 1200 level, the installation of the underground substation and escape way ladders/platforms now installed to the base of the mine.

The other key priority was fast tracking the development of the main decline towards the Central lode which will provide the majority of the ounces in FY2014 (and beyond) as well as provide a drill platform to extend the resource at depth. At the end of March, the main decline had reached the Central lode (as shown in Figure 2 below) with development of ore drives and stoping due to commence in the June quarter.

Prioritising of the above activities resulted in less focus being placed on ore development and stoping during the quarter. Now that the key capital works projects have been completed, attention in the June quarter will revert back to stoping from the 1220 and 1200 levels, extending the main decline and ore development into the upper levels of the Central lode. A second jumbo is being considered to be added to the underground fleet now that sufficient ventilation exists and considerable more strike exists on the ore drives in the Central lode.

The June quarter represents a critical quarter in Red October's short history as drilling to date has been focused on grade control delineation of the Southern and Central lodes. With this work now largely completed, the focus will shift towards extending the resource/reserves at depth and along strike. Figure 2 shows the current status at Red October:

- Development in the Northern lode is now complete.
- The Main Decline has been prioritised to access the Central lode (depicted by ).
- Current reserve (69koz) outline shown (depicted by .
- Surface drilling pierce points represented by  (colour coded by g*m's).
- Underground drilling pierce points represented by  (colour coded by g*m's).
- Current exploration program (depicted by .
- Phase 2 exploration program (depicted by .
- 9960N Section line shown – location of cross-section – refer Figure 3.

ROGC156 and RORD019 are the first two holes in the current exploration program targeted outside of the existing ore reserve outline that have been drilled with results received of:

- | | | |
|------------------|------------------------|------------------|
| • ROGC156 | 5.0m @ 15.3 g/t | (77 g*m) |
| • RORD019 | 2.2m @ 53.9 g/t | (119 g*m) |

Figures 2 and 3 show this drilling on both long and cross sections. Full results are detailed in Table 5 appended to this report.

The significance of these results is that both of the returned high grade intercepts were off the main Red October Shear and sit on a Footwall Shear (FW) in the Pillow Basalt. The significance of this FW shear will be determined with future drill programs. The current exploration program (Phase 1) is scheduled to be drilled during the June quarter, with the Phase 2 exploration program scheduled to continue after Phase 1 (depending on results). Figure 2 includes locations of the current and Phase 2 drill program.

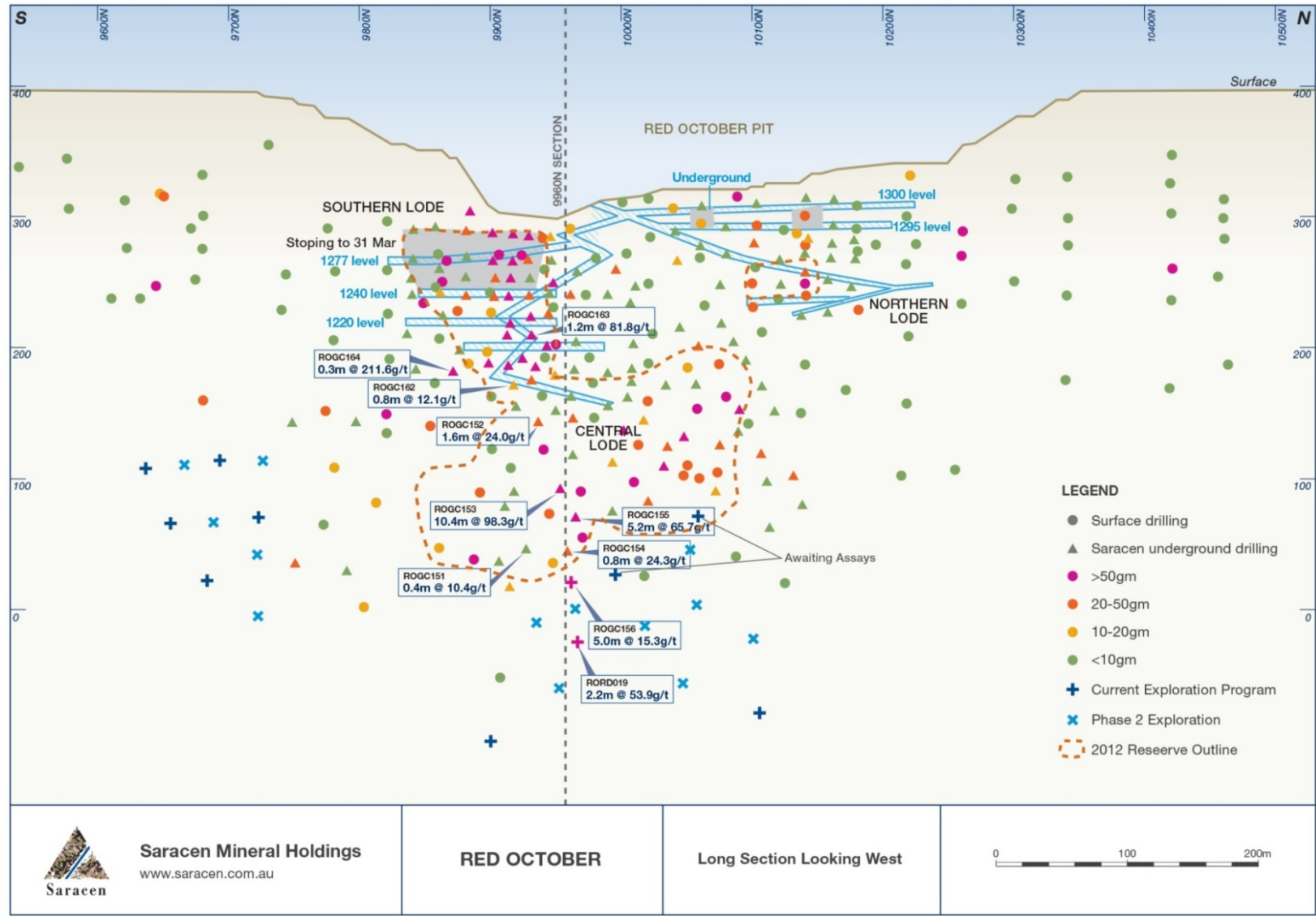


Figure 2 – Red October Longsection as at 31st March 2013

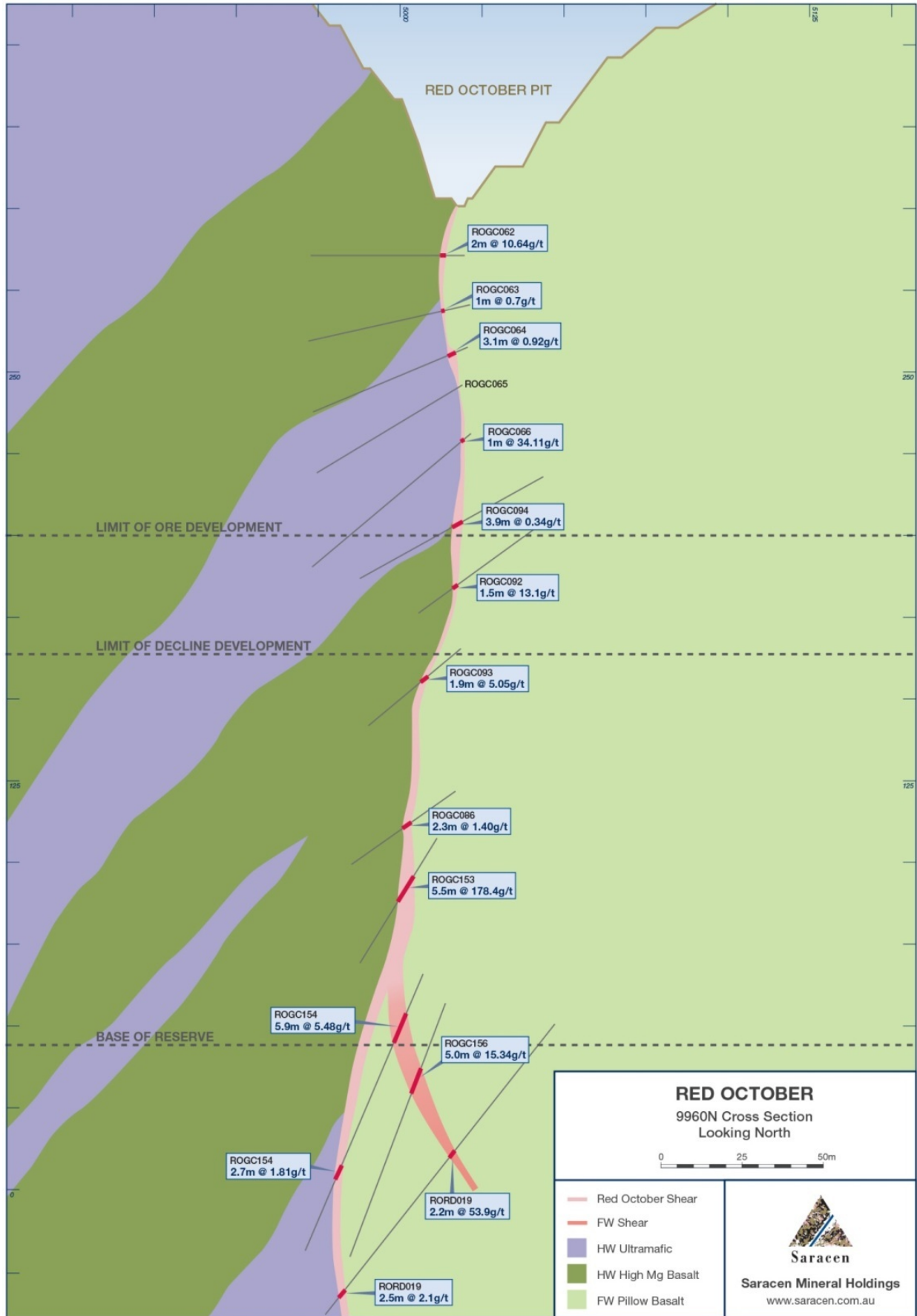


Figure 3 – Red October Cross Section 9960N

Deep South Underground Feasibility Study

The Deep South underground feasibility study is effectively complete, with robust technical and financial parameters showing a mine plan that would provide cost and logistical synergies with the Red October underground mine. A separate announcement will be made with the underground feasibility study economic & technical assumptions and results.

The 55% year to date increase in reconciled ounces versus reserve from the Deep South open pit due to an 87% overcall in grade provides comfort that there may be significant upside in the reserve grade and ounces in the underground reserve of 4.3g/t and 116,000 ounces.

Before any decision is formally made to advance the Deep South underground mine, the following actions and considerations must be taken into account:

- Final mine to mill reconciliation for the Deep South open pit to determine final reconciliation versus reserves. Mining of the open pit is due to be completed in May with final grade reconciliation due in June 2013.
- Review of resource model and underground reserves based on findings from final reconciliation. Due June 2013.
- Extensional drill program to the North of the current reserves to potentially increase reserves and ounces per vertical metre. Drilling is planned for June quarter. (See Figure 4 below for drill plan).
- Consider the implications to the development schedule at Red October from the current exploration drill program. Extensions of reserves beyond current 69koz mine plan at Red October need to be considered in conjunction with the development schedule at Deep South to balance capital development (cash outflows) and ore driving/stoping (cash inflows).
- Implications of relative timing and quantum of internal and/or additional debt funding of Deep South underground development, including impact of the repayment schedule, and other factors.
- Implications of prevailing gold price volatility, and strategies, including possible deferment of development, to reduce debt drawdown, thereby reducing corporate risk.

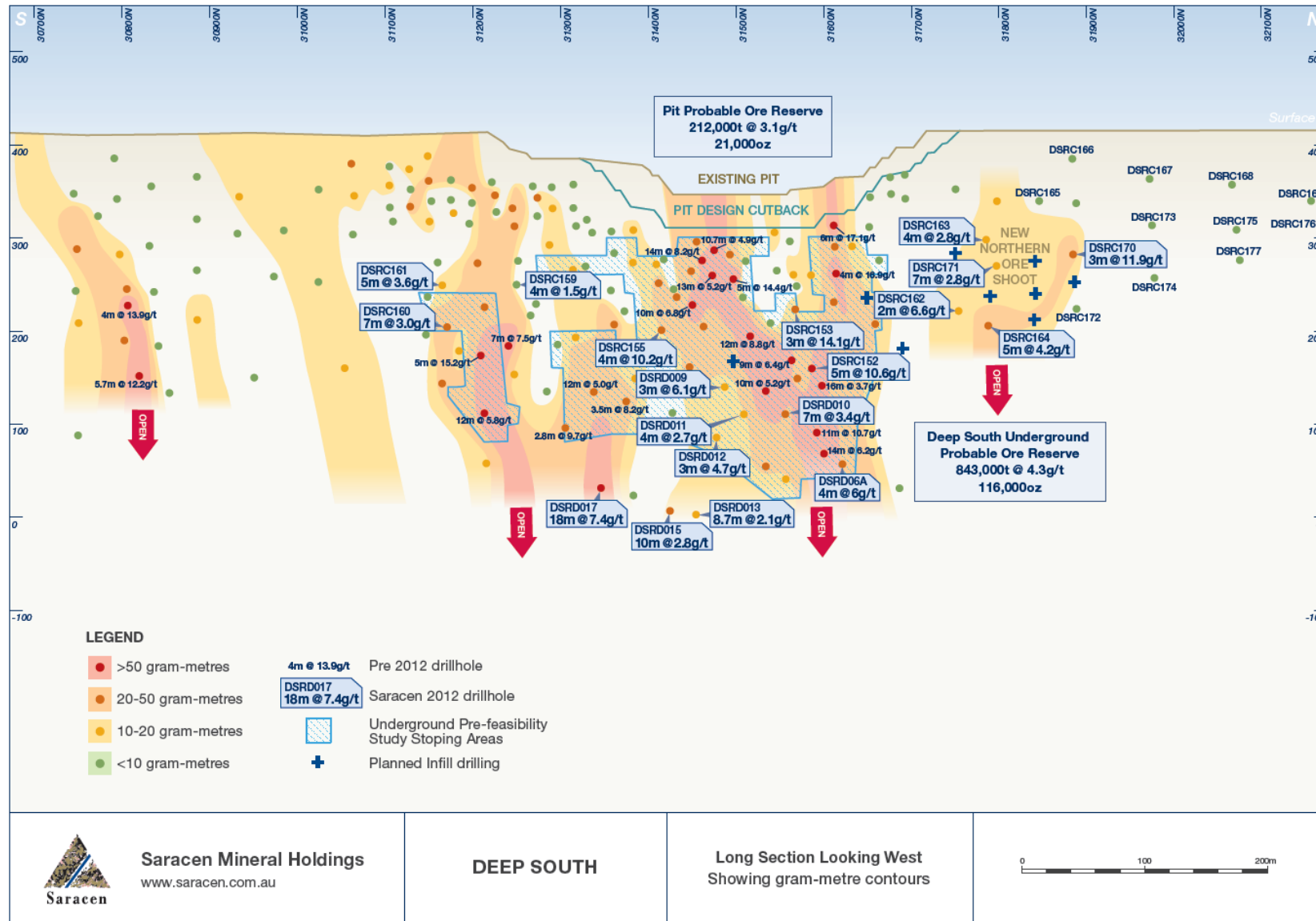


Figure 4 – Deep South Long Section

Exploration

Exploration this quarter has focused on reviewing the extensive data collected from an extremely successful phase of near-mine resource drilling over the last 12 months. The focus has now turned towards understanding near mine mineralisation controls and applying these to similar regional settings with the aim of identifying new mineralised systems.

The exploration team has commenced a series of Auger drilling programs currently focused on the northern tenements. Anomalous results from this drilling are being reviewed and ranked with other targets to be followed up in order of priority with bedrock testing.

The key programs to be drilled this quarter is the Red October underground exploration program which will test strike and plunge extensions beyond the current ore reserve and a series of infill and extensional holes to the north of the current underground ore reserve at Deep South.

Blue Manna

The final results for the Blue Manna (located 12kms from the plant) drill program were returned in the March quarter. These results further confirmed the potential of the discovery, and the necessity of follow up infill drilling. Significant results include:-

**OPDRC031 2m @ 4.5g/t from 24m, and
 3m @ 2.9g/t from 36m**

OPDRC032 14m @ 1.2g/t from 16m

Full results are detailed in Table 6 appended to this report.

Corporate

Appointment of Managing Director

Mr Raleigh Finlayson was appointed to the Board as Managing Director of the Company effective 2 April 2013.

Mr Finlayson joined the Company in February 2008 and has fulfilled the role of Chief Operating Officer for the past 3.5 years. His appointment to the Managing Director position is in accordance with the Board's long term succession plan.

Mr Guido Staltari, who has previously performed the duties of both Managing Director and Chairman, will remain as Chairman of the Company and will provide part time executive services through a transitional period. During that period he will assist the Managing Director and Board in strategic, commercial, exploration and development aspects of the Company's future business.

From a corporate governance perspective, the separation of the Chairman and Managing Director's duties fits with the structure and market standing of the Company, while at the same time remaining consistent with the Company's internal succession planning strategy.

Mr Finlayson is a Mining Engineer with over 15 years of technical and operational experience in the mining industry in multiple disciplines including both underground and open pit operations. Since joining the Company, he has managed the timely completion of the Definitive Feasibility Study and development of the Carosue Dam operations in 2009.

Mr Finlayson studied at the Western Australian School of Mines and is the holder of a First Class Mine Managers Certificate, a Graduate Certificate in Applied Finance and Investment and is part way through a Masters of Mineral Economic at Curtin University. He is a member of the Australasian Institute of Mining and Metallurgy.

Finance

Cash Position

As at 31 March 2013, Saracen's total cash position was A\$30.0 million, comprised of \$18.2 million held in cash, 2,713 ounces of gold in transit (approx. \$4.5 million at A\$1,645/oz) and \$7.3 million held as cash backed environmental bonds. Cash movement included drawdowns of \$12m under the debt facilities (refer below).

Gold Sales

Gold sales for the quarter were 36,764oz at an average sale price of A\$1,596/oz for total revenue of \$58.7 million. Of these sales, 11,700 ounces were delivered into hedging @ an average price of A\$1,643.30.

The cash operating cost for the quarter was \$991/oz excluding royalties, which were approximately \$64/oz.

Debt

During the quarter, the Company drew down \$12 million against its banking facilities, with \$22 million drawn year to date.

Exploration and Capital Expenditure

During the quarter, the Company incurred exploration expenditure of \$1.6 million, development expenditure of \$21.1m (including capitalised pre-production expenditure for the Whirling Dervish cut-back of \$11.9 million, and underground development at Red October of \$6.2 million) and other capital expenditure of \$4.6 million. The cash movements for the quarter are shown in Figure 5 below.

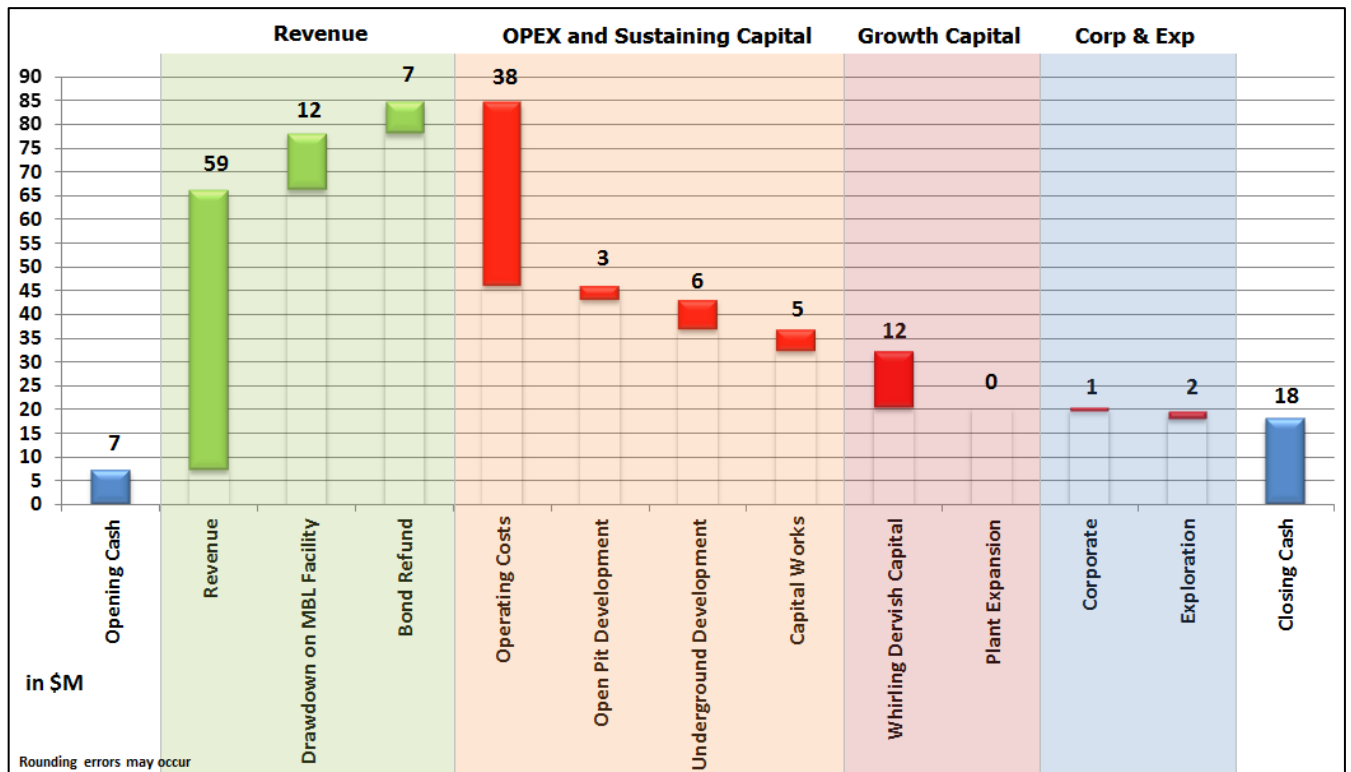


Figure 5 March quarter cash movements

- Revenue: Gold Sales
- Drawdown on MBL Facility: Debt Drawn
- Bond Refund: Release of Environmental Bonds from Department of Mines and Petroleum
- Operating Costs: open pit & underground mining, milling and site admin
- Open Pit Development: deferred open pit development expenditure (Karari)
- Underground Development: Underground Capital Development (Red October)
- Capital Works: Working Capital, including Red October infrastructure
- Whirling Dervish Capital: Pre-strip mining Capital Expenditure
- Plant Expansion: Plant Expansion to 3.2mtpa
- Corporate: Corporate Expenditure (including loan interest and lease expenses)
- Exploration: Exploration Expenditure (including tenement rents and rates)

Closing cash of \$18m excludes approx \$4.5m gold in transit, therefore cash during the quarter has effectively grown by \$15.5m, with debt drawn of \$12m, equals net cash increase of \$3.5m. This highlights that all operating costs, sustaining capital, growth capital (\$12m Whirling Dervish capital), corporate and exploration expenses have been covered by operating cashflows."



Figure 6 March Quarter Reportable Cash Costs

Hedging

As at 31 March 2013, Saracen has gold hedging in place covering 188,300 ounces at an average price of A\$1698.20/oz. These ounces are to be delivered over the period from April 2013 to December 2016. The mark to market value of our current hedging is A\$56m (net after costs) assuming a spot gold price of A\$1,300/oz. Refer to Table 7 below for the complete month by month listing of quantity and price of the hedge book.

Raleigh Finlayson
Managing Director
Saracen Mineral Holdings Limited

RED OCTOBER UNDERGROUND DIAMOND DRILLING MARCH 2013 QUARTER										Downhole	
Hole	Easting	Northing	RL	Azimuth	Dip	Depth		From (m)	To (m)	Width (m)	Grade g/t
ROGC131	442980.5	6767729	209.8	261	-9.2	150.1		94	102	8.0	0.86
ROGC133	442980.5	6767729	209.0	258.5	-37.3	253.6		228	243.7	15.7	2.01
ROGC134	442980.9	6767729	209.8	270.5	-12.5	120.3		83	87.8	4.8	0.72
ROGC136a	442981	6767729	209.2	271.2	-42.9	231.4		191.16	197	5.8	0.47
ROGC140	442981.3	6767730	209.2	293	-45.6	147.2		123.3	127	3.7	0.21
ROGC141	442981.5	6767730	209.6	307	-27.7	102.5		80.9	82.7	1.8	1.09
ROGC142	442981.5	6767730	209.2	307	-43.9	126.4		106.8	110	3.2	1.85
ROGC144	442981.6	6767730	208.8	306	-55.8	169.4		149.1	154.4	5.3	0.77
ROGC146	442982.9	6767732	208.8	318	-45.2	123.2		106.4	110.7	4.3	0.53
ROGC147	442983	6767732	208.7	318	-53.3	156.1		128.6	133	4.4	0.01
ROGC148	442983.4	6767732	208.6	320.7	-62	213.2		185	187.5	2.5	0.01
ROGC150	442983.3	6767733	208.7	332	-49.1	141.2		119.9	123.9	4.0	0.02
ROGC151	442983.2	6767732	208.6	328	-62.1	219.5		188.2	204.8	0.4	0.74
ROGC152	442984.8	6767735	208.6	349.2	-38.7	130		109	111	2.0	18.65
ROGC153	442985.1	6767735	208.5	350.7	-51.3	180		151.5	161.9	10.4	98.30
ROGC154	449284.9	6767735	208.5	350.19	-58.7	261.3		184.7	185.5	0.8	24.30
ROGC155	442985.1	6767735	208.5	350	-53.5	250.3		170.5	175.7	5.2	65.70
ROGC156	442985.1	6767735	208.5	353	-61.3	451.6		200	205	5.0	15.34
ROGC157	442985.5	6767735	208.5	5	-50.4	357.7		194.9	196.1	1.2	3.80
ROGC158	442980.2	6767778	214.8	347	-4.6	75.1		31.7	34.4	2.7	40.647
ROGC159	442980.3	6767778	214.0	347.5	-32.3	69.1		45.8	50.6	4.8	39.71
ROGC160	442979.4	6767777	214.2	318	-32	69.1		42	44.5	2.5	7.80
ROGC161	442979.2	6767776	214.9	305	-5	54.1		31	35.6	4.6	30.53
ROGC162	442982.8	6767732	209.3	317.7	-17.5	96.5		71.5	76.3	4.8	0.48
ROGC163	442982.7	6767732	210.0	310	1.2	103.5		64.7	66.8	2.1	1.17
ROGC164	442982.5	6767732	209.5	300	-19	114.3		74	78	4.0	0.71
ROGC165	442982	6767731	209.9	278.1	-0.5	84.2		70.8	73.2	2.4	0.71
RORD017	443163.8	6767730	254.6	334.5	-33.7	273.4		247	249.4	2.4	7.81
RORD018	443164	6767730	254.2	304	-35.2	267.5		248.95	252.9	4.0	5.32
RORD019	443164	6767730	254.2	302	-49	401.1		314	316.2	2.2	53.92
RORD019							and	371.9	374.4	2.5	2.07

Table 5 – Drilling Results from Red October, March Quarter 2013

BLUE MANNA DRILLING MARCH 2013 QUARTER										Downhole	
Hole	Easting	Northing	RL	Azimuth	Dip	Depth		From (m)	To (m)	Width (m)	Grade g/t
OPDRC031	436841.9	6673101	335.557	236.3	-60.1	107		24	26	2	4.556
								36	39	3	2.969
								52	54	2	1.821
								93	95	2	1.894
OPDRC032	436814.3	6673119	334.985	241.3	-61.6	97		16	30	14	1.211
								34	35	1	1.235
								76	77	1	3.296
								84	88	4	1.994

Table 6 – Drilling Results from Blue Mana, March Quarter 2013

30/04/2013	3,900	\$ 1,650.00
31/05/2013	3,900	\$ 1,650.00
28/06/2013	3,900	\$ 1,650.00
31/07/2013	3,900	\$ 1,650.00
30/08/2013	3,900	\$ 1,660.00
30/09/2013	3,900	\$ 1,660.00
31/10/2013	3,900	\$ 1,660.00
29/11/2013	3,900	\$ 1,660.00
31/12/2013	3,900	\$ 1,660.00
31/01/2014	3,900	\$ 1,670.00
28/02/2014	3,900	\$ 1,670.00
31/03/2014	3,900	\$ 1,670.00
30/04/2014	3,900	\$ 1,670.00
30/05/2014	3,900	\$ 1,680.00
30/06/2014	3,900	\$ 1,680.00
31/07/2014	3,900	\$ 1,680.00
29/08/2014	3,900	\$ 1,680.00
30/09/2014	5,000	\$ 1,680.00
31/10/2014	5,000	\$ 1,680.00
28/11/2014	5,000	\$ 1,690.00
31/12/2014	5,000	\$ 1,690.00
30/01/2015	5,000	\$ 1,690.00
27/02/2015	5,000	\$ 1,690.00
31/03/2015	5,000	\$ 1,690.00
30/04/2015	5,000	\$ 1,690.00
29/05/2015	5,000	\$ 1,700.00
30/06/2015	5,000	\$ 1,700.00
31/07/2015	4,500	\$ 1,700.00
28/08/2015	4,500	\$ 1,700.00
30/09/2015	4,500	\$ 1,710.00
30/10/2015	3,900	\$ 1,710.00
30/11/2015	3,900	\$ 1,720.00
31/12/2015	3,900	\$ 1,720.00
29/01/2016	3,900	\$ 1,720.00
29/02/2016	3,900	\$ 1,730.00
31/03/2016	3,900	\$ 1,730.00
29/04/2016	3,900	\$ 1,740.00
31/05/2016	3,900	\$ 1,740.00
30/06/2016	3,900	\$ 1,750.00
29/07/2016	3,900	\$ 1,750.00
31/08/2016	3,900	\$ 1,760.00
30/09/2016	3,900	\$ 1,760.00
31/10/2016	3,900	\$ 1,760.00
30/11/2016	3,900	\$ 1,770.00
30/12/2016	3,900	\$ 1,770.00
Total	188,300	\$ 1,698.20

Table 7 – Details of Hedging Contracts

Competent Persons Statement

The information in this report that relates to Exploration results and Mineral Resources has been compiled under the supervision of Mr Richard Maddocks (BSc MSc). Mr Maddocks, who is a Fellow of the Australasian Institute of Mining and Metallurgy, is a full-time employee of Saracen Gold Mines Pty Ltd. Mr Maddocks has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity that he is undertaking to qualify as a Competent person as defined in the 2004 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Maddocks consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

The information in this report that relates to underground Ore Reserves at Red October, Deep South and Whirling Dervish has been compiled under the supervision of Mr Stephen King (B.Eng). Mr King, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full-time employee of Saracen Gold Mines Pty Ltd. Mr King has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity that he is undertaking to qualify as a Competent person as defined in the 2004 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr King consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

The information in this report that relates to open pit Ore Reserves has been compiled under the supervision of Mr Chris Burton (Dip App.Sc). Mr Burton, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full-time employee of Saracen Gold Mines Pty Ltd. Mr Burton has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity that he is undertaking to qualify as a Competent person as defined in the 2004 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Burton consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

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 other gold mines and deposits including Sunrise Dam, Granny Smith, and Wallaby.

Carosue Dam's 2.4 million tonne per annum processing plant is forecast to produce approximately 125,000 to 135,000oz in FY2013. The Company has targeted an increase in production to around 190,000 ozpa, principally through organic growth by 2014-15.

As at 30 June 2012, Gold Resources stood at around 4.1 million oz while Reserves stood at 1.1 million oz.

The Carosue Dam operations area contains a large number of known gold deposits within two regions, the Southern and Northern regions (see figure below).

Current gold production is from open pit mines in the Southern region ("Southern Operations") and Northern region ("Northern Operations"). This is being supplemented by high grade underground operations at Red October and, subject to approvals and development, from Whirling Dervish and Deep South.

Saracen has commenced a programme to upgrade the Carosue Dam processing plant, as well as open pit expansions, aimed at capturing economy of scale and benefits, including increased annual cash flows.

This programme contemplates: -

- additional crushing capacity to increase mill throughput to 3.2mtpa
- a cutback at Whirling Dervish utilising a larger mining fleet
- additional open cuts at Wallbrook and Million Dollar.

