



Saracen Mineral Holdings Limited

ACN: 009 215 347

Update on Special Dividend

12 January 2021

Saracen Mineral Holdings Limited (ASX:SAR) refers to the announcements made in connection with the proposed scheme of arrangement pursuant to which Northern Star Resources Limited (ASX: NST) will acquire all of the shares in Saracen (**Scheme**).

The directors of Saracen unanimously recommend that shareholders approve the Scheme in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Saracen shareholders.

Special Dividend

The Company advises that it has determined to pay a fully franked special dividend to Saracen shareholders of A\$0.038 per share (**Special Dividend**), conditional upon the Scheme becoming effective.

Saracen shareholders who are able to realise the full benefit of the franking credits attached to the Special Dividend will be entitled to a franking credit of up to A\$0.016 per share, provided a favourable class ruling is obtained from the Australian Taxation Office (**ATO**).

If the Scheme becomes effective, the Special Dividend will be paid on Thursday, 11 February 2021, with a record date of 7:00pm (AEDT) on Wednesday, 3 February 2021 (**Special Dividend Record Date**).

Accordingly, if the Scheme becomes effective, Saracen shareholders who are recorded as such on the register on the Special Dividend Record Date and who continue to hold their shares until the Scheme record date on Friday, 5 February 2021 (**Scheme Record Date**), will receive:

- scrip consideration of 0.3763 new Northern Star shares for every 1 Saracen share held at the Scheme Record Date; and
- a Special Dividend of \$0.038 for every 1 Saracen share held at the Special Dividend Record Date.

Please note that any Special Dividend will not be payable until formally declared and the Scheme becomes effective. The Company will need to satisfy all legal requirements before a formal declaration of the Special Dividend.

Shareholders should seek independent tax advice in regard to their own circumstances.

ATO Class Ruling

The Company has applied to the ATO requesting a class ruling in relation to the tax implications of the Special Dividend, including the ability to attach franking credits to the Special Dividend. The application is progressing well, and is in the advanced stages. Subject to the receipt of a favourable class ruling from the ATO, and depending on their own tax circumstances, Saracen shareholders may receive additional value from any franking credits attaching to the Special Dividend, as described above.

Scheme Timetable

The key dates expected for the Scheme are set out below.

Latest time and date for lodgement of completed Proxy Form for the Scheme Meeting	9:00am (AWST) on Wednesday, 13 January 2021
Time and date for determining eligibility of Saracen Shareholders to vote at the Scheme Meeting	7:00pm (AEDT) on Wednesday, 13 January 2021
Scheme Meeting	9:00am (AWST) on Friday, 15 January 2021
Second Court Date	Tuesday, 2 February 2021
Effective Date	Wednesday, 3 February 2021

Special Dividend Record Date	7:00pm (AEDT) Wednesday, 3 February 2021
Scheme Record Date	7:00pm (AEDT) on Friday, 5 February 2021
Special Dividend Payment Date	Thursday, 11 February 2021
Implementation Date	Friday, 12 February 2021
New Northern Star Shares commence trading on ASX on T+2 basis	Monday, 15 February 2021

Note: All dates following the date of the Scheme Meeting are indicative only and, among other things, are subject to all necessary approvals from the Supreme Court of Western Australia, and to all other conditions precedent to the Scheme being satisfied or waived. Saracen reserves the right to vary the times and dates set out above. Any changes to the above timetable will be announced on the ASX and notified on Saracen's website at www.saracen.com.au.

Saracen and Northern Star will continue to update shareholders as to any material developments in relation to the Scheme as the timetable progresses.

Authorised for release to the ASX by Raleigh Finlayson, Managing Director.

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