



Saracen becomes a “top” WA gold producer

Company	Saracen Mineral Holdings
Code	SAR
Meeting	EGM
Date	Thursday, 5 March, 2020
Venue	Duxton Hotel 1 St Georges Terrace, Perth WA 6000, Australia
Monitor	David F Brooke

Number attendees at meeting	20 shareholders plus 10 visitors
Number of holdings represented by ASA	32
Value of proxies	A\$1.407m
Number of shares represented by ASA	347,354
Market capitalisation	A\$4.66bn
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	No, but pre-meeting discussion with Chairman

Summary of ASA Position

This was an Extraordinary General meeting called to endorse commitments involved in the takeover of Barrick Gold’s 50% interest in the Kalgoorlie Super pit (Fimiston Open Pit) gold mine and also to provide shareholder endorsement for a company initiative to encourage directors to own shares in the company.

The acquisition was funded on the following basis

1. A\$369 million underwritten placement
2. A\$427 million via a 1 for 5.75 underwritten pro-rata accelerated non-renounceable entitlement offer; and
3. A\$400 million drawn from a new senior secured term loan

The resolutions concerning NED “skin in the game” follow from representations made by ASA to the company.

Voting outcomes were:

	For	Against
1 Approval of Financial Assistance (Special Resolution)	99.90%	0.10%
2 Ratification of prior issue of Shares	98.59%	1.41%
3 Issue of Share Rights to Mr Martin Reed	99.19%	0.81%
4 Issue of Share Rights to Dr Roric Smith	99.19%	0.81%
5 Issue of Share Rights to Mr John Richards	99.19%	0.81%
6 Issue of Share Rights to Mr Anthony Kiernan	99.19%	0.81%

7 Issue of Share Rights to Ms Samantha Tou	99.19%	0.81%
8 Section 195 Approval	99.84%	0.16%

The Chairman opened that meeting by apologizing for the absence of the CEO (Raleigh Finlayson) who was in Kalgoorlie and stated the purpose of the meeting was:

- i) To comply with the Corporations Act in regard to obligations resulting from the acquisition of a 50% share in the Kalgoorlie Superpit, and
- ii) Obtain shareholder endorsement of Board “skin in the game”.

He summarized the requirements of the Corporations Act; which were uncontroversial. The ASA thanked that Chairman for adopting a retail shareholder friendly method (i.e. a rights issue) for raising finance for the Superpit acquisition rather than the organizationally easier path of an institutional placement.

When referring to the motions to encourage NED to take part of their fees as shares the Chairman referred to the ASA and said that the company accepted our view in regard to board level alignment to the company motto of “*thinking and acting like shareholders*”. The final motion (section 195 approval) was to comply with the Corporations Act in regard to shareholder approval for part payment of director fees as shares.

The ASA voted proxies “for” on all the resolutions.

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