



Evolution Mining Limited
ACN 084 669 036

NOTICE OF ANNUAL GENERAL MEETING
PROXY FORM
EXPLANATORY MEMORANDUM

Date of Annual General Meeting
26 November 2014

Time of Annual General Meeting
11.00 am (Sydney time)

Place of Annual General Meeting
Sofitel Sydney Wentworth Hotel
61-101 Phillip Street
Sydney NSW 2000

IMPORTANT NOTICES

What You Should Do

STEP ONE - *Read the meeting documentation*

This is an important document. You should read all of the Notice of Annual General Meeting, Explanatory Memorandum and Proxy Form before deciding whether or not to vote in favour of any of the resolutions. If you do not understand any of the meeting documents, or are not sure what to do, please consult your legal or financial adviser immediately.

STEP TWO - *Vote*

If you are unable to attend the Annual General Meeting in person, you should complete the Proxy Form and ensure that it (and any power of attorney under which it is signed) is received by the Company's share registry at an address given below not later than 11.00 am (Sydney time) on 24 November 2014. Proxy Forms received after that time will be invalid.

Online: The Proxy Form can be lodged online by visiting www.linkmarketservices.com.au. Select 'Investor Login' and enter Evolution Mining Limited in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your Proxy Form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

By mail: Evolution Mining Limited
c/o Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

By hand: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

By fax: (+612) 9287 0309

For details on how to complete the Proxy Form, please refer to the instructions in the Notice of Annual General Meeting and Proxy Form.

QUESTIONS

If you have any questions about any matter contained in this document, please contact the Company's share registry, Link Market Services Limited on +61 1300 554 474.

KEY DATES

| | |
|---|--|
| Deadline for lodgement of Proxy Forms | 11.00 am (Sydney time) on 24 November 2014 |
| Date and time for determining eligibility to vote | 7.00 pm (Sydney time) on 24 November 2014 |
| Date and time of Annual General Meeting | 11.00 am (Sydney time) on 26 November 2014 |

EVOLUTION MINING LIMITED
ACN 084 669 036

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of members of Evolution Mining Limited ACN 084 669 036 ("the Company") will be held at Sofitel Sydney Wentworth Hotel, 61-101 Phillip Street, Sydney NSW 2000 on 26 November 2014 at 11.00 am (Sydney time).

AGENDA

BUSINESS

Annual Financial Report

To receive and consider the annual financial report of the Company and the reports of the Directors and independent external auditors for the financial year ended 30 June 2014.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following as an advisory resolution:

"That the remuneration report forming part of the Company's 2014 Annual Report for the year ended 30 June 2014 be adopted."

Note – the vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Mr James Askew as a Director of the Company

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Mr James Askew, being a Director who retires in accordance with clause 8.1(f) of the Constitution of the Company and being eligible for re-election, is re-elected as a Director."

Resolution 3 – Re-election of Mr Lawrie Conway as a Director of the Company

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Mr Lawrie Conway, being a Director who retires in accordance with clause 8.1(f) of the Constitution of the Company and being eligible for re-election, is re-elected as a Director."

Resolution 4 – Election of Mr Thomas McKeith as a Director of the Company

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Mr Thomas McKeith, having been appointed as a Director since the last annual general meeting and who retires in accordance with clause 8.1(c) of the Constitution of the Company and being eligible for election, is elected as a Director."

Resolution 5 – Approval of the Employee Share Option and Performance Rights Plan

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)), section 260C(4) of the Corporations Act 2001 (Cth) and for all other purposes, shareholders approve the issue of securities under the Evolution Mining Limited Employee Share Option and Performance Rights Plan on the terms described in the Explanatory Statement which forms part of the Notice of Meeting."

Resolution 6 – Issue of Performance Rights to Mr Jacob Klein

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the issue of up to 2,229,965 Performance Rights to Mr Jacob (Jake) Klein under the Evolution Mining Limited Employee Share Option and Performance Rights Plan be approved for the purposes of ASX Listing Rule 10.14 and for all other purposes, on the terms set out in the Explanatory Memorandum."

Resolution 7 – Issue of Performance Rights to Mr Lawrie Conway

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the issue of up to 536,347 Performance Rights to Mr Lawrie Conway under the Evolution Mining Limited Employee Share Option and Performance Rights Plan be approved for the purposes of ASX Listing Rule 10.14 and for all other purposes, on the terms set out in the Explanatory Memorandum."

ENTITLEMENT TO VOTE

Snapshot date

It has been determined that under regulation 7.11.37 of the Corporations Regulations, for the purposes of the Annual General Meeting, shares in the Company will be taken to be held by the persons who are the registered holders at 7.00 pm (Sydney time) on 24 November 2014. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

VOTING EXCLUSION STATEMENTS

Resolution 1 – Adoption of Remuneration Report

The Company will disregard any votes cast on Resolution 1 (in any capacity) by, or on behalf of, the following persons:

- a member of the key management personnel (**KMP**) (which includes each of the Directors of the Company) whose remuneration is disclosed in the 2014 remuneration report; or
- a closely related party (as that term is defined in the Corporations Act) (such as close family members and any controlled companies) (**Closely Related Party**) of such a member of the KMP.

However, the Company will not disregard a vote cast on Resolution 1 if it is cast as a proxy for a person who is entitled to vote and:

- the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- the vote is cast by the person chairing of the Annual General Meeting and:
 - the appointment does not specify how the proxy is to vote; and
 - the appointment expressly authorises the chair of the Annual General Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 5 – Approval of Approval of the Employee Share Option and Performance Rights Plan

The Company will disregard any votes cast on Resolution 5 by any Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their associates.

However, the Company need not disregard a vote cast on Resolution 5 if it is cast as a proxy for a person who is entitled to vote and:

- the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- the vote is cast by the person chairing the Annual General Meeting and:
 - the proxy appointment does not specify how the proxy is to vote; and
 - the appointment expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 6 – Issue of Performance Rights to Mr Jacob Klein

The Company will disregard any votes cast on Resolution 6 by Mr Jacob (Jake) Klein and any of his associates.

However, the Company need not disregard a vote cast on Resolution 6 if it is cast by:

- a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- the person chairing the Annual General Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

The only persons referred to in ASX Listing Rule 10.14 currently entitled to participate in the Plan are Mr Klein and Mr Conway.

Resolution 7 – Issue of Performance Rights to Mr Lawrie Conway

The Company will disregard any votes cast on Resolution 7 by Mr Lawrie Conway and any of his associates.

However, the Company need not disregard a vote cast on Resolution 7 if it is cast by:

- a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- the person chairing the Annual General Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

The only persons referred to in ASX Listing Rule 10.14 currently entitled to participate in the Plan are Mr Klein and Mr Conway.

PROXIES

A shareholder of the Company (Member) entitled to attend and to vote at the Annual General Meeting is entitled to appoint a proxy to attend and to vote instead of the Member. The proxy need not be a Member and can be an individual or a body corporate.

If a Member appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Annual General Meeting, in accordance with section 250D of the Corporations Act 2001 (Cth) (Corporations Act); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Annual General Meeting.

If such evidence is not received before the Annual General Meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

Members are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Member's voting rights. If the Member appoints two proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise half of the votes. On a show of hands, neither proxy may vote if more than one proxy attends.

Any directed proxies that are not voted on any poll at the Annual General Meeting by a Member's appointed proxy will automatically default to the Chairman of the Annual General Meeting, who is required to vote proxies as directed on a poll.

Subject to the paragraph below, members of the KMP of the Company (which includes each of the Directors of the Company) will not be able to vote your proxy on Resolution 1 (if their remuneration is disclosed in the 2014 remuneration report) or Resolutions 5, 6 and 7 unless you direct them how to vote. If you intend to appoint a member of the KMP (such as one of the Directors of the Company) as your proxy, please ensure that you direct them how to vote on Resolutions 1, 5, 6 and 7 by marking the boxes for each of Resolutions 1, 5, 6 and 7 (for example, if you wish to vote 'for', 'against' or to 'abstain' from voting).

Mr Klein will not chair the meeting for the consideration of Resolution 6. The meeting will be chaired by a Non-Executive Director nominated by Mr Klein, pursuant to clause 7.5(d) of the Constitution, for that resolution. The Non-Executive Director chairing the meeting will be entitled to exercise any undirected proxies on Resolution 6 as the proxy form provides the express authorisation to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

A proxy must be signed by the Member or his/her attorney duly authorised in writing or, if the Member is a corporation, in accordance with the Corporations Act. The Proxy Form and the power of attorney or other authority (if any) under which the Proxy Form is signed, or a copy or facsimile which appears on its face to be an authentic copy of that proxy, power or authority, must be returned to Company's share registry at an address given below by no later than 11.00.am (Sydney time) on 24 November 2014:

Online: The Proxy Form can be lodged online by visiting www.linkmarketservices.com.au. Select 'Investor Login' and enter Evolution Mining Limited in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your Proxy Form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

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A Proxy Form accompanies this Notice of Annual General Meeting.

To be valid, a Proxy Form and the Power of Attorney under which it is signed or proof thereof must be to the satisfaction of the directors of the Company.

BY ORDER OF THE BOARD OF THE COMPANY

A handwritten signature in black ink, appearing to read 'E. Elstein', written over a horizontal line.

Evan Elstein
Company Secretary
Dated: 24 October 2014

EVOLUTION MINING LIMITED
ACN 084 669 036

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is for the information of Members in connection with resolutions to be considered at the Annual General Meeting of the Company to be held on 26 November 2014 at 11.00 am (Sydney time).

Business

Annual Financial Report

The Corporations Act requires the reports of the directors and independent external auditors and the annual financial report, including the financial statements of the Company for the year ended 30 June 2014, to be laid before the Annual General Meeting, but does not require a formal resolution on the financial statements or reports. However, provision will be made at the Annual General Meeting for Members as a whole to ask questions or make comments on the reports or the management of the Company. Members may question the auditor regarding the conduct of the audit, the independence of the auditor, preparation and content of the reports and accounting policies adopted by the Company.

The Company's 2014 Annual Report is available on the Company's website at <http://www.evolutionmining.com.au/investorsReports.html>.

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Members the remuneration report as disclosed in the Company's 2014 Annual Report.

The vote is advisory only and is not binding on the Directors of the Company. A reasonable opportunity will be given to Members as a whole to ask questions about, or make comments on, the remuneration report. The remuneration report is set out in the Company's 2014 Annual Report and is also available on the Company's website at <http://www.evolutionmining.com.au/investorsReports.html>.

The remuneration report explains the Board policies in relation to the nature and level of remuneration paid to the Company's KMP (including the directors of the Company), sets out details of the remuneration and service agreement for each member of the KMP and sets out the details of any share based compensation.

Under the Corporations Act, if at least 25% of the votes cast on the relevant resolution are voted against the adoption of the remuneration report at two consecutive annual general meetings, the Company will be required to put to Members at the second annual general meeting a resolution proposing that another general meeting be held within 90 days, at which all of the Company's directors (other than the Executive Chairman, who for the purposes of clauses 8.1(f) and 9.1 of the Constitution of the Company serves as the Managing Director) must retire unless they are re-elected at that meeting (**Spill Resolution**).

The Company has not had a vote of 25% against the adoption of the remuneration report since the introduction of this requirement in the Corporations Act and as such the 2014 Notice of Meeting does not contain a Spill Resolution.

For the voting exclusions applicable to this Resolution 1, please refer to the 'Entitlement to Vote' section of the Notice of Annual General Meeting.

Board Recommendation

Due to each Director having an interest in the outcome of Resolution 1, and for good governance, the Board refrains from making a recommendation to Members.

Note – The Chairman of the Annual General Meeting intends to vote all available proxies in favour of Resolution 1.

Resolution 2 – Re-election of Mr James Askew as a Director of the Company

The ASX Listing Rules require that the Company must hold an election of directors each year. Mr Askew was re-elected by the Members on 29 November 2011 at the Company's 2011 Annual General Meeting and is one of the Directors longest in office since last re-election. In addition, he serves as Chair of the Risk Committee and member of the Nomination and Remuneration Committee. Mr Askew therefore retires at the forthcoming Annual General Meeting in accordance with clause 8.1(f) of the Constitution of the Company and being eligible, has offered himself for re-election.

Mr Askew is a Mining engineer with over 40 years broad international experience as a Director and chief executive officer for a wide range of Australian and international publicly listed mining, mining finance and other mining related companies. Mr Askew is Chairman of OceanaGold Limited (since November 2006) and Asian Mineral Resources Ltd (since 2012).

Mr Askew is also a former Director of Conquest Mining Limited from May 2010 until the merger with Catalpa Resources Limited and the formation of Evolution Mining Limited in October 2011.

Board Recommendation

The Board, with Mr Askew abstaining, unanimously recommends that Members vote to approve Resolution 2.

Resolution 3 – Re-election of Mr Lawrie Conway as a Director of the Company

The ASX Listing Rules require that the Company must hold an election of directors each year. Mr Conway was re-elected by the Members on 29 November 2011 at the Company's 2011 Annual General Meeting and is one of the Directors longest in office since last re-election. In addition, he serves as Finance Director and Chief Financial Officer. Mr Conway therefore retires at the forthcoming Annual General Meeting in accordance with clause 8.1(f) of the Constitution of the Company and being eligible, has offered himself for re-election.

Mr Conway has more than 24 years' commercial experience in the resources sector across a diverse range of commercial and financial activities. Mr Conway has held a mix of corporate and operational commercial roles within Australia, Papua New Guinea and Chile.

Mr Conway is a former Newcrest Executive General Manager (Commercial and West Africa) responsible for Newcrest's group Supply and Logistics, Marketing, Information Technology, and Laboratory functions as well as Newcrest's business in West Africa.

Board Recommendation

The Board, with Mr Conway abstaining, unanimously recommends that Members vote to approve Resolution 3.

Resolution 4 – Election of Mr Thomas McKeith as a Director of the Company

Mr McKeith was appointed by the Board as a Non-Executive Director on 1 February 2014 and serves as member of the Audit Committee and member of the Nomination and Remuneration Committee. In accordance with clause 8.1(c) of the Constitution of the Company and being eligible offers himself for election.

Mr McKeith is a Geologist with 25 years' experience in various mine geology, exploration and business development roles. Mr McKeith is the Former Executive Vice President: Growth and International Projects for Gold Fields Ltd where he was responsible for global greenfields exploration and project development. Mr McKeith was also formerly CEO of Troy Resources Ltd and has previously held Non-Executive Director roles at Sino Gold Ltd and Avoca Resources.

Board Recommendation

The Board, with Mr McKeith abstaining, unanimously recommends that Members vote to approve Resolution 4.

SPECIAL BUSINESS

Resolution 5 – Approval of the Employee Share Option and Performance Rights Plan

The Company seeks Member approval for the adoption of Employee Share Option and Performance Rights Plan (**Plan**).

The Plan was last approved by Members of Catalpa Resources Limited (previous Company name) at its Annual General Meeting held on 23 November 2010 (**Member Approval**). Since approval of the Plan, the Company has granted a total of 39,927,986 securities under the Plan, comprising 30,662,899 Performance Rights and 9,265,087 Options.

Of the 30,662,899 Performance Rights issued under the Plan since Member Approval, the:

- number of Performance Rights vested and Shares issued: 2,310,189
- number of Performance Rights lapsed: 1,274,996
- number of Performance Rights forfeited: 4,371,239
- number of Performance Rights remaining on issue: 22,706,475

Of the 9,265,087 Options issued under the Plan since Member Approval, the:

- number of Options exercised and Shares issued: 310,000
- number of Options expired: 60,000
- number of Options on issue: 8,895,087

Background

In line with Company's Remuneration Philosophy, the Board believes that an equity-based incentive is a key component of the "at-risk" remuneration arrangements for employees. As such the Directors of the Company seek authorisation to issue Plan Interests under the Plan in accordance with ASX Listing Rule 7.2, Exception 9(b) so that any shares issued under the Plan will be excluded from the maximum number of new shares that may be issued by the Company in any 12 month period for a period of three years from the date of approval. The Board considers it desirable to maintain this flexibility so that it may access capital under ASX Listing Rule 7.1 through subsequent issues should they be required.

The Company is also seeking Member approval of the Plan in order that it may obtain the benefit of the exemption in section 260C(4) of the Corporations Act for financial assistance provided under an employee share scheme approved by Members.

A copy of the terms and conditions of the Plan is available at <http://www.evolutionmining.com.au/investorsEmployeeShareOptions.html>.

A summary of the terms of the Plan is set out below.

Key Terms of the Plan

The Board is empowered under the Plan terms and conditions to determine the key terms of any Options or Performance Rights (**Plan Interests**) allocated under the Plan.

Eligibility

The Plan is open to eligible employees, namely employees and Executive Directors of the Company (or a subsidiary of the Company) or any other person whom the Board determines to be eligible to participate in the Plan from time to time (Eligible Employees).

Participation

Each Eligible Employee who acquires a legal or beneficial interest in a Plan Interest (including the legal personal representative of the person) becomes a 'Participant' in the Plan.

Invitation

An offer by the Board to acquire a Plan Interest and become a Participant in the Plan will be in such form and subject to such conditions as the Board determines.

The invitation will specify the terms attaching to the offer, including each of the following (as applicable):

- the number of Plan Interests to which the invitation relates;
- the date the Plan Interests will be allotted;
- any amount payable by Eligible Employees to acquire the Plan Interests;
- any exercise price payable by Participants;
- the date which unvested Plan Interests will lapse or expire (**Expiry Date**);
- any conditions that must be satisfied in relation to a Participant's and/or the Company's performance during a specified period (**Performance Conditions**);
- any requirements additional to the Performance Conditions that must be met to release Plan Interests from the Plan (and deliver Shares to Participants) (**Vesting Conditions**); and
- any conditions that will result in a Plan Interest lapsing (**Lapsing Conditions**).

Rights of Participants

Unless Lapsing Conditions are triggered or the Expiry Date reached, Plan Interests remain subject to the terms and conditions of the Plan until all applicable Performance Conditions and Vesting Conditions are achieved. Upon vesting and exercise of Plan Interests (as applicable), Participants will receive Shares (which are no longer held under the Plan). Shares delivered by the Company upon vesting of Plan Interests will rank equally with all other Shares in the Company.

A holder of Plan Interests is not entitled to participate in a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds Options or Performance Rights.

The Company will apply for quotation on the official list of the ASX of the Shares (as the case may be) or upon the exercise of an Option issued or a vested Performance Right that vests under the Plan. The Company will not seek official quotation by ASX of any Options or Performance Rights.

In the event of a change of control, the Board may exercise its discretion to deal with the Plan Interests and give notice to Participants by:

- converting Participants' Performance Rights to Shares whether or not all conditions have been met;
- permitting the exercise of some or all Options whether or not Vesting Conditions have been met; and/or
- removing any Disposal Restrictions attaching to Plan Shares.

Change of Control

Under the Plan, upon a person becoming:

- a legal or beneficial owner of 50% or more of the issued share capital in the Company; or
- entitled to acquire, hold or have an equitable interest in more than 50% of the issued share capital in the Company,

all Plan Interests which have not already vested will vest or become exercisable, subject to the absolute discretion of the Board.

Continuing Employment

Unless determined otherwise by the Board, Plan Interests will lapse on the Director or employee ceasing to be an employee of the Company (or a member of the Evolution Mining group of companies).

No Restriction on Shares

The Board will not impose any restriction (other than restrictions which apply under the Company's securities trading policies) to the disposal or transfer of any Shares allotted on the vesting or exercise of Plan Interests.

Assignment

Plan Interests issued under the Plan are not transferable or assignable.

Administration

The Plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to any applicable Listing Rules) in addition to those set out in the Plan.

Termination and amendment

The Plan may be terminated or suspended at any time by the Board but any such suspension or termination will not affect nor prejudice rights of any Participant holding Plan Interests at that time. The Plan may be amended at any time by the Board.

FY2014 Awards

Resolutions 6 and 7 above relate to awards under the Plan, pursuant to Member approval.

Further details about the FY2014 Awards (and future awards under the Plan) will be contained in the Company's annual Remuneration Report.

ASX Listing Rule 7.2, Exception 9

The Company will only be able to rely on ASX Listing Rule 7.2, Exception 9 (an exception to the restrictions regarding the issue of capital without shareholder approval under ASX Listing Rule 7.1) if there has been no change to the number or terms of the securities to be issued, the mechanism for pricing or payment or any other material terms of the Plan. Any securities issued following material changes to the Plan will not have the benefit of ASX Listing Rule 7.2, Exception 9 until such time as the revised plan is approved by shareholders.

Board Recommendation

The Board unanimously recommends that Members vote to approve Resolution 5.

Resolutions 6 and 7 - Issue of Performance Rights to Mr Jacob Klein and Mr Lawrie Conway

ASX Listing Rule 10.14 requires Member approval for the acquisition of securities by a director under an employee incentive scheme. If approved, the approval applies to the issue of the Performance Rights and the issue of ordinary fully paid shares (if any) on the vesting of the Performance Rights. Resolution 6 is seeking Member approval for the grant of 2,229,965 Performance Rights to Mr Klein under the Company's Employee Share Option and Performance Rights Plan (Plan) and Resolution 7 is seeking Member approval for the grant of 536,347 Performance Rights to Mr Conway under the Plan (together FY15 Performance Rights).

The Company is seeking Member approval of the Plan again under Resolution 5 and a summary of the Plan is set out above with that Resolution.

The number of Performance Rights proposed to be issued to Mr Klein and to Mr Conway is the maximum amount of Performance Rights that will vest if they satisfy what the Board considers stretch or outstanding performance achievement, as described below.

The vesting of the Performance Rights incorporates performance conditions which trigger vesting for 'threshold' performance, 'on target' performance and 'exceptional performance'. The vesting scales have been designed to reward above 'target' performance and reward truly exceptional Company performance.

The Performance Rights will be issued in accordance with the rules of the Plan and in a single tranche to be performance tested at the end of a three year period ending 30 June 2017. Subject to the satisfaction of the performance conditions described below and to any adjustment in accordance with the rules of the Plan (e.g. upon a reconstruction of securities), Mr Klein and Mr Conway will each receive one share in the Company for each Vested Performance Right granted to them.

Performance Conditions of Performance Rights

Subject to rule 9 of the Plan, the Performance Rights will only vest on a Relevant Date if Mr Klein and Mr Conway remain as employees of the Company up to and including that Relevant Date.

The number of Performance Rights which vest on the Relevant Dates will depend on the extent to which the Vesting Conditions have been satisfied for the relevant period.

Upon the Vesting Conditions having been satisfied (as determined and ratified by the Board) Mr Klein and Mr Conway will be allotted with Performance Shares.

The Vesting Conditions will be based on:

| Measure | Weighting |
|--|-----------|
| The Company's relative total shareholder return (TSR) measured against the TSR for a peer group of 20 comparator gold mining companies (Peer Group Companies) (Relative TSR Performance Rights) | 25% |
| The Company's absolute TSR return (Absolute TSR Performance Rights) | 25% |
| Growth in Evolution's Earnings Per Share (EPS Performance Rights) | 25% |
| Growth in Ore Reserves Per Share (Ore Reserves Performance Rights) | 25% |

The Peer Group Companies for the FY15 Performance Rights comprise the following:

| | |
|------------------------------|----------------------------|
| Alacer Gold Corp | Alamos Gold Inc |
| Medusa Mining Ltd | New Gold Inc |
| Northern Star Resources Ltd | Aurico Gold Inc |
| Silver Lake Resources | Oceana Gold Corp |
| Centamin Egypt Inc | Beadell Resources Ltd |
| Perseus Mining Ltd | Regis Resources NL |
| Dundee Precious Metals Inc | Golden Star Resources Ltd |
| Resolute Mining Ltd | Semafo Inc |
| Endeavour Mining Corporation | Kingsgate Consolidated Ltd |
| Argonaut Gold Inc | Troy Resources NL |

The Board has the discretion to adjust the composition and number of the Peer Group Companies on an annual basis for each year's Performance Rights grant, to take into account events including, but not limited to, takeovers, mergers and de-mergers that might occur during the relevant period. Any adjustments made to the Peer Group Companies will be disclosed in the remuneration report.

The effective testing date for the Performance Rights is 30 June 2017 with the testing to occur within 90 days after that date. Performance Rights will lapse after testing if they do not vest. There is no re-testing.

Relative TSR Performance Rights

25% of the Performance Rights will be tested against the Company's TSR performance relative to the Peer Group Companies (**Relative TSR Performance Rights**). The Company's TSR will be based on the percentage by which its 30-day volume weighted average share price on ASX (**VWAP**) at the close of trade on 30 June 2017 (plus the value of any dividends paid during the performance period) (**2017 Evolution TSR**) has increased over the company's 30-day VWAP at the close of trade on the 30 June 2014. For the avoidance of doubt, the 30 day VWAP as at 30 June 2014, was \$0.7551 (**2014 Evolution VWAP**).

The TSR for each Peer Group Company will be based on the percentage by which each Peer Group Company's 30-day VWAP at the close of trade on 30 June 2017 (plus the value of any dividends paid during the performance period) (each a **2017 Peer Group TSR**) has increased over that company's 30-day VWAP at the close of trade on 30 June 2017.

The proportion of the TSR Performance Rights that will vest will be based on the 2017 Evolution TSR as compared to the 2017 Peer Group TSRs and will be determined as follows:

| Level of performance achieved | 2017 Company Relative TSR Performance | % of Relative TSR Performance Rights vesting |
|-------------------------------|---|--|
| Threshold | Equal to the top 50th percentile | 33% |
| | Above the top 50th percentile and below the top 25th percentile | Straight-line pro-rata between 33% and 66% |
| Target | Equal to the top 25th percentile | 66% |
| | Above the top 25th percentile and below the top 10th percentile | Straight-line pro-rata between 66% and 100% |
| Exceptional | Equal to the top 10th percentile or above | 100% |

Absolute TSR Performance Rights

25% of the Performance Rights will be tested against the Company's absolute TSR performance relative to the 2014 Evolution VWAP (**Absolute TSR Performance Rights**), measured as the cumulative annual TSR over the three year performance period.

The proportion of the Absolute TSR Performance Rights that will vest will be determined by the Company's ranking against Peer Group Companies is as follows:

| Level of performance achieved | 2017 Company Absolute TSR Performance | % of Absolute TSR Performance Rights vesting |
|-------------------------------|---|--|
| Threshold | Equal to 10% Per Annum Return | 33% |
| | Above 10% Per Annum Return and below 15% Per Annum Return | Straight-line pro-rata between 33% and 66% |
| Target | Equal to 15% Per Annum Return | 66% |
| | Above 15% Per Annum Return and below 20% Per Annum Return | Straight-line pro-rata between 66% and 100% |
| Exceptional | Equal to or above 20% Per Annum Return | 100% |

Earnings Per Share (EPS) Performance Rights

25% of the Performance Rights will be tested against the Company's growth in EPS (calculated by excluding any Non-Recurring Items), measured as the cumulative annual growth rate over the three year performance period.

| Level of performance achieved | 2017 Company EPS Performance | % of EPS Performance Rights vesting |
|-------------------------------|---|---|
| Threshold | Equal to 7% Per Annum Growth in EPS | 33% |
| | Above 7% Per Annum Growth and below 11% Per Annum Growth | Straight-line pro-rata between 33% and 66% |
| Target | Equal to 11% Per Annum Growth | 66% |
| | Above 11% Per Annum Growth and below 15% Per Annum Growth | Straight-line pro-rata between 66% and 100% |
| Exceptional | Equal to or above 15% Per Annum Growth | 100% |

Growth in Ore Reserves Per Share

The remaining 25% of the Performance Rights will be tested against the Company's growth in Ore Reserves Per Share, calculated by measuring the growth over the three year performance period by comparing the baseline measure of the Ore Reserves as at 31 December 2013 (**Baseline Ore Reserves**) to the Ore Reserves as at 31 December 2016 on a per share basis, with testing to be performed at 30 June 2017.

| Level of performance achieved | 2017 Company Ore Reserves Per Share Performance | % of Ore Reserves Per Share Performance Rights vesting |
|-------------------------------|---|--|
| Threshold | 80% of Baseline Ore Reserves | 33% |
| | Above 80% of Baseline Ore Reserves but below 100% of Baseline Ore Reserves | Straight-line pro-rata between 33% and 66% |
| Target | 100% of Baseline Ore Reserves | 66% |
| | Above 100% of Baseline Ore Reserves and below 120% of Baseline Ore Reserves | Straight-line pro-rata between 66% and 100% |
| Exceptional | 120% and above of Baseline Ore Reserves | 100% |

Other Terms

Refer to Explanatory Memorandum for Resolution 5 for the key terms of the Plan.

Disclosure for the purposes of ASX Listing Rule 10.15 regarding Resolution 6

To enable Member approval to be effectively obtained under ASX Listing Rule 10.14, the following disclosures are made pursuant to ASX Listing Rule 10.15:

- the maximum number of Performance Rights that can be granted to Mr Klein under this approval is 2,229,965;
- Vested Performance Rights will convert to fully paid ordinary shares on a one-for-one basis;
- the price payable on the issue or exercise of each Performance Right is nil;
- at the 2013 Annual General Meeting, Members approved the issue of 2,245,152 Performance Rights to Mr Klein for nil consideration. Following the 2013 AGM, Mr Klein held a total of 3,704,090 Performance Rights and during FY2014, 241,626 Performance Rights vested and 160,014 Performance Rights lapsed. Mr Klein currently holds a total of 3,302,450 Performance Rights;
- the only persons referred to in ASX Listing Rule 10.14 currently entitled to participate in the Plan are Mr Klein and Mr Conway;
- there is no loan proposed in relation to the proposed award of Performance Rights to Mr Klein; and
- the Performance Rights that are to be awarded to Mr Klein are intended to be awarded as soon as practicable after the 2014 Annual General Meeting and in any event will not be awarded later than 12 months after the 2014 Annual General Meeting.

For the voting exclusions applicable to this Resolution 6, please refer to the 'Entitlement to Vote' section of the Notice of Annual General Meeting.

Board Recommendation

The Board, with Mr Klein abstaining, unanimously recommends that Members vote to approve Resolution 6.

Note – The Chairperson, who will be nominated pursuant to clause 7.5(d) of the Company's Constitution for this Resolution, intends to vote all available proxies in favour of Resolution 6.

Disclosure for the purposes of ASX Listing Rule 10.15 regarding Resolution 7

To enable Member approval to be effectively obtained under ASX Listing Rule 10.14, the following disclosures are made pursuant to ASX Listing Rule 10.15:

- the maximum number of Performance Rights that can be granted to Mr Conway under this approval is 536,347;
- Vested Performance Rights will convert to fully paid ordinary shares on a one-for-one basis;
- the price payable on the issue or exercise of each Performance Right is nil;
- Mr Conway currently does not hold any Performance Rights. This is the first time the Company is seeking Member approval to issue Performance Rights under the Plan to Mr Conway;
- the only persons referred to in ASX Listing Rule 10.14 currently entitled to participate in the Plan are Mr Klein and Mr Conway;
- there is no loan proposed in relation to the proposed award of Performance Rights to Mr Conway; and
- the Performance Rights that are to be awarded to Mr Conway are intended to be awarded as soon as practicable after the 2014 Annual General Meeting and in any event will not be awarded later than 12 months after the 2014 Annual General Meeting.

For the voting exclusions applicable to Resolution 7, please refer to the 'Entitlement to Vote' section of the Notice of Annual General Meeting.

Board Recommendation

The Board, with Mr Conway abstaining, unanimously recommends that Members vote to approve Resolution 7.

Note – The Chairperson, who will be nominated pursuant to clause 7.5(d) of the Company's Constitution for this Resolution, intends to vote all available proxies in favour of Resolution 7.



By mail:
Evolution Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1300 554 474



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SHAREHOLDER PROXY FORM

I/We being a member(s) of Evolution Mining Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman
of the Meeting
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at 11:00am (Sydney time) on Wednesday, 26 November 2014 at Sofitel Sydney Wentworth Hotel, 61-101 Phillip Street, Sydney NSW 2000 (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 5, 6 and 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intentions below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 5, 6 and 7 even though the Resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel of Evolution Mining Limited.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

Resolution 1

Adoption of Remuneration Report

| For | Against | Abstain* |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Resolution 5

Approval of the Employee Share Option and Performance Rights Plan (ESOPR)

| For | Against | Abstain* |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Resolution 2

Re-election of Mr James Askew as a Director of the Company

| | | |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

Resolution 6

Issue of Performance Rights to Mr Jacob Klein

| | | |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

Resolution 3

Re-election of Mr Lawrie Conway as a Director of the Company

| | | |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

Resolution 7

Issue of Performance Rights to Mr Lawrie Conway

| | | |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

Resolution 4

Election of Mr Thomas McKeith as a Director of the Company

| | | |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|

i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

EVN PRX401R



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy and vote on your behalf.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark with an X in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Sydney time) on Monday, 24 November 2014**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE > www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



by mail:

Evolution Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**