Quarterly Report

For the period ending 30 September 2014

September quarter highlights

Good progress on cost reductions

- September quarter production of 107,165 ounces gold equivalent[1] was achieved at a C1 cash cost of A$728 per ounce (US$673/oz[2]) and AISC[3] of A$1,083 per ounce (US$1,002/oz)
- Owner-miner transition at Mt Rawdon delivered an impressive 31% reduction in unit mining rates to A$3.41 per tonne for the September quarter (FY2014: A$4.91/t)
- Improved performance at Pajingo with a 9.5% lift in gold production and an 8.1% reduction in C1 cash costs (to A$717 per ounce) quarter on quarter
- Mt Carlton C1 cash cost down 16.5% to A$615 per ounce and AISC down 15.8% quarter-on-quarter due to treatment of the V2 ore and associated by-product credits
- No change to FY15 production and cost guidance of 400,000 to 440,000 ounces gold equivalent at C1 cash operating costs in the range of A$750 to A$820 per ounce and AISC of A$1,050 to A$1,130 per ounce

Strong financial position

- All sites continued to generate positive cash flows during the September quarter
- Cash balance increased to A$37.9 million plus A$7.0 million in unsold doré and concentrate at quarter end
- Final dividend of A$7.1 million declared during the quarter based on innovative dividend policy of 2% of gold equivalent revenue
- Gold hedge book at quarter end was 143,185 ounces at an average price of A$1,600 per ounce

Discovery

- Narrow, high-grade intersections at Camembert prospect at Pajingo, with potential to extend toward existing resources (1,200m away) along a new fault defined by 3D seismic
- Processing and initial interpretation of the 3D seismic at Cracow near completion – several new drill targets defined

1. Gold equivalent is defined as gold plus payable silver from the A39 deposit at Mt Carlton
2. Using an average AUD:USD exchange rate for the September 2014 quarter of 0.925
3. AISC (All-in Sustaining Cost) includes C1 cash cost, plus royalty expense, sustaining capital expense, general corporate and administration. Calculated on per ounce sold basis

Evolution MINING

OVERVIEW

The continued Group-wide focus on cost and efficiency improvements achieved a lower average C1 cash cost of A$728/oz and an All-in Sustaining Cost (**AISC**) of A$1,083/oz. This was despite September 2014 quarter Group production of 107,165oz gold equivalent being lower than the previous quarter and compares favourably with June 2014 quarter production of 111,899oz, at an average C1 cost of A$747/oz and AISC of A$1,057/oz.

Importantly, all five mines generated positive cash flow after operating and capital costs, including waste stripping. This allowed the Company to increase its cash balance over the quarter. The significant effort at Pajingo over the past 12 months has resulted in an ongoing improvement in both production and C1 cash costs. The benefits of the transition to owner-miner were evident at Mt Rawdon with a 31% reduction in unit mining costs achieved compared to FY14. Efficiency and cost reductions continue to be the focus at all Evolution's operations.

Group production for the December 2014 quarter is forecast to be approximately 100,000 ounces gold equivalent.

Evolution is on track to deliver into unchanged FY15 production guidance of 400,000 – 440,000 ounces gold equivalent. Group C1 cash costs are expected to be in the range of A$750/oz – A$820/oz and Group All-in Sustaining Costs (AISC) are expected to be in the range of A$1,050/oz – A$1,130/oz.

Using the average AUD:USD exchange rate for the quarter of 0.925, Evolution's costs are globally competitive and equate to C1 cash costs of US$695/oz – US$760/oz and AISC of US$970/oz – US$1,045/oz.

Consolidated Production and Sales Summary

	Units	Dec quarter FY14	Mar quarter FY14	Jun quarter FY14	Sep quarter FY15
Gold produced[1]	**oz**	**107,201**	**101,408**	**111,899**	**107,165**
By-product Silver produced	oz	60,388	191,827	68,729	132,808
C1 Cash Cost[2]	**A$/oz**	**764**	**811**	**747**	**728**
All-In Sustaining Cost[3]	**A$/oz**	**1,053**	**1,079**	**1,057**	**1,083**
Gold sold	oz	96,246	92,669	97,058	94,208
Achieved gold price	A$/oz	1,412	1,461	1,422	1,431
Silver sold	oz	1,016,321	696,681	932,540	797,548
Achieved silver price	A$/oz	23	23	20	23

1. Mt Carlton production recorded as payable gold production. Silver production from the A39 silver deposit at Mt Carlton is recorded as gold equivalent using a gold to silver ratio of 1:61.9 for the December quarter 2013, 1:62.5 for the March quarter 2014,1:65.6 for the June quarter 2014 and 1:62.7 for the September quarter 2014
2. Before royalties and after by-product credits
3. Includes C1 cash cost, plus royalty expense, plus sustaining capital, plus general corporate and administration expense

Group Safety Performance

Group total recordable injury frequency rate for the quarter reduced to 10.9 (Jun 2014 qtr: 11.7) and the lost time injury frequency rate reduced to 1.4 (Jun 2014 qtr: 1.7). A Group-wide programme (Lose a Tonne Challenge) aimed at improving the overall health of employees, supported by health professionals over a three-month period, commenced during the quarter and attracted more than 400 participants.

Sep quarter 2014	LTI	LTIFR	TRIFR
Cracow	0	0	11.7
Pajingo	0	2.1	12.9
Edna May	0	0	7.6
Mount Rawdon	1	3.5	15.9
Mount Carlton	0	1.8	10.7
Group	**1**	**1.4**	**10.9**

LTI: Lost time injury. A lost time injury is defined as an occurrence that resulted in a fatality, permanent disability or time lost from work of one day/shift or more – results above are based on a 12 month moving average
LTIFR: Lost time injury frequency rates. The frequency of injuries involving one or more lost workdays per million hours worked – results above are based on a 12 month moving average
TRIFR: Total recordable injury frequency rate. The frequency of total recordable injuries per million hours worked

OPERATIONS

Cracow, Queensland (100%)

Gold production of 21,804oz at a C1 cash cost of A$801/oz and an AISC of A$1,179/oz was achieved in the September quarter (June 2014 qtr: 23,376oz, C1 A$821/oz, AISC A$1,155/oz).

A total of 132,938t of ore was mined at an average grade of 5.47g/t Au. Primary ore sources were Roses Pride, Kilkenny, Empire and Tipperary orebodies. Grade was higher than planned during the quarter as a result of higher grade areas being available for mining.

Underground development continued to focus on establishing drilling platforms for the December quarter, comprising 806m of operating development and 823m of capital development. Backfilling was a priority along with production drilling to improve stoping flexibility as were diamond drill platforms for resource definition drilling. Stoping commenced at Empire in September.

A total of 138,790t of ore was processed at an average grade of 5.24g/t Au. Gold recovery was 93.3% with plant utilisation of 97.5%.

Pajingo, Queensland (100%)

The September quarter saw gold production of 18,067oz, a solid improvement of approximately 10% compared to June quarter production of 16,495oz. C1 cash costs reduced by approximately 8% to A$717/oz while AISC were slightly higher at A$1,137/oz (Jun 2014 qtr: C1 A$780/oz, AISC A$1,099/oz). Pleasingly, total site spend was below forecast due to improved productivity and efficiency.

Underground diamond drilling continued to be a focus with 12,258m of grade control and resource definition completed.

Underground ore mined for the quarter increased to 94,869t at 6.09g/t Au and was sourced from the Sonia, Sonia East, Zed East and Zed West orebodies. Underground development was slightly above plan at 1,324m. A significant ventilation/escapeway rise was mined with commissioning due to be completed in the December 2014 quarter.

Ore treated was 94,986t grading 6.19g/t Au and gold recovery was 95.5%. A tails dam lift was commenced and 65% of the schedule has been completed. The lift is due to be completed in the December quarter and will allow for approximately two years of tails storage at the current production rate.

Edna May, Western Australia (100%)

Gold production of 21,310oz was achieved in the September quarter at a C1 cash cost of A$934/oz and AISC of A$1,117/oz (Jun 2014 qtr: 22,035oz, C1 cash cost A$945/oz, AISC A$1,045/oz).

Total material movement rose sharply to 2,190,469t as the Stage 2 cutback gathered pace. Some 481,550t of ore at 1.03g/t Au and 1,564,468t of waste was moved, comprised of 346,663t of operating waste from Stage 1 pit cutback and 1,217,805t of capital waste from Stage 2. In addition, 144,451t of stockpiled ore was re-handled to the run of mine (ROM) pad. Lower than planned capital waste was moved during the quarter was primarily due to downtime as a result of rain.

A total of 655,677t of ore was treated at an average grade of 1.07g/t Au with a sustained improvement in gold recovery of 94.8% (Jun qtr 2014: 94.5%) largely due to improved management of ROM blend fingers. Average plant throughput was 7,127tpd, a slight decrease quarter-on-quarter due to a scheduled three day shutdown in September. Excluding the planned shutdown, average plant throughput achieved was 7,927tpd.

Edna May pit at 30 September 2014: Stage 1 cutback (base of pit) and Stage 2 cutback (top left)

Mt Rawdon, Queensland (100%)

In the first quarter since the transition to owner-mining was made, Mt Rawdon produced 26,540oz at a cash cost of A$594/oz and AISC of A$947/oz (Jun 2014 qtr: 29,800oz, cash cost A$533/oz, AISC A$759/oz). The changeover process ran smoothly with better than expected productivity and operating costs achieved during the quarter.

Total material mined for the quarter was 3,890,709t. This was comprised of 930,834t of ore at 0.93g/t Au and 2,960,325t of waste. Total waste mined comprised 2,697,942t of capital waste and 262,384t of operating waste. The major waste movement is associated with the mining of the Stage 4 cutback with the benefit of the short hauls to the new Western Waste Dump evident.

Ore feed to the mill consisted of ore mined from the Stage 3 pit. Plant utilisation was 96.3%. A total of 888,657t of ore graded at 1.02g/t Au was treated in the quarter and gold recovery of 91.1% was achieved. Average throughput for the quarter was 9,659tpd. A planned 30 hour mill maintenance shutdown was completed during the period without incident.

Productivity and cost reduction initiatives continue to be developed to drive site improvements. The truck real-time monitoring app developed by Evolution at Edna May has been successfully installed into the Mt Rawdon truck fleet. This innovative app provides benefits in relation to safety, material movement efficiency and reductions in operating costs. Other major projects being implemented include: mill throughput improvements, larger diameter pre-split drilling, increased tyre life, and reduced consumable consumption.

Mt Rawdon open pit at 2 Oct 2014 looking north – stage 4 will cutback north and west wall

Mt Carlton, Queensland (100%)

September quarter production was predominantly from the V2 deposit. Residual stockpiles from the A39 silver deposit were processed in July.

A total of 18,515oz gold contained in 7,755 dry metric tonnes (dmt) of gold concentrate was produced from the V2 deposit and a total of 331,877oz silver contained in 3,217 dry metric tonnes (dmt) of silver concentrate was produced from the A39 deposit.

C1 cash costs were approximately 17% lower than the June quarter, falling to A$615/oz due to treatment of the V2 ore with it's associated by-product credits and also higher than anticipated head grades. AISC decreased by 18% to A$809/oz (June 2014 qtr: C1 A$737/oz, AISC A$983/oz).

Material mined from the V2 pit totaled 969,458t comprising 236,464t of ore and 732,994t of waste.

A total of 216,093 dry tonnes of ore was treated during the quarter, 69,984 dry tonnes of A39 ore grading 194g/t Ag and 146,109 dry tonnes of V2 ore grading 4.59g/t Au. Mill utilisation was 98.5% for the quarter, up from 92.1% in the prior period. Mill throughput lifted significantly to 72kt per month (~860ktpa) for the quarter compared to 57kt per month for FY14 (~690ktpa).

Concentrate shipments for the September quarter were 13,116 wet metric tonnes (wmt), consisting of both A39 and V2 material. There were a total of 9,284wmt across four shipments of A39 concentrate, and 3,832wmt of V2 concentrate across two shipments.

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Mt Carlton – gold dominant V2 open pit at 1 October 2014

September 2014 quarter production

September 2014 quarter	Units	Cracow	Pajingo	Edna May	Mt Rawdon	Mt Carlton	Total / Average
UG lateral development - capital	m	823	583	0	0	0	1,406
UG lateral development - operating	m	806	741	0	0	0	1,547
Total UG lateral development	m	1,628	1,324	0	0	0	2,953
UG ore mined	kt	133	95	0	0	0	228
UG grade mined	g/t	5.47	6.09	0.00	0.00	0.00	5.73
OP capital waste	kt	0	0	1,218	2,698	547	4,462
OP operating waste	kt	0	0	347	262	186	795
OP ore mined	kt	0	0	482	930	236	1,648
OP grade mined	g/t	0.00	0.00	1.03	0.93	5.71	1.65
Total ore mined	kt	133	95	482	930	236	1,876
Total tonnes processed	kt	139	95	656	889	216	1,994
Grade processed[1]	g/t	5.24	6.19	1.07	1.02	4.11	1.91
Recovery	%	93	96	95	91	83	92
Gold produced[1]	**oz**	**21,804**	**18,067**	**21,310**	**26,540**	**19,443**	**107,165**
Silver produced	oz	13,126	15,008	7,710	25,944	326,565	388,353
Copper produced	t	0	0	0	0	262	262
Gold sold	oz	22,256	17,809	21,401	25,668	7,074	94,208
Achieved gold price	A$/oz	1,384	1,408	1,554	1,384	1,437	1,431
Silver sold	oz	13,126	15,008	7,710	25,944	735,760	797,548
Achieved silver price	A$/oz	21	21	21	21	23	23
Copper sold	t	0	0	0	0	251	251
Achieved copper price	A$/t	0	0	0	0	7,330	7,330
Cost Summary							
Mining	A$/oz	447	386	214	145	193	269
Processing	A$/oz	235	202	547	331	361	338
Administration and selling costs	A$/oz	122	124	114	94	333	152
Stockpile adjustments	A$/oz	10	23	66	44	(109)	10
By-product credits	A$/oz	(13)	(17)	(8)	(21)	(163)	(42)
C1 Cash Cost	**A$/oz**	**801**	**717**	**934**	**594**	**615**	**728**
Royalties	A$/oz	72	73	59	70	102	74
Sustaining capital[2]	A$/oz	306	346	124	283	92	238
Administration costs	A$/oz						42
All-in Sustaining Cost	**A$/oz**	**1,179**	**1,137**	**1,117**	**947**	**809**	**1,083**
Major project capital	A$/oz	87	79	280	355	248	219
Discovery	A$/oz						43
All-in Cost	**A$/oz**	**1,265**	**1,216**	**1,397**	**1,302**	**1,057**	**1,345**

1. Gold equivalent is defined as gold plus payable silver from the A39 deposit at Mt Carlton. A39 silver production is converted to gold equivalent using a gold to silver ratio of 1:62.7 based on the average gold and silver prices during the September 2014 quarter
2. Group sustaining capital includes -A$5.30/oz of corporate capital expenditure

Mt Carlton September 2014 quarter production

September 2014 quarter	Units	A39	V2	Total/Average
Mining				
Capital waste	kt	0	547	547
Operating waste	kt	0	186	186
Ore mined	kt	0	236	236
Mined Grade - gold	g/t	-	5.71	5.71
Mined Grade - silver	g/t	0	29.84	29.84
Processing				
Ore processed	kt	70	146	216
Grade processed - gold	g/t	-	4.59	4.59
Grade processed - silver	g/t	194	33.20	85
Grade processed - gold and gold equivalent[1]	g/t	3.10	4.59	4.11
Gold recovery	%	-	85.9	86
Silver recovery	%	75.9		76
Production				
Concentrate produced	t	3,217	7,755	10,972
Gold[2]	oz	0	15,368	15,368
Silver[2]	oz	255,545	71,020	326,565
Copper[2]	t	50	212	262
Gold and gold equivalent[1,2]	oz	4,076	15,368	19,443
Sales				
Concentrate	dmt	8,444	3,468	11,913
Payable gold	oz	-	7,074	7,074
Payable silver	oz	700,424	35,336	735,760
Payable copper	t	156	95	251

1. Gold and gold equivalent is Mt Carlton A39 silver using a gold to silver ratio of 1:62.7
2. Production is equivalent to payable metal

EXPLORATION

During the quarter exploration drilling was undertaken at Pajingo, Cracow, Mount Carlton, and Tennant Creek where a total of 11,251m of resource definition drilling and 15,352m of exploration drilling was completed. Exploration spend over the quarter was A$4.6 million compared to A$6.0 million in the prior quarter.

Processing and initial interpretation of the 3D seismic at Cracow is completed to the point where several new drill targets have been defined. Drilling is expected to start by mid-November. Significantly the 3D seismic survey maps the location of both known fault/vein systems as well as a significant number of other faults likely to host epithermal veins. This is potentially a breakthrough technology to map complex fault and vein systems and together with other geologic parameters directly target parts of the fault likely to host gold mineralisation. The current and planned drill programmes are the critical test in enabling Evolution to compress the timeframes for new discoveries around Pajingo and Cracow through the use of 3D seismic.

Cracow, Queensland

Resource Definition Drilling

A total of 5,862m of underground diamond drilling was completed to define and extend mineralisation in the Kilkenny, Tipperary and Empire areas. Resource definition drilling will continue into the December quarter.

Regional Exploration

Data acquired from the 2D and 3D seismic surveys completed earlier this year was returned in July. Detailed interpretation of the 3D seismic data cube was undertaken to identify structural and geological features, utilising sections through the cube and reflector surfaces created by software automation processors. Wireframes of structural features were created then compared and confirmed with geological data from historic drilling with all geological, geophysical, geochemical, drilling and mapping data located in 3D space. Several drilling targets were generated for testing during the December 2014 quarter to identify zones of mineralisation and calibrate the seismic data for further model refinement.

A three hole diamond drilling programme targeting up-dip and along strike to the south and north of the Golden Valley structure intersected in hole KRC148A (Jun qtr 2014) is planned for the December quarter. The current interpretation suggests this intercept is at the base of a potentially mineralised vein system cross cutting the 2D seismic line.

Pajingo, Queensland

Resource Definition drilling

A total of 5,389m of diamond core was drilled predominantly to define and extend mineralisation down-dip and to the east of the Zed and Sonia East areas. Additional drill programmes targeted extensions to the Olivia vein and Vera South. Resource definition drilling will continue into the December quarter.

Near mine exploration

Surface drilling during the quarter focused on the Camembert prospect, approximately 1,200m east of the Zed underground workings. This drilling was targeting a coincident northwest-trending magnetic low and a weak gradient array resistivity high, along strike from and parallel to the Vera Nancy Trend.

Previous drilling in 2006 (JMRD3456) intersected narrow, moderate to high grade quartz veins hosted within a fragmental andesite unit. The results suggested that the potential orientation of the Camembert structure was oblique to the main Vera Nancy Trend, similar to Cindy and Veracity. As part of the 4D study undertaken in 2014, favourable alteration and rocks characteristic of sinters were identified in this drillhole indicating that the epithermal vein targets were deeper in the system.

Subsequent drilling in June 2014 (JMRD3948) intersected two mineralised structures confirming an east-west orientation of the structures. Since June, six additional holes have been drilled into the target, stepping out approximately 50m along strike and both up and down dip. All six holes completed to date have intersected epithermal-textured quartz veins that typically host gold mineralisation. Significant intercepts from the first five holes are summarised below:

- 3m (1.4m*) grading 6.25g/t Au from 395m (JMRD 3948)
- 4m (1.8m*) grading 8.13g/t Au from 493m including 2.7m (1.2m*) grading 11.65g/t Au (JMRD 3948)
- 7.33m (3m*) grading 6.18g/t Au from 570.8m including 3.7m (1.5m*) grading 9.37g/t Au (JMRD3951)
- 1.9m (0.9m*) grading 10.98g/t Au from 539m including 0.9m (0.45m*) grading 20.5g/t Au (JMRD3954)

Note: Down hole lengths and estimated true widths* are reported. True widths are not currently known.

The drillhole information summary table and JORC Code 2012 Edition Table 1 is appended to this report.

Further drilling is underway to potentially extend the structure toward existing resources (Zed). The seismic will be used to target areas along the fault considered to have the greatest dilation potential and therefore the ability to host significant (>50 gram metre) epithermal vein mineralisation.

Preliminary results from the 3D seismic survey completed in June also highlighted the Camembert structure. The structure is visible in the seismic images and appears to link with underground workings east of Zed. Data captured from this survey is currently being processed and is expected to be available for further drillhole targeting in the December quarter.

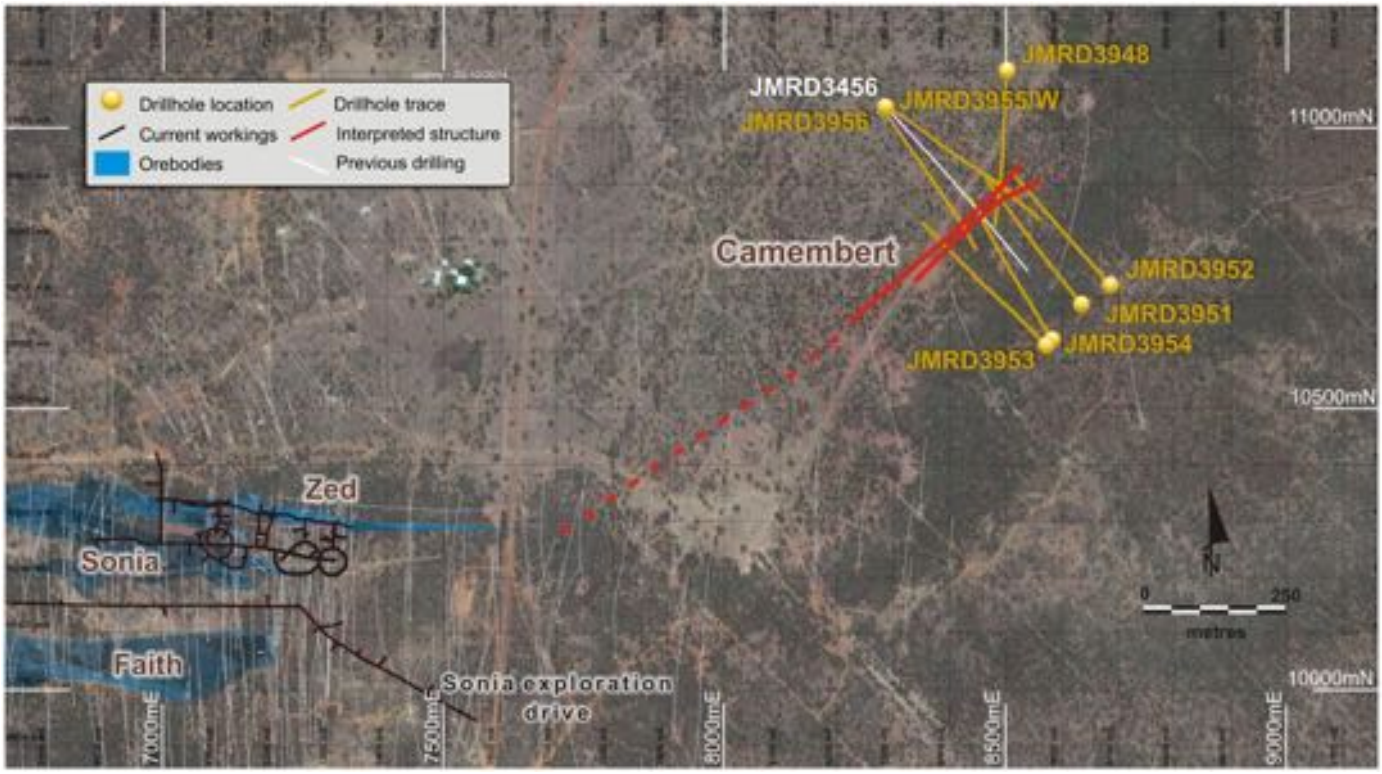

Figure 1: Camembert prospect drillhole location plan

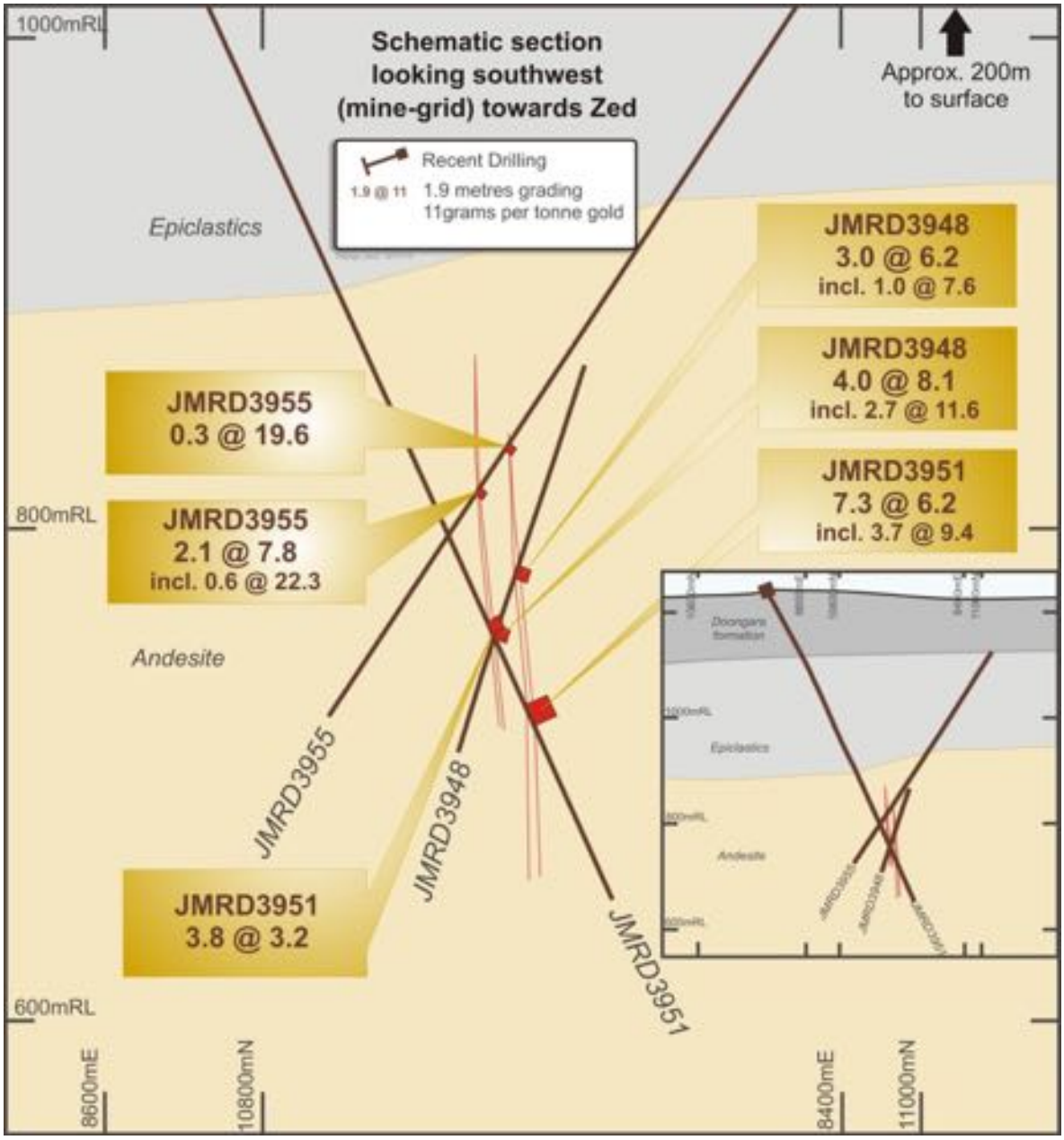

Figure 2: Schematic Camembert section looking southwest through JMRD3948, JMRD3951, and JMRD3955

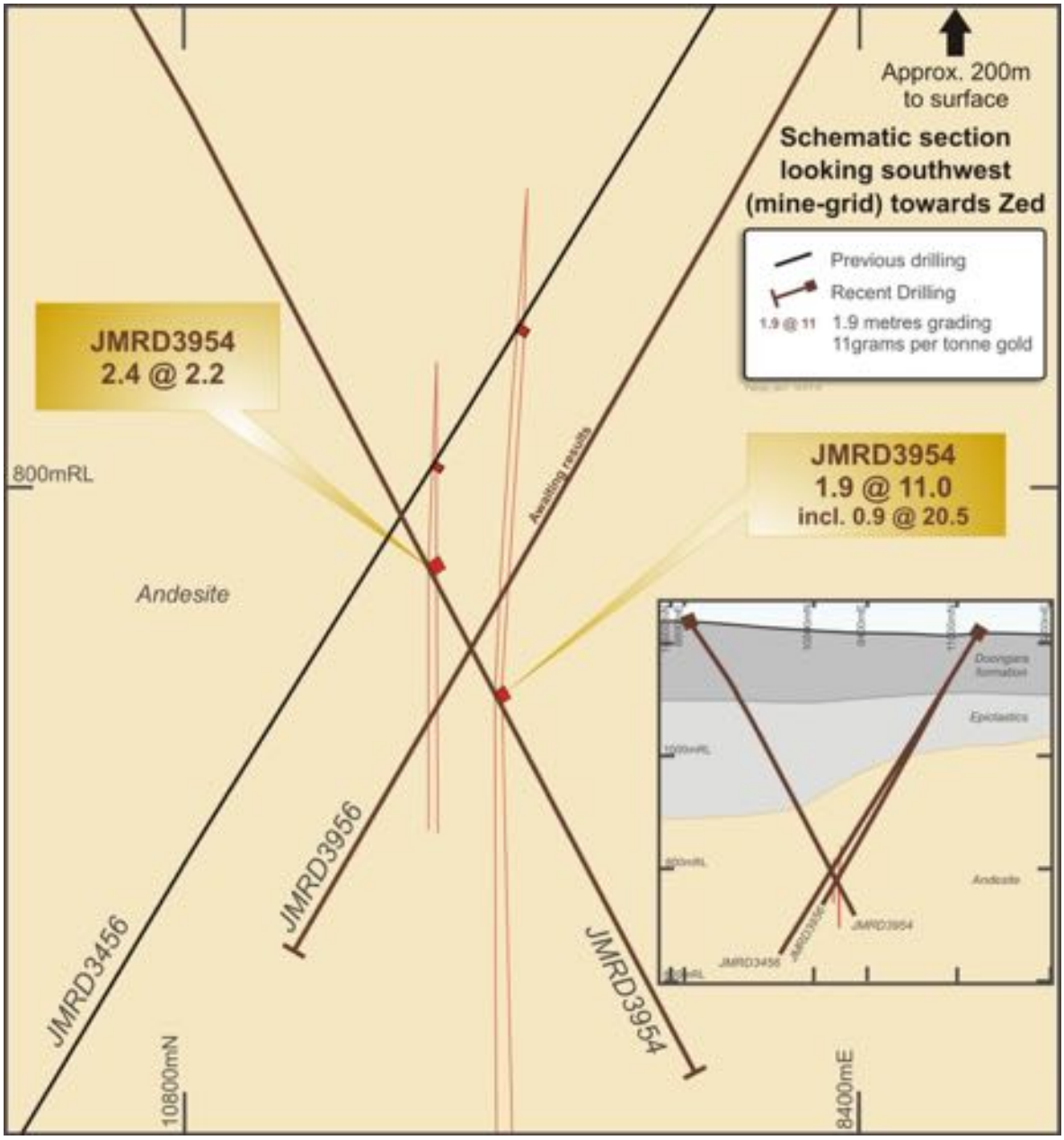

Figure 3: Schematic Camembert section looking southwest through JMRD3456, JMRD3954, and JMRD3956

Mt Carlton, Queensland

Near Mine Exploration

Near mine exploration programmes continued to focus on the reinterpretation of structural controls on mineralisation within and below the V2 and A39 deposits to define controls on high grade mineralisation and identify additional near-mine targets. A revised fault/structural model, and an updated geologic and alteration model has been developed. From the near-mine review, additional targets have been identified in areas surrounding the V2 and A39 pits, with drilling planned to commence in early October. Drill programmes are aimed at testing the projection of higher grade mineralised structures.

Regional Exploration

During the quarter, ten exploration holes for 3,385m were completed at the Castle and Capsize prospects, targeting prospective surface alteration and Induced Polarisation (IP), chargeability zones. At Castle, assay results from the four holes drilled were disappointing and no further work will be conducted there.

Along the Capsize Trend, all six holes intersected broad zones of low-grade copper mineralisation associated with quartz-pyrite-chalcopyrite fracture veining. Additional work along the Capsize trend will be focused on defining

vectors to potentially higher-grade copper mineralisation, given that the results indicate potential for high-sulphidation mineralisation is limited by the depth of erosion.

Tennant Creek, Northern Territory (earning 65% in stage 1)

During the quarter, drilling programmes aimed at establishing further high-grade gold resources around the Eldorado and Chariot deposits were completed by Emmerson Resources (ASX:ERM), and funded by Evolution according to the Tennant Creek Joint Venture agreement (ASX release 12 June 2014).

Drilling at Chariot East confirmed the high-grade nature of gold, copper and bismuth mineralisation within the Chariot East Zone and demonstrated the increased potential for building a significant resource. Best down hole intersections (not true width) received during the September quarter included:

- 2m grading 7.36g/t Au from 130m including 1m grading 13.5g/t Au (CHRC286)
- 4m grading 11.8g/t from 111m including 2m grading 22.7g/t Au and 0.17% bismuth and 8m grading 2.05% copper from 86m including 2m grading 4.74% copper (CHRC287)
- 7m grading 3.14g/t Au from 130m including 1m grading 10.5g/t Au and 0.41% bismuth (CHRC288)

At Eldorado, a 180.1m diamond hole (ELDD045) and eight RC holes (ELDRC046 – ELDRC053) for 1,856m were drilled with all holes intersecting magnetite-hematitie-chlorite ironstone, extending the envelope of potential resources down plunge and along strike.

Further details are provided in Emmerson's ASX releases: 1 September 2014 titled "High grade copper with gold at Chariot East and new extensions to the Eldorado ironstone"; and 15 September 2014 titled "High grade gold & copper at Chariot East", prepared in accordance with JORC Code 2012 Edition requirements for the reporting of exploration results.

CORPORATE

Financial Performance

The September quarter was a pleasing start to the FY2015 financial year with all sites delivering positive cash flows after all operating and capital costs, including waste stripping.

Sales revenue totaled A$155 million which comprised revenue from the sale of gold doré of A$126 million and revenue from sale of Mt Carlton concentrate of A$29 million.

Group total gold sold was 94,208oz at an average price of A$1,431/oz. Silver sales of 797,548oz was achieved for the quarter at an average price of A$22.84/oz. Group copper sales from V2 and A39 product was 251 tonnes with an average realised price of A$7,330/t. Final shipment of A39 concentrate from the current pit was delivered during the quarter.

Deliveries into the hedge book were 21,134oz at an average price of A$1,575/oz. The Group's remaining gold sales of 73,074oz were delivered on spot markets at an average price of A$1,390/oz. Evolution's total gold hedge book at quarter end was 143,185oz at an average price of A$1,600/oz.

Group C1 cash operating costs were A$78.6 million, or A$728/oz (Jun 2014 qtr: A$747/oz). Royalties accounted for an additional expense of A$8.0 million (Jun 2014 qtr: A$8.6 million).

The owner miner transition at Mt Rawdon has already delivered an impressive reduction with the unit rate of mining down 31% from FY14 (Jun qtr: A$3.41/t; FY14 A$4.91/t).

Total depreciation and amortisation expenses were A$40.0 million, or A$371/oz (Jun 2014 qtr: A$331/oz). Discovery expenditure in the quarter was A$4.6 million (Jun 2014 qtr: A$6.0 million), which included an A$1.2 million spend in joint venture with Emmerson Resources in the highly prospective Tennant Creek region.

Corporate

Corporate administration costs were A$5.1 million (Jun 2014 qtr: A$7.0 million).

Long term debt is unchanged at A$126.8 million under the Company's A$200 million debt facility.

Cash flow

The quarter saw the Group's cash continue to build with a closing balance of A$37.9 million (Jun 2014 qtr: A$31.5 million). A further A$7.0 million of finished product awaited shipment and was unfinanced at quarter end.

Operations delivered a strong cash contribution of A$17.1 million after all sustaining and major project capital expenditure. Combined corporate administration expenditure and Discovery costs were A$9.7 million (Jun 2014 qtr: A$13.0), leaving an operating cash inflow of A$7.4 million (Jun 2014 qtr: A$11.4 million).

Financing cash outflows for the quarter were A$1.0 million, consisting of an interest outflow of A$2.7 million, a decrease in receivables of A$1.2 million, inflows from increased payables A$5.6 million, outflows from increased inventory of A$7.8 million (of which A$5.0 million relates to the owner mining transition at Mt Rawdon), net short term Mt Carlton inventory financing inflow of A$1.7 million, and other working capital inflows of A$0.9 million.

Capital Expenditure

Total capital expenditure for the September quarter was A$48.4 million (Jun 2014 qtr: A$30.2 million) as a number of scheduled capital projects commenced. Capital spend was still significantly lower than plan and is expected to decline as the year progresses. Expenditure consisted of A$24.9 million on sustaining capital and A$23.5 million on major projects which included waste stripping at Mt Rawdon (A$9.4 million) and Edna May (A$6.0 million). FY15 Group capital expenditure guidance of A$135.0 – A$175.0 million is unchanged.

Annual General Meeting

Evolution Mining's Annual General Meeting will be held at 11am (Sydney time) on 26 November 2014 at the Sofitel Sydney Wentworth Hotel, 61-101 Phillip Street Sydney NSW 2000.

CONFERENCE CALL

Jake Klein (Executive Chairman), Lawrie Conway (Finance Director and Chief Financial Officer), Mark Le Messurier (Chief Operating Officer), and Roric Smith (VP Discovery and Chief Geologist) will host a conference call to discuss the quarterly results at **11.00am Australian Eastern Daylight Time ("AEDT") on Wednesday 29 October 2014.** Access details are provided below.

Shareholder – Live Audio Stream

A live audio stream of the conference call will be available on Evolution's website www.evolutionmining.com.au. The audio stream is 'listen only'. The audio stream will also be uploaded to Evolution's website shortly after the conclusion of the call and can be accessed at any time.

Analyst and Media – Conference Call Details

Conference call details for analysts and media includes Q & A participation. Please dial in five minutes before the conference starts and provide your name and the Participant PIN Code.

Participant PIN Code: 188489#

Dial-in numbers:

- Australia: 1800 268 560
- International Toll: +61 2 8047 9300

FORWARD LOOKING STATEMENTS

This report prepared by Evolution Mining Limited (or "the Company") include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results listed in the table below is based on work compiled by the person whose name appears in the same row, who is employed on a full-time basis by Evolution Mining Limited and is a member of the institute named in that row. Each person named in the table below has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012. Each person named in the table consents to the inclusion in this report of the matters based on his information in the form and context in which it appears including sampling, analytical and test data underlying the results.

Activity	Competent Person	Institute
Cracow exploration results	Shane Pike	Australasian Institute of Mining and Metallurgy
Pajingo exploration results	Andrew Engelbrecht	Australasian Institute of Mining and Metallurgy
Mt Carlton exploration results	David Hewitt	Australian Institute of Geoscientists

CORPORATE INFORMATION

ABN 74 084 669 036

Board of Directors

Jake Klein	Executive Chairman
Lawrie Conway	Finance Director
Jim Askew	Non-Executive Director
Graham Freestone	Non-Executive Director
Colin (Cobb) Johnstone	Non-Executive Director
Tommy McKeith	Non-Executive Director
John Rowe	Non-Executive Director

Company Secretary

Evan Elstein

Investor Enquiries

Bryan O'Hara
Investor Relations Manager
Evolution Mining Limited
Tel: (612) 9696 2900

Media Enquiries

Michael Vaughan
Cannings Purple
Tel: (618) 6314 6300

Internet Address

www.evolutionmining.com.au

Registered and Principal Office

Level 30, 175 Liverpool Street
Sydney NSW 2000
Tel: (612) 9696 2900
Fax: (612) 9696 2901

Share Register

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Tel: 1300 554 474 (within Australia)
Tel: (612) 8280 7111
Fax: (612) 9287 0303
Email: registrars@linkmarketservices.com.au

Stock Exchange Listing

Evolution Mining Limited shares are listed on the Australian Securities Exchange under code EVN

Issued Share Capital

At 30 September 2014 issued share capital was 714,921,647 ordinary shares

Appendix 1 Drillhole information summary

PAJINGO

Hole	Hole Type	Northing MGA (m)	Easting MGA (m)	Hole Length (m)	Dip MGA	Azi MGA	From (m)	Interval (m)	ETW[1] (m)	Au (g/t)	Ag (g/t)
JMRD3456[2]	Core	446557.7	7726501.5	735.5	-58	180	465.00	2.60	1.30	2.73	0.92
including							467.10	0.50	0.30	8.53	2.50
JMRD3948	Core	446762.3	7726395.9	618	-61	224	395.00	3.00	1.40	6.25	2.24
including							395.00	1.00	0.80	7.64	2.43
							397.50	0.50	0.60	18.50	4.83
and							493.00	4.00	1.80	8.13	2.02
including							494.30	2.70	1.20	11.65	2.77
JMRD3951	Core	446561.5	7726006.5	655	-62	003	533.85	3.80	1.56	3.22	1.72
and							570.80	7.33	3.00	6.18	3.28
including							573.30	3.70	1.50	9.37	4.21
JRMD3952	Core	446622.2	7725992.5	643	-62	003	535.25	3.10	1.40	3.99	2.14
JMRD3953	Core	446463.3	7725999.3	607	-61	003	434.90	2.37	1.30	1.50	6.18
and							454.30	3.12	1.60	2.55	1.67
							478.88	1.02	0.50	5.01	1.15
JMRD3954	Core	446477.6	7725996.8	599.8	-57	013	518.80	2.35	1.10	2.20	3.18
and							539.00	1.90	0.90	10.98	4.07
including							540.00	0.90	0.45	20.50	5.21
JMRD3955	Core	446561.0	7726494.4	583	-54	170	467.50	0.33	0.20	19.60	2.65
and							488.43	2.07	1.20	7.81	1.79
including							488.43	0.57	0.30	22.30	2.06
JMRD3956	Core	446552.9	7726493.7	595	-58	188	Assays pending				
JMRD3955 W1	Core	446561.0	7726494.4		-48	170	Assays pending				

Note:
1 Down hole lengths and estimated true widths* (ETW) are reported. True widths are not currently known.
2 Previously drilled hole (2006)

Appendix 2: JORC Code 2012 Assessment and Reporting Criteria

The following information is provided in accordance with Table 1of Appendix 5A of the JORC Code 2012 – Section 1 (Sampling Techniques and Data), and Section 2 (Reporting of Exploration Results)

PAJINGO

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	Drill testing of target identified after following up of prospective alteration and a sinter was undertaken by a combined reverse circulation (RC) - diamond drillhole (DDH). The location of all collars is initially defined via handheld GPS, while awaiting pickup by an Evolution surveyor using DGPS on completion of drilling. Drill samples were logged for lithological, alteration, structural and geotechnical attributes. Sampling was carried out under Evolution Mining protocols and QAQC procedures as per industry best practice. RC drilling was used for pre-collars in material previously identified as barren Tertiary sediments. In places where there is limited information a 1m sample is collected. Each interval was logged by the geologist before determining if intervals require analysis. Sample intervals were obtained using a rig mounted static cone splitter. No assaying was undertaken on the RC samples. Diamond Core is HQ and NQ2 size, sampled on intervals 0.2m to 1.0m intervals, cut into half core to give sample weights of less than 4kg. Diamond core samples were crushed, dried and pulverized (total preparation) to produce a sub-sample for analysis by four-acid digest with an ICP/OES, ICP/MS or FA/AAS finish.
Drilling techniques	Drilling was undertaken as a combined reverse circulation and diamond drilling techniques. The diameter of the RC component of the holes was 5.5 inches (140mm); the diamond component was HQ and NQ. The core was oriented using a Reflex Orientation Tool.
Drill sample recovery	Diamond core recovery is logged and recorded in database. Overall, core recovery for diamond core is >95% and there are no core loss issues or significant sample recovery problems for diamond core samples. RC recovery is not recorded. However, recoveries for RC samples cannot be assessed as there is no data available. RC chips are logged and recorded in the database. No assaying of samples taken from RC chips. Diamond core is reconstructed into continuous runs on an aluminium cradle for orientation marking. Depths are checked against the depth given on the core block and rod counts are routinely carried out by the drillers. RC samples were visually checked for moisture and contamination. Insufficient drilling and geochemical data is available at the present stage to evaluate potential bias. Evolution protocols and QAQC procedures are followed to preclude issues of sample bias due to loss or gain of material during the drilling process.
Logging	Geotechnical logging was carried out on diamond drill core for structural data, recovery and RQD. No metallurgical studies have been taken. Logging of diamond core and RC samples recorded lithology, mineralogy, mineralisation, intensity quartz veins, weathering, color, and alteration. Core was photographed in wet and dry form. The drillhole was logged as full core.
Sub-sampling techniques and sample preparation	Both HQ and NQ core was cut in half on site using an automatic core saw. The sample preparation of diamond core follows industry best practice in sample preparation involving oven drying, coarse crushing of the half core sample down to ~10 mm followed by pulverisation of the entire sample (total prep) using LM5 grinding mills to a grind size 85% passing 75 micron. The sample preparation for RC samples is identical without the coarse crush stage. Certified reference material as assay standards, along with blanks have been included along with the original samples. Standards are included every 30 samples. No field duplicates were taken. The sample sizes are considered to be appropriate to correctly represent the gold mineralisation as per the general standard practices.
Quality of assay data and laboratory	Core samples analytical techniques used a four-acid digest (ME-MS61 or MS62) multi-element suite with ICP/MS and/or ICP/AES finish. Gold was analysed using a 50gm fire assay with AAS finish. The

Criteria	Commentary
tests	acids used include nitric, perchloric, hydrochloric and hydrofluoric and are suitable for silica based samples. The method approaches total dissolution for most minerals. No geophysical tools were used to determine any element concentration. Sample preparation checks for grind size were carried out by the laboratory as part of their internal procedures to ensure the grind size of 85% passing 75 micron was being attained. Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, and repeats as part of in house procedures.
Verification of sampling and assaying	The significant intersections were verified by company personnel. The significant intersections consisted of 90% quartz veins. There were no twinned holes. RC and diamond drillhole logs are recorded onto laptops which in turn are transferred to the database. All primary data (geological data, collar, down holes survey, interval sample) which was documented in hard copy has been manually entered into an acQuire database and all assays which were in electronic files have been imported into an Acquire database. Data verification was done in the process of transferring from original hard copy and electronic files to the database. No adjustment or calibrations were made to any assay data used in this report.
Location of data points	Drillhole collar location has been surveyed using handheld GPS unit until an Evolution survey picks up final collar using DGPS. All down-hole survey shots were carried out using a Reflex Multi-shot camera every 12 metres. The presence of magnetic mineral is rare due to magnetite destructive alteration and consequently down hole surveys are generally very reliable. The grid system is MGA_GDA94 Zone 55. Local easting and northing are in MGA. Topographic surfaces were last updated in March 2012.
Data spacing and distribution	This is an early stage prospect. Drill spacing varies but is approximately 50m x 50m at the primary target zone and stepping out to ~100m x 100m. Further drilling and assessment will be required before it is possible to establish the degree of geological and grade continuity required to estimate a Mineral Resource. No compositing of samples was applied.
Orientation of data in relation to geological structure	The holes have been drilled near perpendicular to the interpreted structure in plan. Due to the depth of the intercepts and the steepness of the structure, all intercepts are “apparent” not “true” thickness representations. Estimated true thickness is provided in the Drillhole Information Table in Appendix 1 of this report.
Sample security	Diamond core samples are stored on site at the core yard, collected by NQX Couriers and delivered to ALS Townsville laboratories for assaying. Whilst in storage at the lab they are kept in a locked yard. All remaining diamond core and RC material is stored at the mine site core yard, pulp rejects from exploration drilling are stored at the core yard as well. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	ALS was audited by Evolution Mining Limited in September 2013.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	The drilling was undertaken on ML 10246. The tenement is owned by NQM Gold 2 Pty Ltd a company wholly owned by Evolution Mining Ltd. The area is not subject to any Native Title claims although cultural heritage agreements are in place with the Birriah and Kudjala Peoples. The tenement is in good standing and no known impediments exist.
Exploration done by other parties	The area has been subject to previous soil sampling, RC and diamond drilling, mapping and geophysical exploration by various companies including Battle Mountain, ACM Ltd, Normandy Mining, Newmont, NQM Ltd and Conquest Mining Ltd
Geology	The exploration target is low-sulphidation-epithermal gold hosted in an extensional setting within an intermediate volcanic terrain of mid-Palaeozoic age

Criteria	Commentary
Drillhole Information	Refer to Appendix 1 for the drillhole information table
Data aggregation methods	Intercept length weighted average techniques, and minimum grade truncations and cut-off grades have been used in this report. Due to the nature of the drilling, some composite grades are less than the current resource cut off of 2.5g/t, but remain significant as they demonstrate mineralisation in veins not previously modelled. All contain a value >2.5g/t, and include halo material <2.5g/t. Composite, as well as internal significant values are stated for clarity. No metal equivalent values are used
Relationship between mineralisation widths and intercept lengths	The sampling technique confirms the presence of epithermal quartz veining The assays are reported as down hole intervals and an estimated true width is provided as true widths are not currently known.
Diagrams	Refer to the body of the text for a drillhole plan and schematic sections.
Balanced reporting	Assay results reported are of specific regions within the drillhole marked by epithermal quartz veining
Other substantive exploration data	The first hole was drilled to test beneath the sinter intersected by historical drilling. Together these provided a favorable location to test based on interpretations of the Moonlight prospect to the south. Further drilling was undertaken when positive results were returned from the first hole. Preliminary results from a 3D seismic survey undertaken in 2014 also highlight the Camembert structure. Data captured from this survey is currently being processed and is expected to be made available to site in the December quarter 2014.
Further work	Future work will consist of a review of the geochemical results and lithological studies in combination with new assay results. Further drilling will test down dip and along strike from current intercepts, particularly back towards current mine development (1,300m west of JMRD3948).