

# Evolution Mining

## AGM Presentation

**26 November 2014**

Jake Klein – Executive Chairman

Mark Le Messurier – Chief Operating Officer

Roric Smith – Vice President Discovery



## Forward looking statement

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- These materials 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.
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# Australian mid-tier gold producer



<b>ASX Code</b>	<b>EVN</b>
<b>Shares</b>	<b>714.9M</b>
<b>Market capitalisation<sup>1</sup></b>	<b>A\$400M</b>
<b>Daily turnover<sup>2</sup></b>	<b>A\$1.42M</b>
<b>Cash and unsold doré<sup>3</sup></b>	<b>A\$44.9M</b>
<b>Debt<sup>3</sup></b>	<b>A\$126.8M</b>
<b>Forward sales<sup>3</sup></b>	<b>143,185oz at A\$1,600/oz</b>
<b>Dividend policy</b>	<b>2% of gold revenue</b>
<b>Major shareholders</b>	<b>Newcrest 32.3%</b> <b>Van Eck 10.5%</b> <b>Allan Gray 8.6%</b>



1. At 24 November 2014 (share price A\$0.56)
2. 3 month average to 24 November 2014
3. At 30 September 2014

**FY15 Guidance: 400koz – 440koz AuEq**  
**AISC A\$1,050/oz – A\$1,130/oz**

# Highlights

**3 straight years of achieving guidance**



**Development of Mt Carlton**



**FY14 production of 427,703oz AuEq**



**Strong financial position**



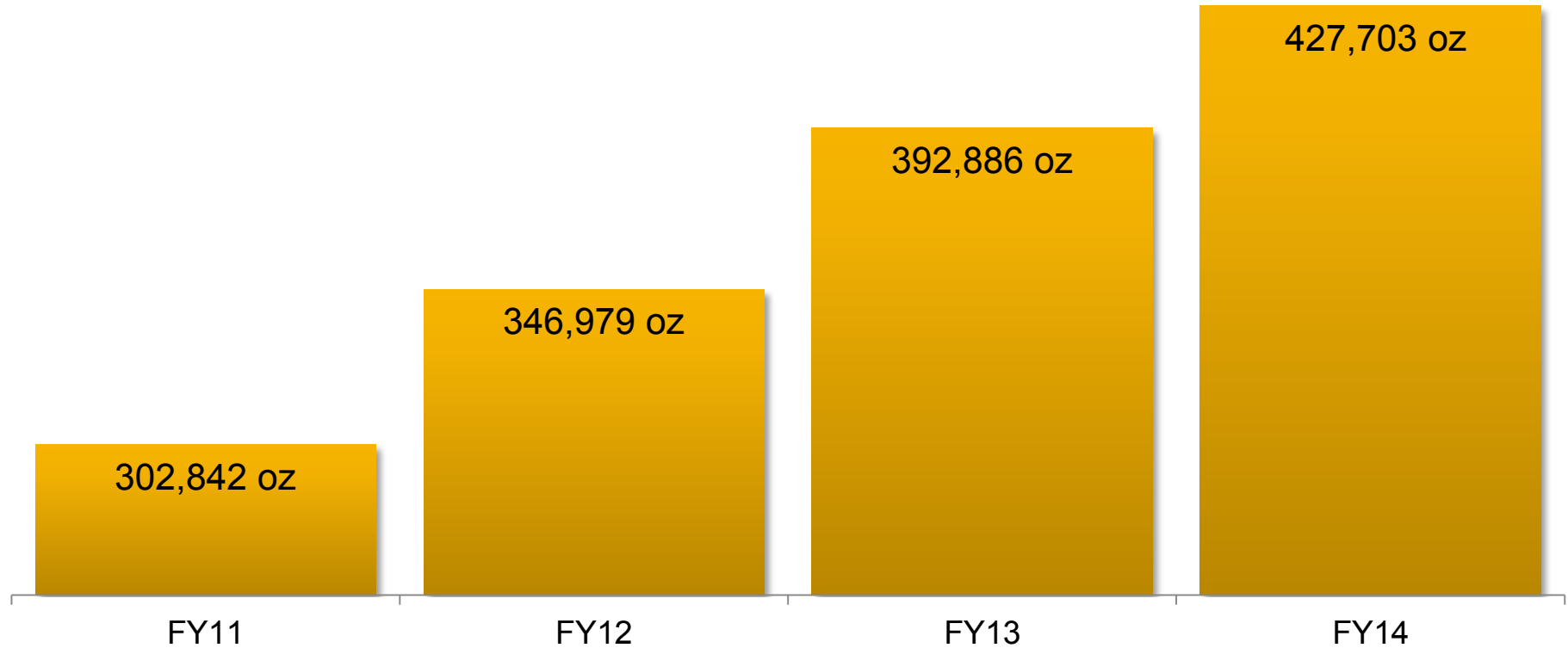
**Exciting exploration pipeline**



# Growing production



## Gold Production FY11 – FY14



· Assumes pro forma ownership of current assets over FY11 and FY12

■ Group Gold Equivalent Production

***We say, We do, We deliver***

# Gold mining – a business

- Create shareholder value through three pillars – Operations, Discovery, M&A
- Focus on costs and productivity to drive profitability
- Disciplined approach to capital investment
- Upgrade the portfolio – through discovery and opportunistic acquisitions
- Shareholder returns – dividend linked to gold revenues

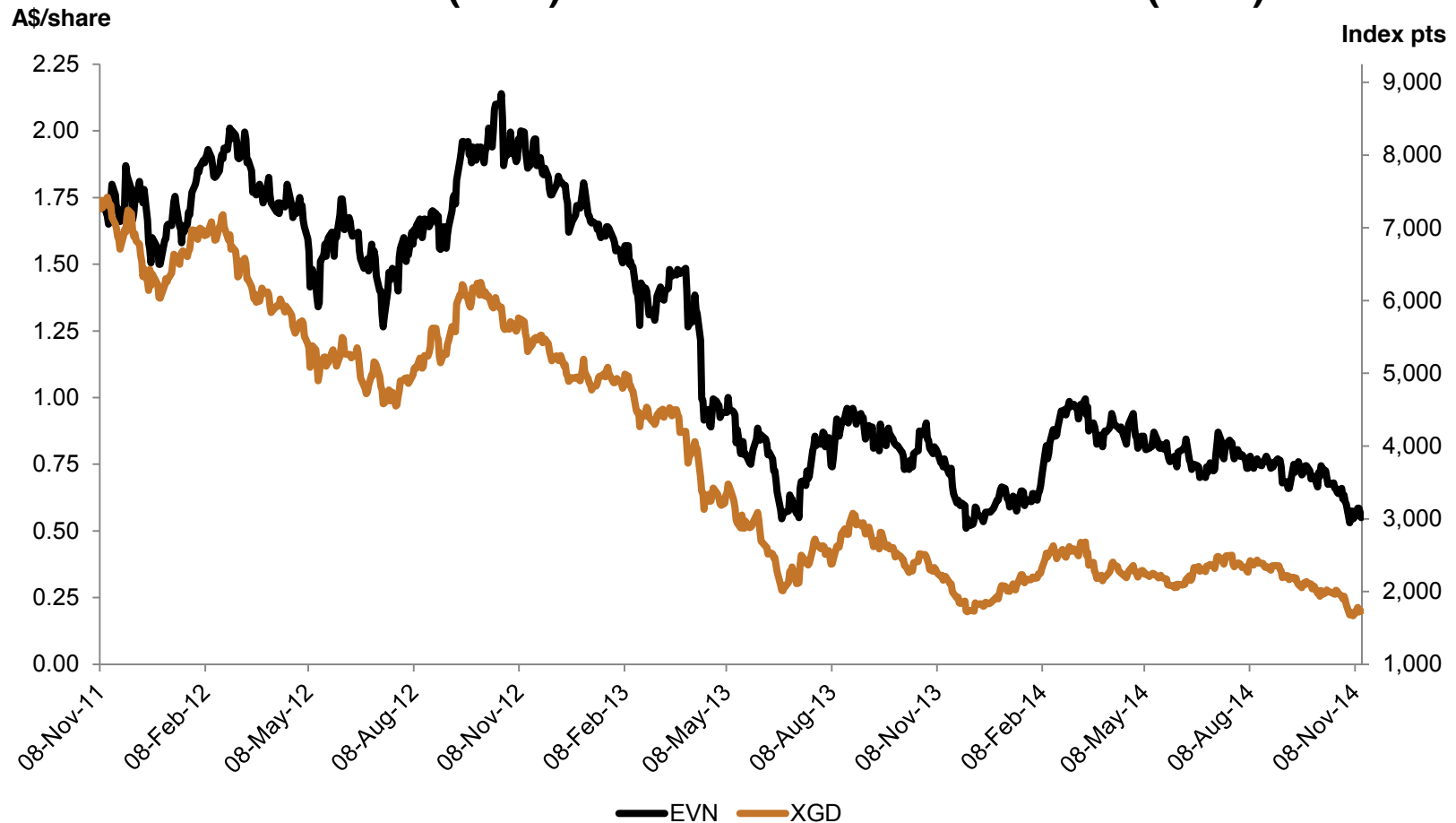


# Reliability and Consistency



- Evolution has consistently outperformed the ASX All Ords Gold Index since inception

## Evolution (EVN) vs ASX All Ords Gold Index (XGD)



# Three pillars

## Creating shareholder value

### Operations

Act like owners to maintain a cost and productivity focus over the longer term

### Discovery

Using science and technology to improve probability of transformational discoveries

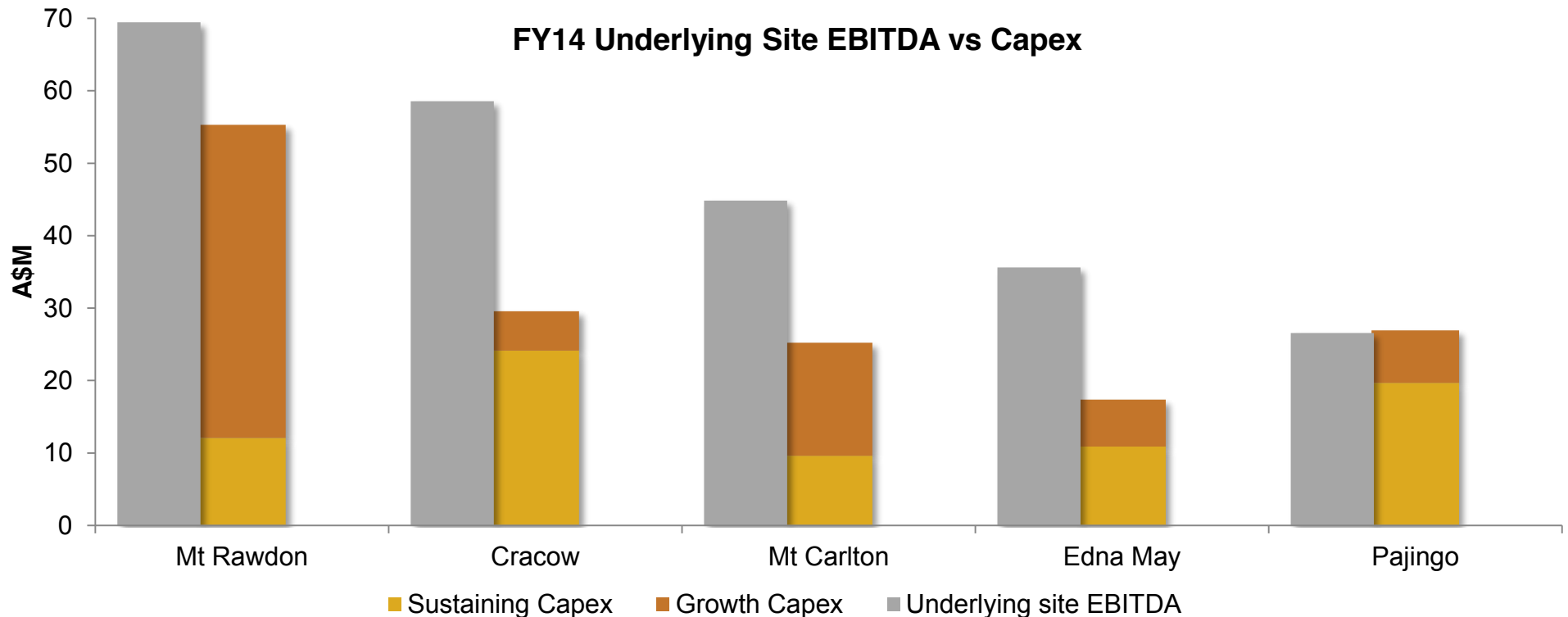
### M&A

Improve the quality of asset portfolio through opportunistic, logical, value accretive acquisitions



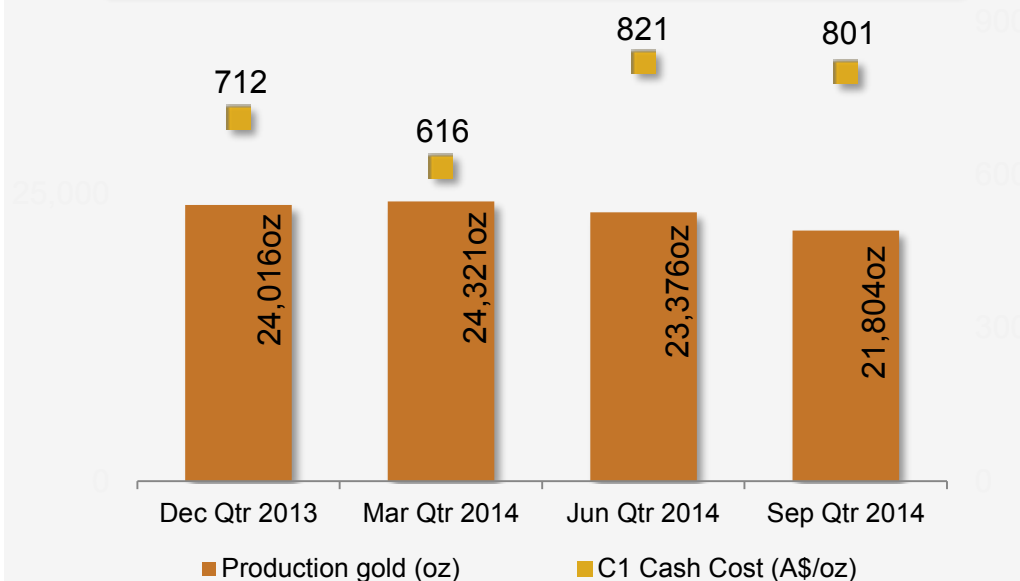
# FY14 Operational Highlights

- Achieved best annual safety performance since creation (Group LTIFR 1.7, TRIFR 11.7)
- FY14 underlying site EBITDA of A\$235.1 million
- A\$91.0 million in mine operating cash flow generated – all sites cash flow positive



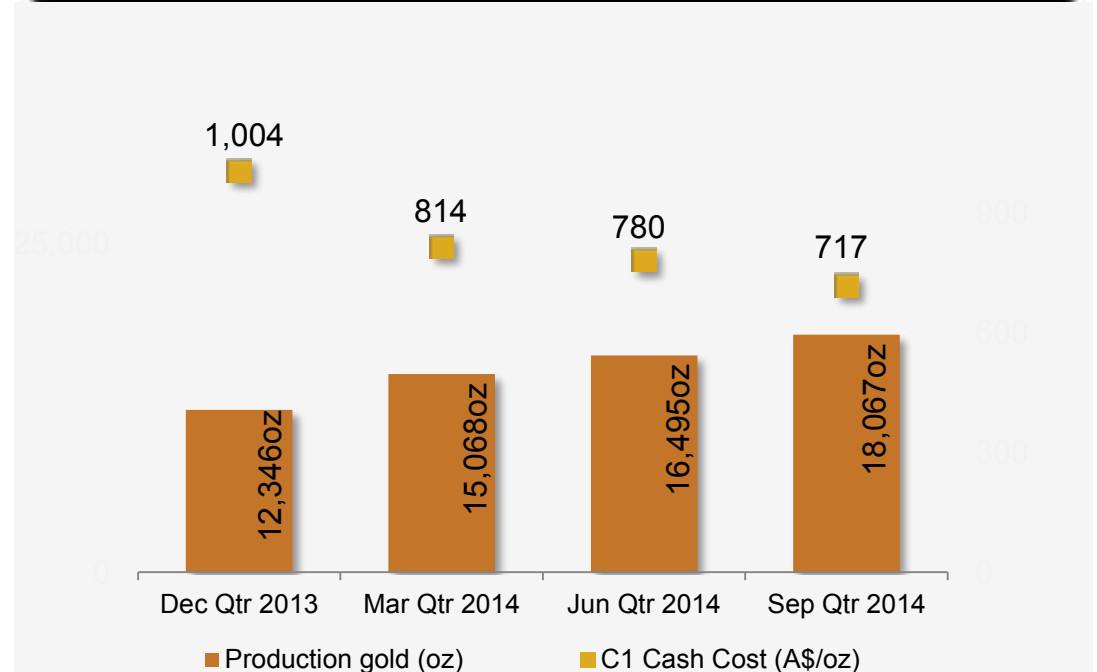
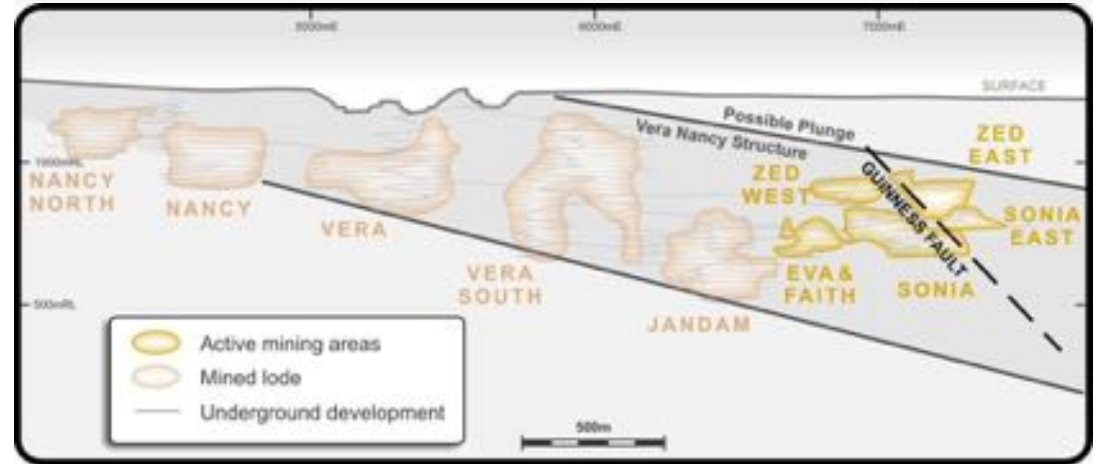
- Site EBITDA is before all corporate administration costs, non-recurring items and exploration expenses
- LTIFR: Lost time injury frequency rates. The frequency of injuries involving one or more lost workdays per million hours worked based on a 12 month moving average
- TRIFR: Total recordable injury frequency rate. The frequency of total recordable injuries per million hours worked based on a 12 month moving average

- FY14 gold production of 95,064oz at cash cost A\$726/oz and AISC A\$1,057/oz
- FY14 cost saving of A\$18M (or A\$190/oz) as a result of moving to owner-miner on 1 July 2013
- Current mine life of at least five years based on life of mine plans
- Resource definition drilling focussed on defining and extending mineralisation at Kilkenny, Tipperary and Empire areas



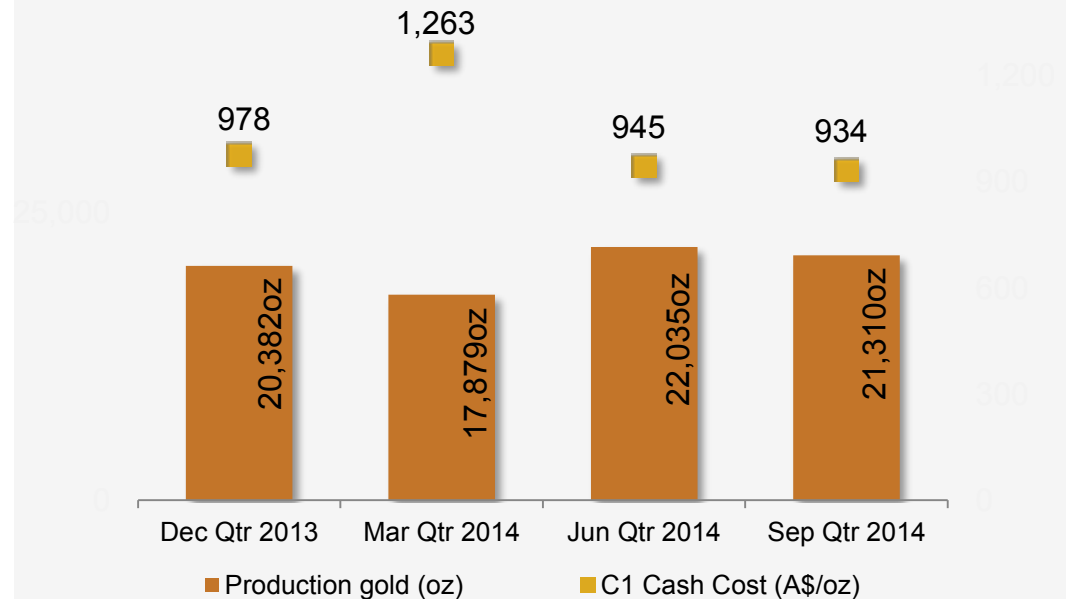
# Pajingo

- FY14 gold production of 60,766oz at cash cost A\$894/oz and AISC A\$1,274/oz
- Restructure of operation reduced total site costs by 41% in FY14
- Continued improvement in Sep quarter with a ~10% lift in gold production to 18,067oz
- Further cost reduction initiatives being implemented



# Edna May

- FY14 gold production of 80,165oz at cash cost A\$1,017/oz and AISC A\$1,205/oz
- Strong turnaround in operating performance achieved
- Improved plant throughput capacity
- Continued success on the implementation of cost reduction initiatives

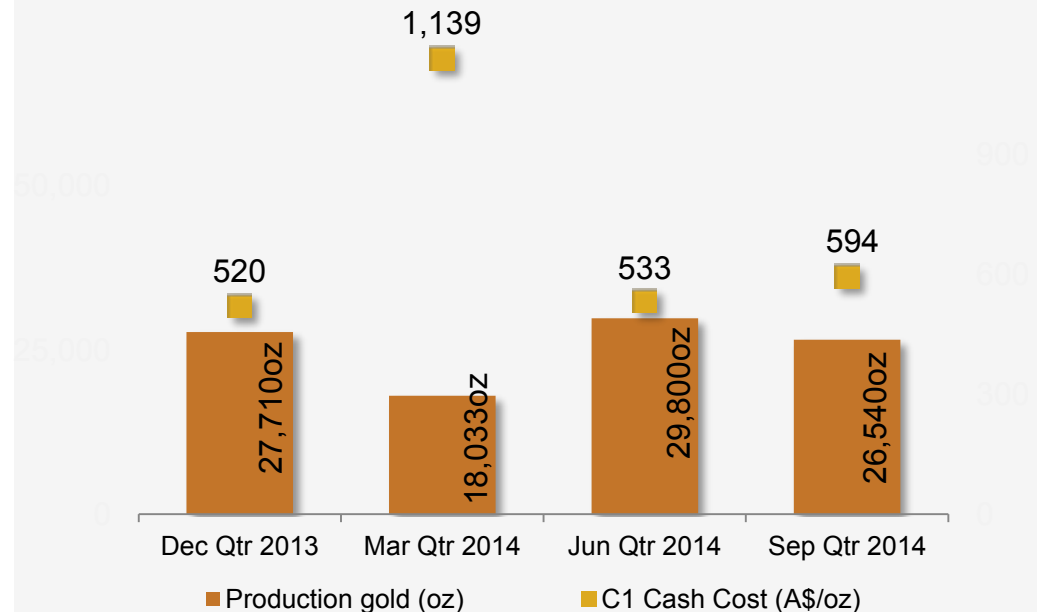


# Mt Rawdon

- FY14 gold production of 103,755oz at cash cost A\$670/oz and AISC A\$854/oz
- Shift to owner-miner 1 July 2014 – better than expected productivity and operating costs achieved to date
- Annual cost saving of ~A\$5M through implementation of smarter drill and blast program
- Unit mining rates reduced to A\$3.41/t in Sep quarter – a 30% reduction compared to FY14 average of A\$4.91/t

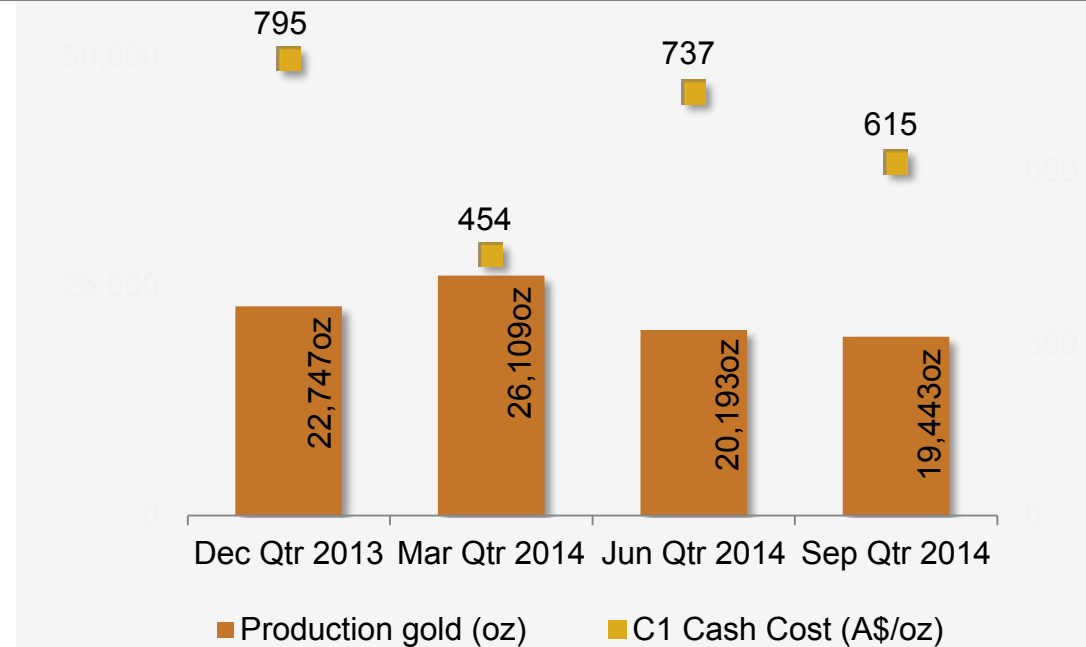


Mt Rawdon: celebrating the mine's 40th tonne gold pour



# Mt Carlton

- Outstanding FY14 production of 87,952oz gold equivalent at cash cost A\$634/oz and AISC A\$844/oz – well ahead of guidance
- Significant lift in mill throughput to 72kt per month (~860ktpa) for the Sep quarter compared to FY14 average of 57kt per month (~690ktpa) – driving for 900ktpa

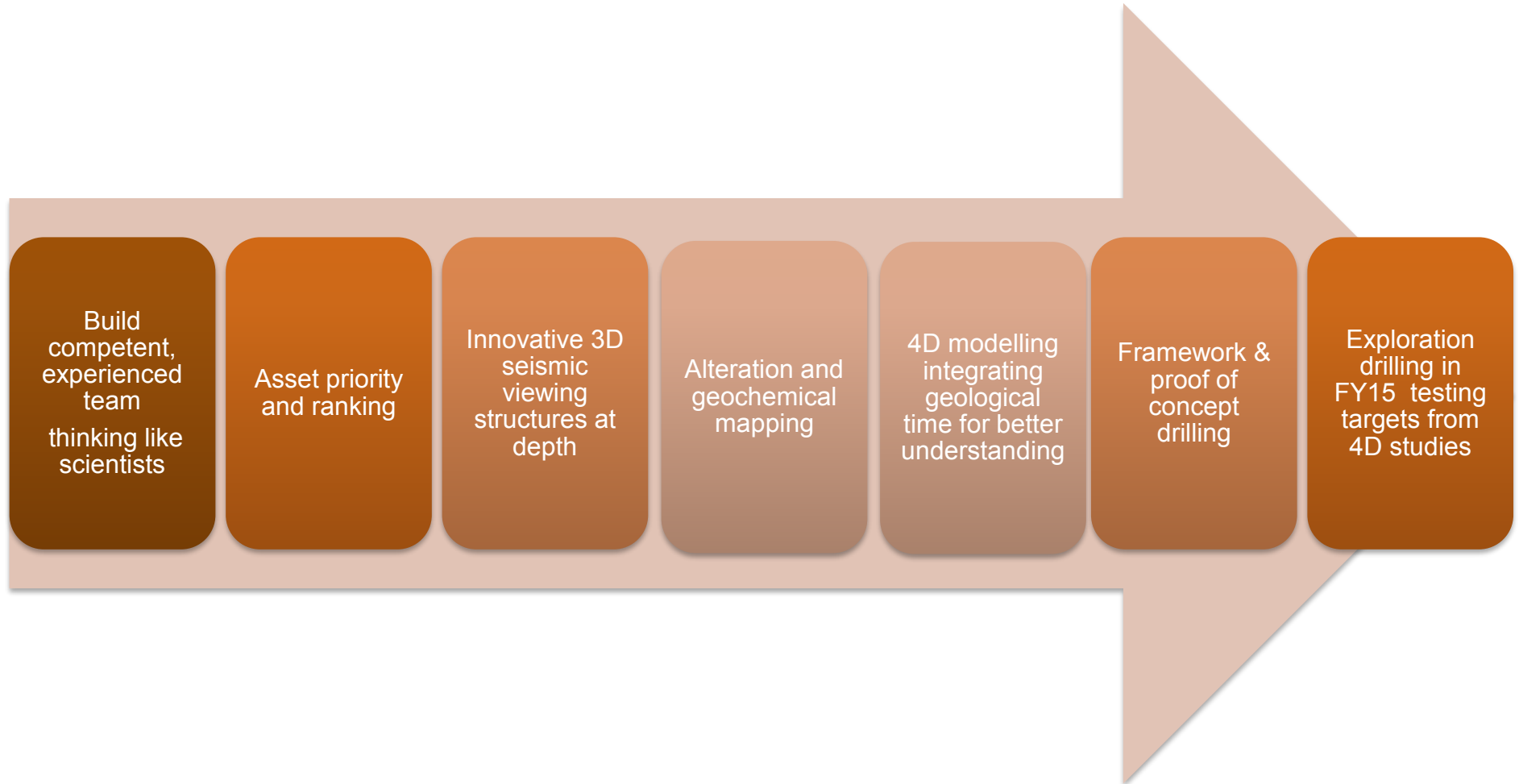


**“The definition of insanity is doing the same thing over and over again, but expecting a different result.”**

**Albert Einstein**

# Discovery

- Investing A\$20.0M per year to target transformational discoveries through brownfields and greenfields exploration





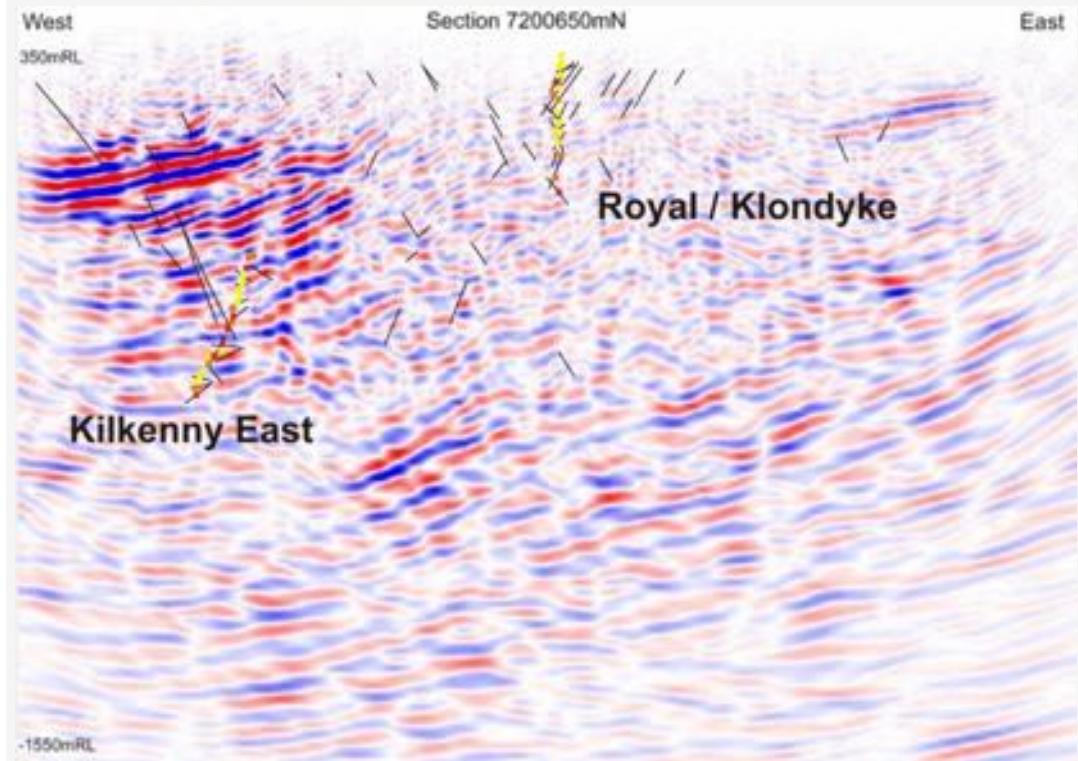
# Seismic update

## ■ Pajingo

- Initial processing of 3D survey completed – 1,400m long fault extending from Zed to Camembert clearly mapped
- Six holes at Camembert prospect have all intersected epithermal veins and gold mineralisation

## ■ Cracow

- Exceptional survey – faults correspond to known orebodies
- Fault strand geometry defined in 3D
- Previously unknown faults mapped

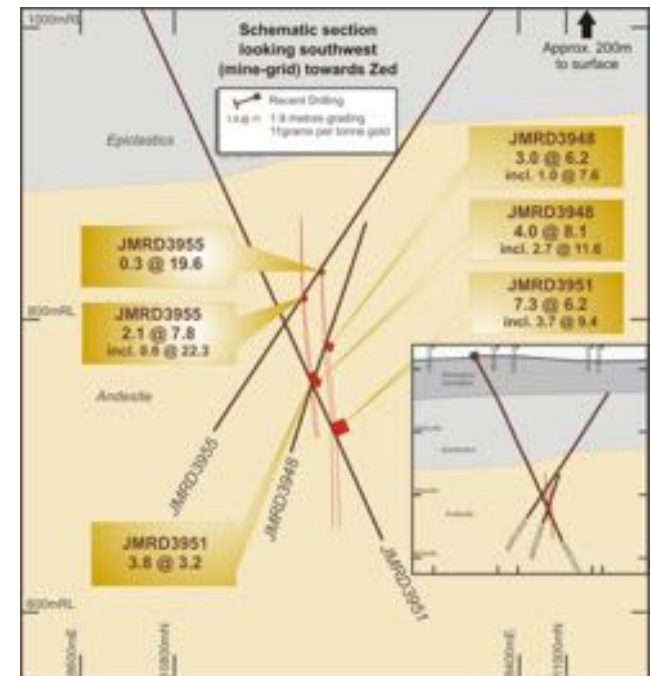
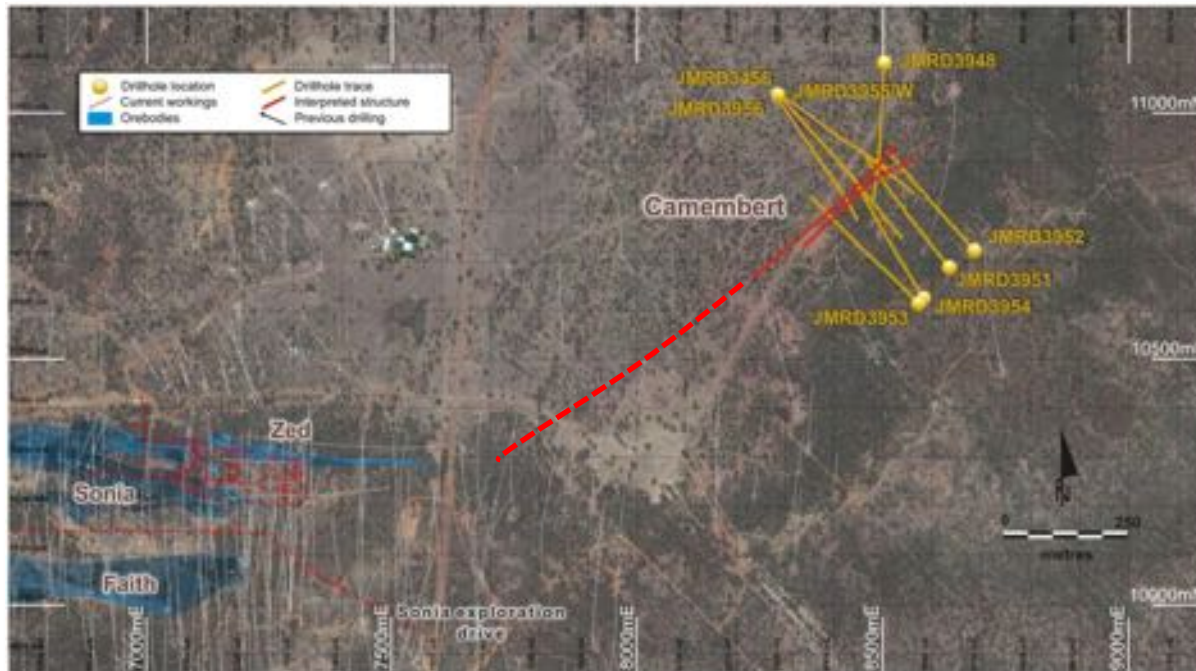


West-east section through Cracow 3D seismic cube, with location of Royal/Klondyke and Kilkenny East orebodies shown corresponding to mapped fault zones on the section. Other previously unknown and known faults are accurately mapped. Yellow, orange and red squares denotes increasing gold in gram metres in known deposits.

*Potential breakthrough to compress timeframe for new discovery*

# Pajingo exploration

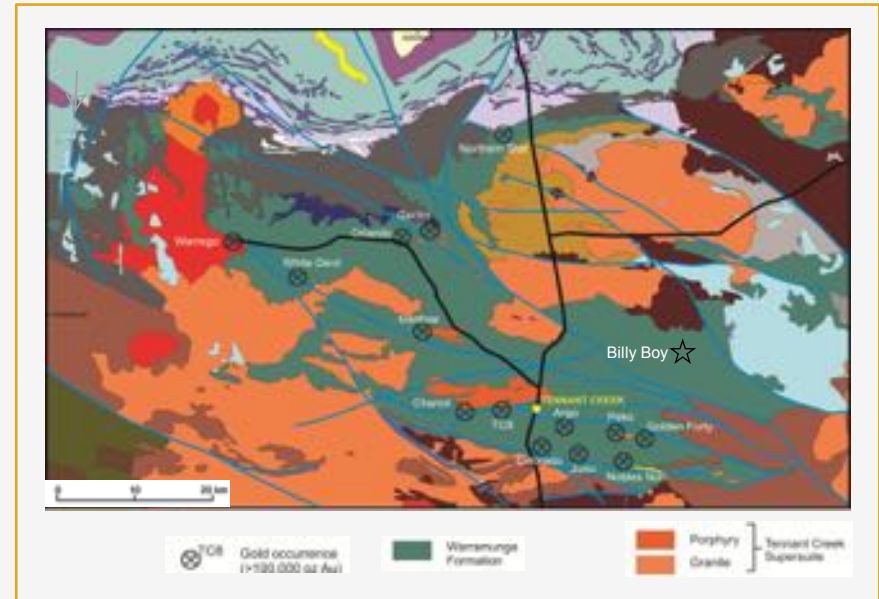
- Camembert – a new vein system intersected in 6 holes
  - Top of system – narrow veins with >10g/t Au assays
- 1,200m of untested strike potential between Zed lode and Camembert discovery
- Further drill targets being generated from ongoing 3D seismic interpretation



Details of exploration results are provided in the report titled "September 2014 Quarterly Report" released to the ASX on 29 October 2014 and available to view at [www.evolutionmining.com.au](http://www.evolutionmining.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information provided within that release.

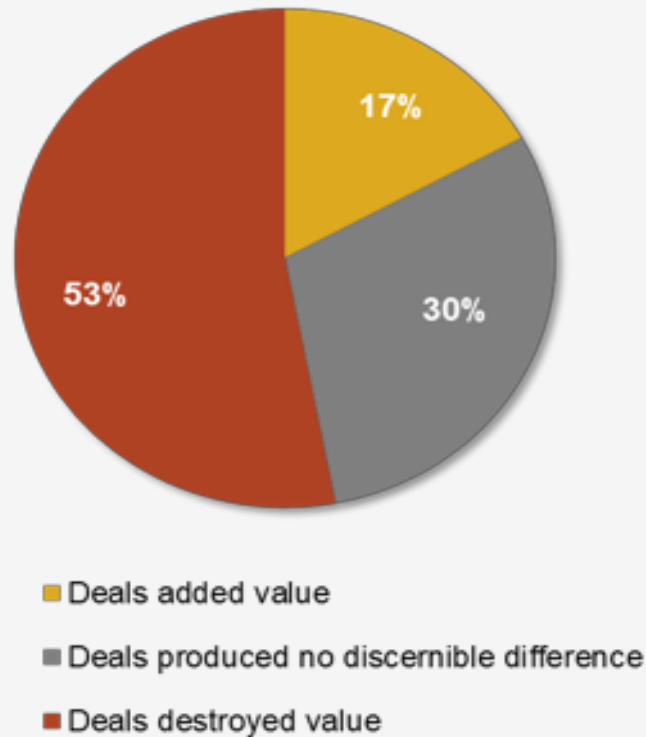
# Tennant Creek exploration

- JV agreement with Emmerson Resources over Tennant Creek gold-copper project
- Historically one of Australia's highest grade gold and copper fields with production of 5.5Moz gold and 470,000t copper
- New technology – 2D seismic to map ironstones
- Recent results from Chariot East :
  - 2m @ 7.36g/t Au from 130m incl.  
1m @ 13.5g/t Au in CHRC286
  - 4m @ 11.8g/t Au from 111m incl.  
2m @ 22.7g/t Au in CHRC287
  - 7m @ 3.14g/t Au from 130m incl.  
1m @ 10.5g/t Au in CHRC288



# Portfolio management

Global M&A deal  
success in unlocking value  
(all industries)



- Create value through logical, opportunistic acquisitions
- Leverage off strong operational performance to upgrade the quality of the portfolio over time
- Make geological calls – backing our discovery team
- Divest underperforming assets if a fair price can be achieved
- Exercise discipline and patience

# FY15 outlook



Guidance FY15	Gold equivalent production (oz)	C1 cash costs (A\$/oz)	All-in sustaining costs (A\$/oz)
Cracow	90,000 – 95,000	660 – 730	1,000 – 1,080
Pajingo	65,000 – 72,500	700 – 770	1,050 – 1,120
Mt Rawdon	100,000 – 110,000	660 – 730	880 – 950
Edna May	80,000 – 90,000	980 – 1,060	1,120 – 1,200
Mt Carlton	65,000 – 72,500	760 – 840	1,020 – 1,100
Corporate	-	-	50
<b>Group</b>	<b>400,000 – 440,000</b>	<b>750 – 820</b>	<b>1,050 – 1,130</b>

*Consistency, reliability, productivity*

# The Evolution value proposition

## Australia

- Low risk – First World jurisdiction
- Second largest gold producer globally
- Globally competitive on costs – and improving

## Delivery

- Delivering on guidance since creation
- Delivering a significant growth project
- Delivering on exploration upside

## Gold dividend

- Dividend linked to gold production and gold price

## Growth

- Exploration funded through strong cash flow
- Opportunistic, logical acquisitions

# Evolution Mining

**ASX Code: EVN**

[www.evolutionmining.com.au](http://www.evolutionmining.com.au)

