

# Cracow

**May 2013**



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MINING

**Simon Jessop** General Manager

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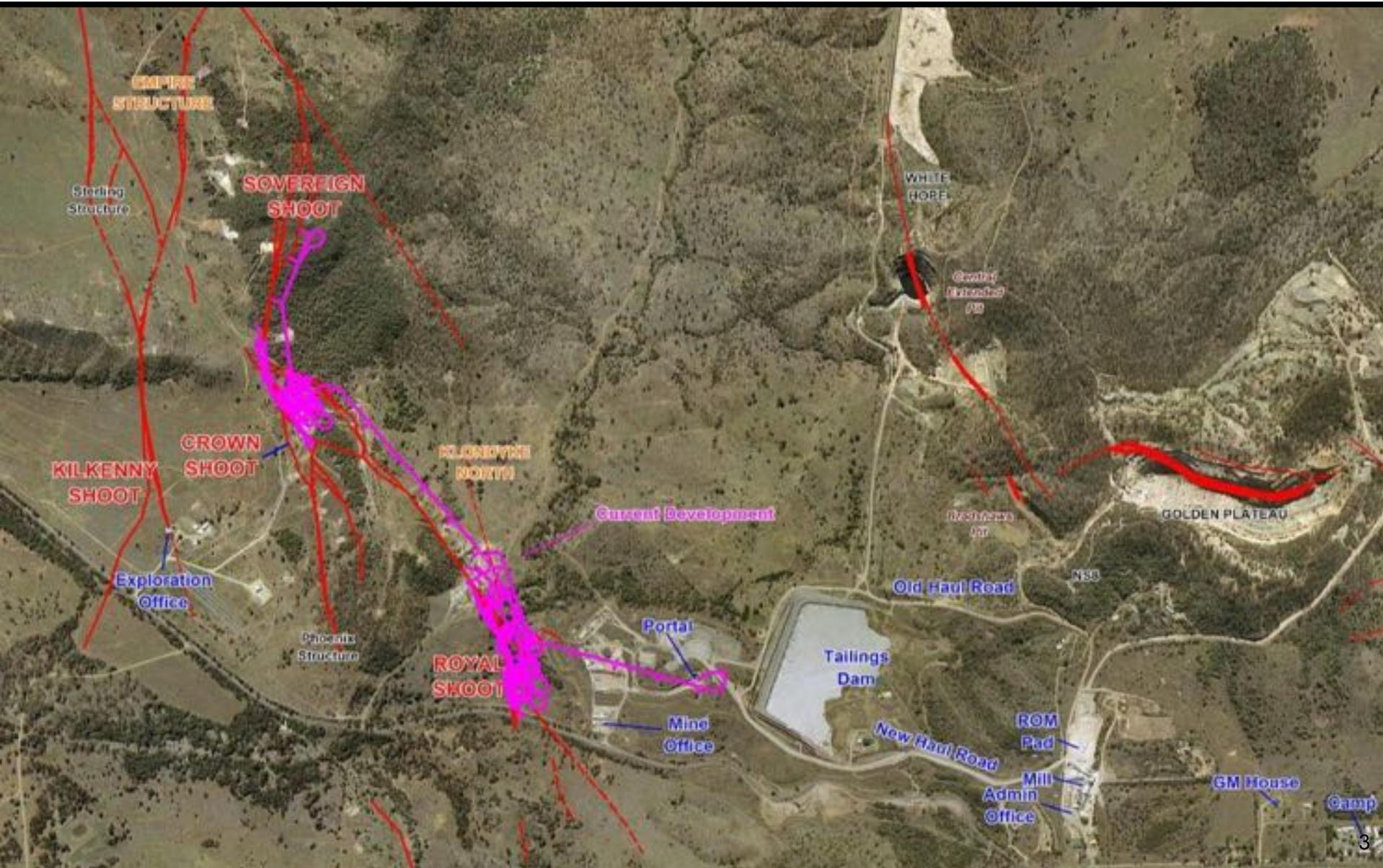


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# Location



# Site Layout



# Cracow

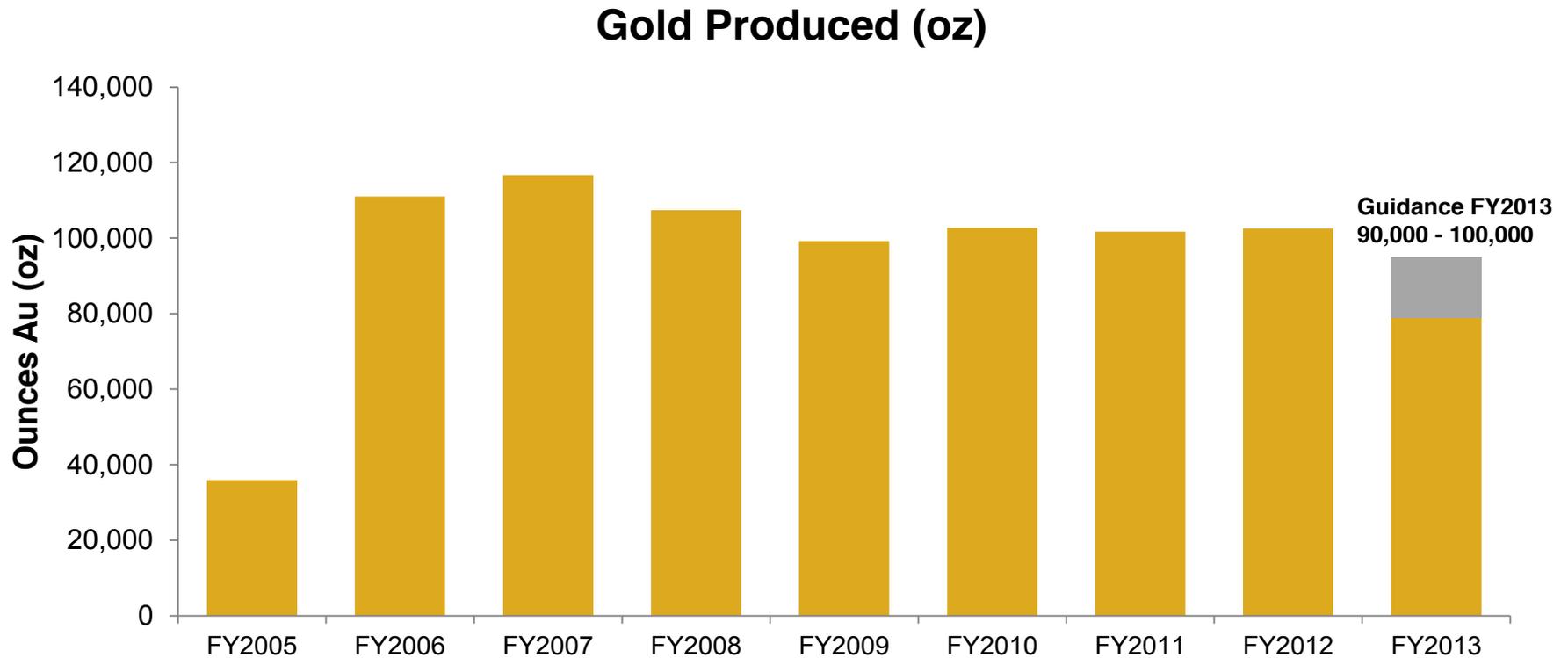
- Consistent production since 2004
- Workforce: approximately 300 including contractors
  - Roster: Evolution employees 8 days on, 6 off; 7 nights on 7 off; fly in, fly out
- Mining method: underground open-stopping
- Processing method: conventional crush-grind-CIL to produce gold-silver doré



<b>Mine Type</b>	Underground
<b>Minerals</b>	Gold and silver
<b>Mineralisation type</b>	Low-sulphidation epithermal
<b>Throughput</b>	550ktpa
<b>Average grade</b>	6g/t gold
<b>Recovery</b>	93-94%
<b>FY13 production outlook</b>	90,000 – 100,000oz
<b>FY13 cash cost outlook</b>	A\$780 – A\$820/oz
<b>Mine Life</b>	5 years
<b>Ore Reserves</b>	0.27Moz gold
<b>Mineral Resources</b>	0.84Moz gold

Detailed Ore Reserve and Mineral Resource disclosure provided on the Company website, [www.evolutionmining.com.au](http://www.evolutionmining.com.au)

# History of consistent production



# Safety, Environment and Community



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## Safety

- LTIFR reduced to 4.1 (5.8)
- Focus on safety and training
- Safety leadership programme

## Environment

- Environmental impact monitoring
- Life of Mine TSF strategy
- Surface water management

## Community

- Community support programmes
- Indigenous training and scholarships
- Engagement and communication strategies

# Exploration

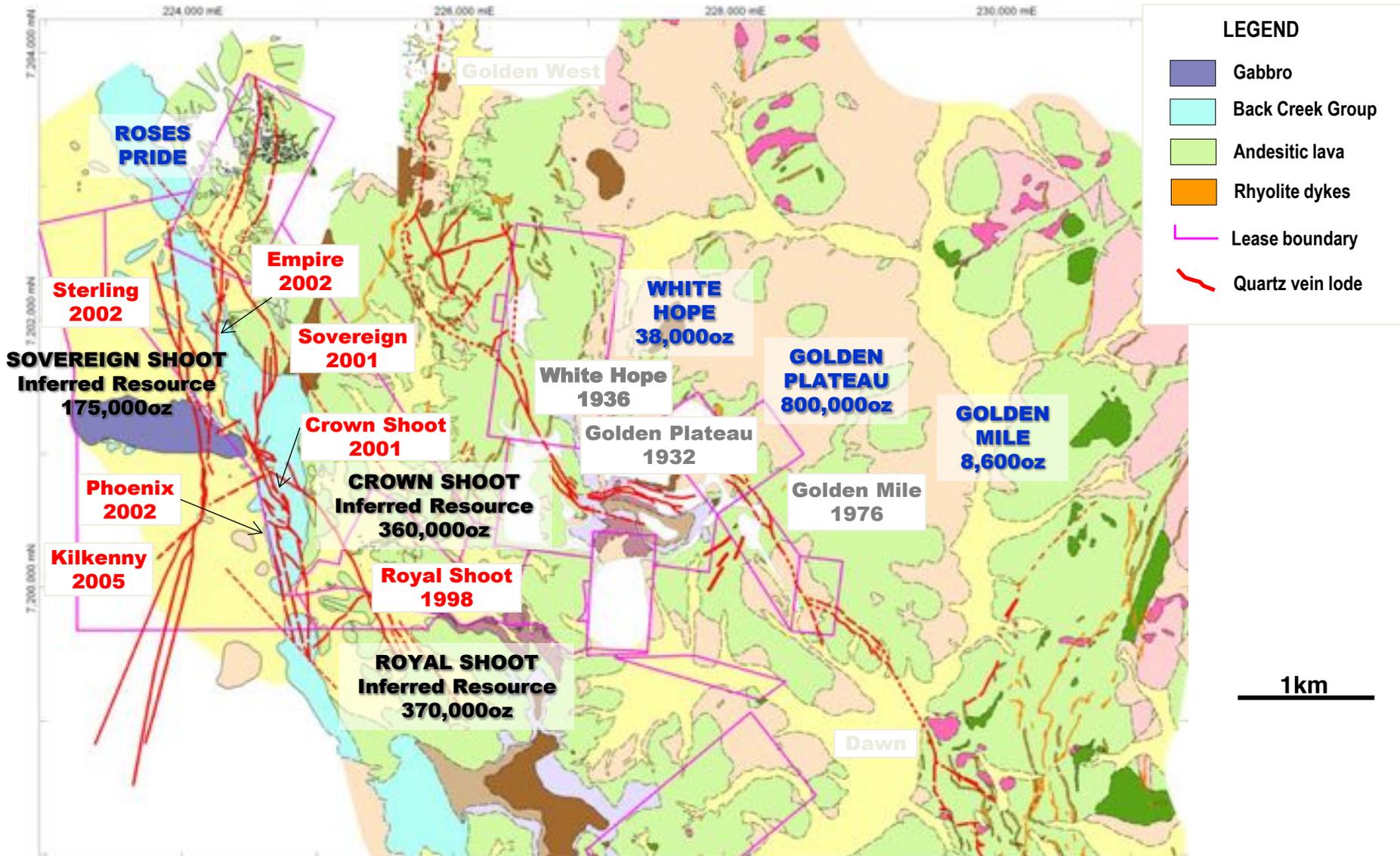


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# Local geology and history



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# Exploration



- **Exploration objectives and strategy**
  - Transformational discovery
  - Sustaining growth
  - Quality lower cost ounces
- **Regional setting**
  - Prospective land holding Bowen Basin Margin
  - 555km<sup>2</sup> lease holding
- **Proven endowment**
  - >2Moz system
  - Open along strike, southern system under explored
- **World class mineral discovery potential**
  - Widespread structural complexity and fertile structures essential for epithermal gold mineralisation

# Exploration highlights FY13

- Coronation converted to Inferred Resource
- Griffin mineralisation discovered: open at depth and along strike to south
- Denmead Structure identified – east-west structure between Coronation and Sovereign
- Porphyry in southern field – anomalous copper

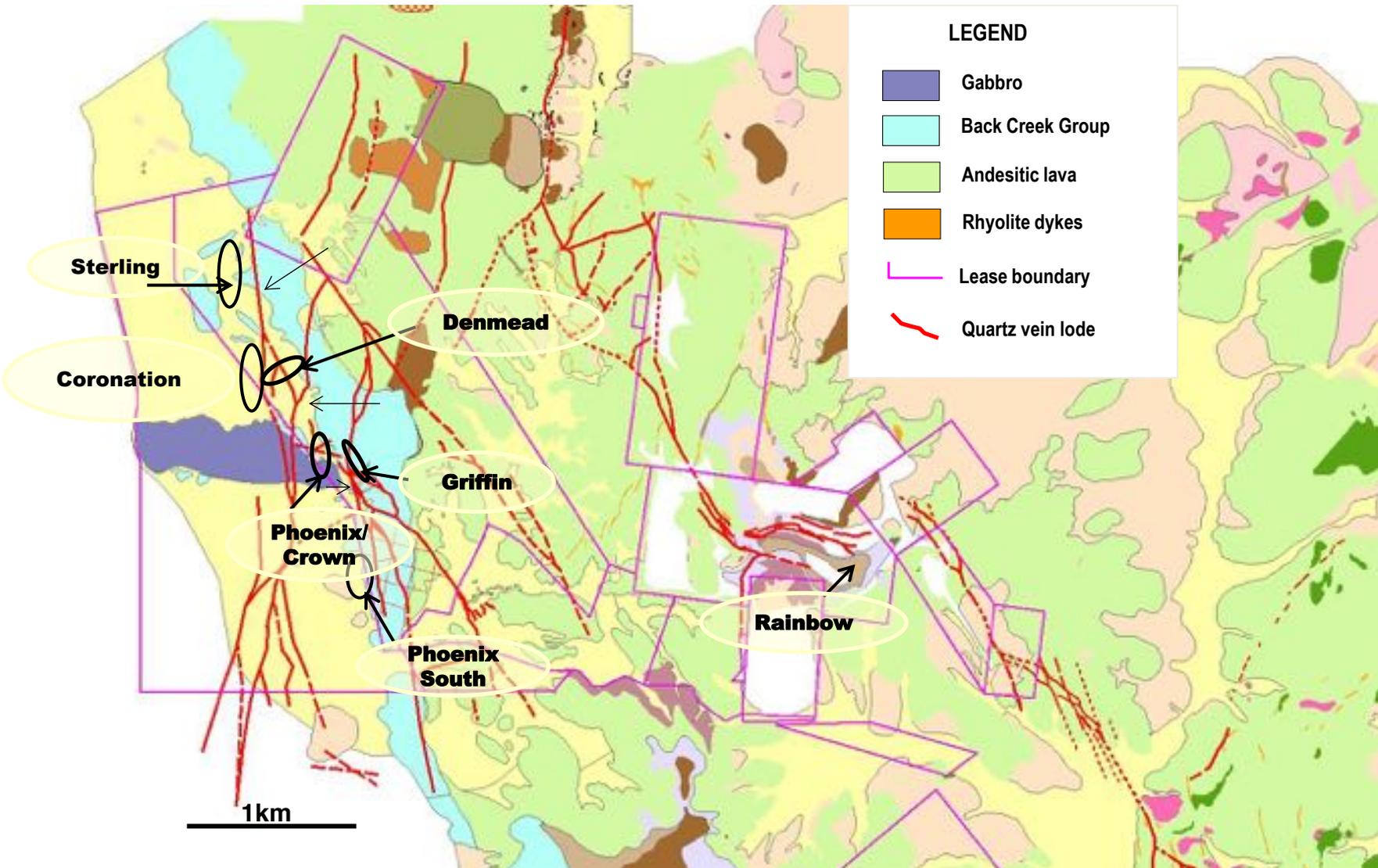


# Exploration FY13

- Gradient Array and dipole-dipole completed over Myles Corridor
- Definition drilling to Inferred for Coronation and Inferred/Indicated for Griffin
- Diamond drill testing of targets Phoenix South, Sterling, Sterling North, Royal South, Denmead, Fordee South and Crown/Phoenix Link
- RC drilling of east and west areas of Cracow Southern Field, Golden Mile, Rainbow, Dawn South
- Magnetic Survey of Fernyside



# Near mine exploration



# Resources and Reserves



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# Resource update



- 73koz increase in Resources compared to June 2012

Cracow Mineral Resources - December 2012												
Mineral Resource	Measured			Indicated			Inferred			Total Resource		
	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)
Crown Shoot	0.07	9.0	20	-	-	-	0.38	4.5	55	0.45	5.2	74
Empire	-	-	-	0.08	14.8	37	0.40	6.4	84	0.48	7.8	121
Kilkenny	0.06	8.8	17	0.23	7.4	55	0.70	5.1	115	0.99	5.9	187
Klondyke North Shoot	0.001	6.8	0.3	0.23	6.0	44	0.16	3.7	19	0.39	5.1	63
Phoenix	0.03	9.6	10	0.02	8.3	6	0.02	6.4	5	0.08	8.3	20
Roses Pride	0.06	9.9	18	0.14	9.9	43	0.14	6.0	27	0.33	8.3	88
Royal Shoot	0.00	11.0	0.4	-	-	-	0.09	6.7	18	0.09	6.8	19
Sovereign Shoot	0.03	4.4	4	0.12	4.3	17	0.38	3.6	44	0.53	3.8	65
Tipperary	0.01	7.2	3	0.24	7.8	61	0.23	5.6	42	0.49	6.7	106
Coronation	-	-	-	-	-	-	0.34	6.2	69	0.34	6.2	69
Griffin	-	-	-	0.06	7.0	12	0.06	5.4	11	0.12	6.1	24
Stockpile	0.02	8.7	6	-	-	-	-	-	-	0.02	8.7	6
<b>Total Cracow</b>	<b>0.28</b>	<b>8.6</b>	<b>79</b>	<b>1.11</b>	<b>7.7</b>	<b>275</b>	<b>2.90</b>	<b>5.2</b>	<b>488</b>	<b>4.29</b>	<b>6.1</b>	<b>842</b>

**Notes:**

Data is reported to significant figures and differences may occur due to rounding

Mineral Resources are inclusive of Ore Reserves

Cracow Mineral Resources have been reported above a cut-off grade of 2.3 g/t gold

Cracow was estimated using Ordinary Kriging into blocks with a range of dimensions optimised to the characteristics and geometry of each deposit

Competent Person: Shane Pike, a member of the Australasian Institute of Mining and Metallurgy

# Reserve update



- 31koz increase in Reserves compared to June 2012

**Cracow Ore Reserves - December 2012**

Ore Reserve	Proved			Probable			Total Reserve		
	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Cont. Metal Au (koz)
Crown Shoot	0.03	11.2	12	0.002	1.1	0.1	0.04	10.7	12
Empire	-	-	-	0.18	6.6	39	0.18	6.6	39
Kilkenny	0.02	8.3	5	0.22	5.4	38	0.24	5.6	43
Klondyke North Shoot	-	-	-	0.30	3.7	36	0.30	3.7	36
Phoenix	0.03	5.0	4	0.03	5.1	4	0.05	5.1	9
Roses Pride	0.06	8.3	17	0.26	4.8	41	0.32	5.5	58
Sovereign Shoot	-	-	-	0.04	3.8	5	0.04	3.8	5
Tipperary	0.01	7.0	2	0.35	4.8	54	0.36	4.9	57
Griffin	-	-	-	0.05	4.9	8	0.05	4.9	8
Stockpile	0.02	8.7	6	-	-	-	0.02	8.7	6
<b>Total Cracow</b>	<b>0.17</b>	<b>8.3</b>	<b>46</b>	<b>1.44</b>	<b>4.9</b>	<b>226</b>	<b>1.61</b>	<b>5.3</b>	<b>273</b>

**Notes:**

Data is reported to significant figures and differences may occur due to rounding

Ore Reserves are reported above a 3.6 g/t gold cut-off

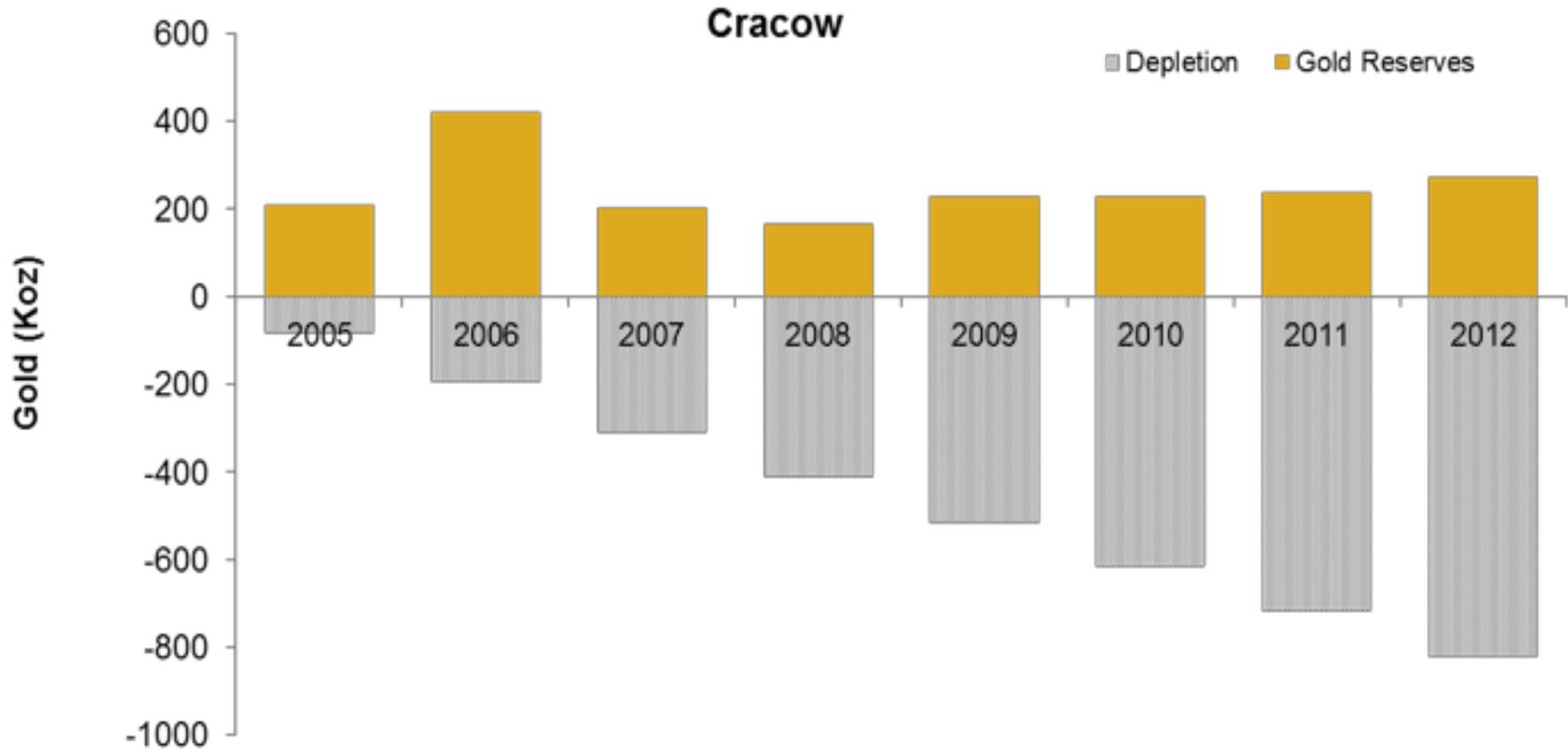
Ore Reserves are calculated using a A\$1,350/oz gold price and a gold recovery of 93.0%

Competent Person: Fusheng Li, a member of the Australasian Institute of Mining and Metallurgy

# Replacing mining depletion



- Produced 0.9Moz Au to 31 March 2013



*Note: Cracow production commenced in late 2004*

**Mining**



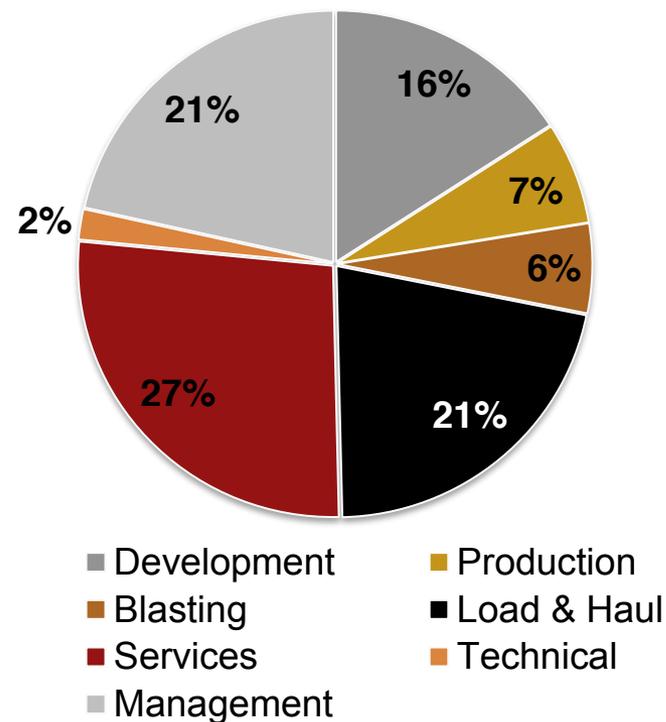
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# Mine performance FY13

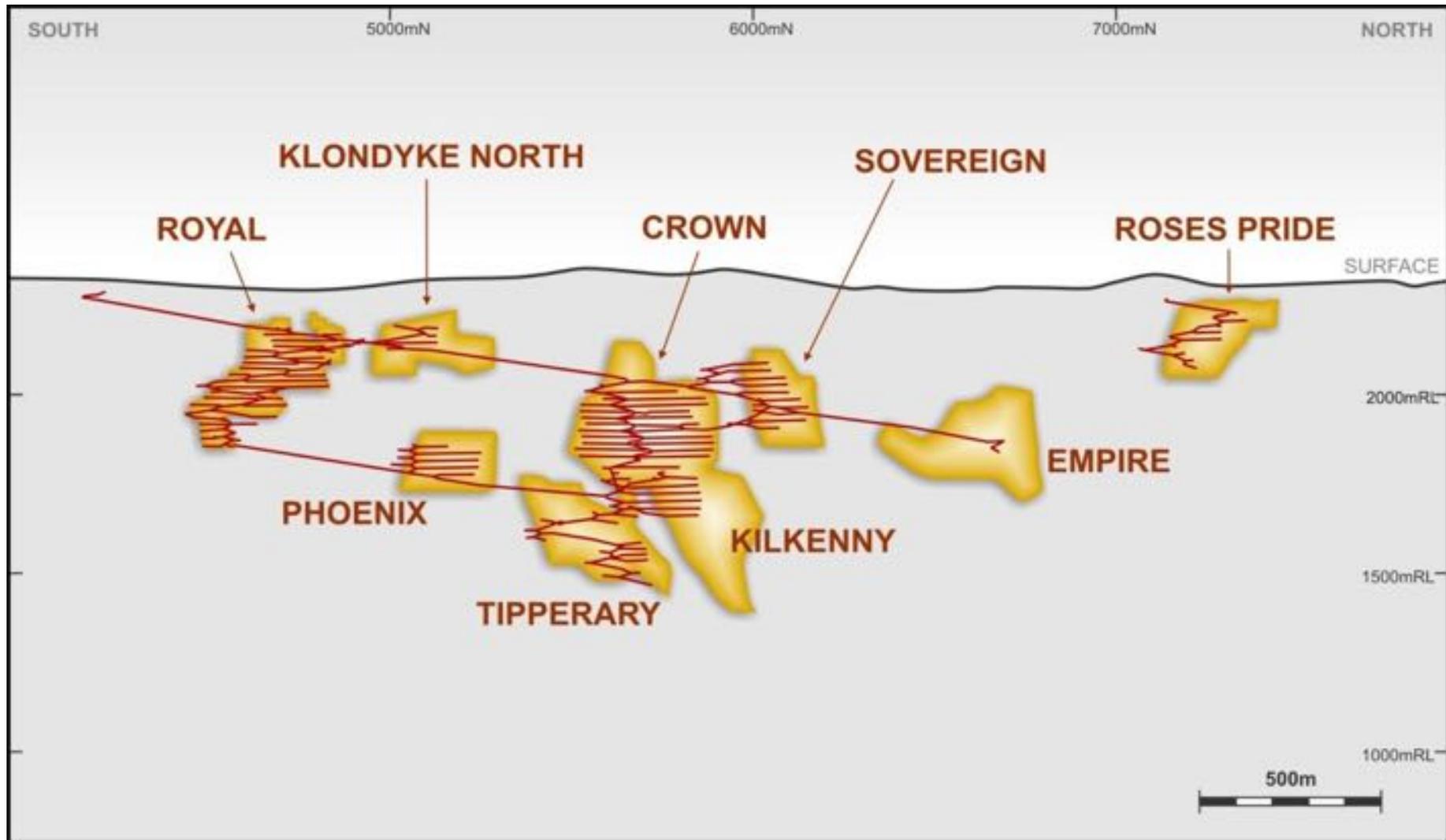


July 2012 to March 2013	Units	Cracow
UG lateral development - capital	m	3,422
UG development - operating	m	2,590
Total UG lateral development	m	6,012
UG ore mined	kt	371
UG grade mined	g/t	6.84
Total ore mined	kt	371
Total tonnes processed	kt	380
Grade processed	g/t	6.88
Gold recovery	%	94
Gold produced	oz	78,896
Silver produced	oz	63,973
Gold sold	oz	78,853
Achieved gold price	A\$/oz	1,613

## Costs composition



# Current development section



# Improvements under Evolution



- Current investment in underground development to provide production flexibility and ensure long term predictability
- Changing to owner mining 1 July 2013 – cost benefit of about A\$50/oz expected
- New equipment – improved efficiency
  - Two new Atlas 6020 trucks, two new Jumbos, two new Loaders
  - Opportunity to reduce costs and improve efficiency
  - Plant numbers reduced
  - Jumbos from 4 to 3, Trucks from 6 to 4, Loaders from 5 to 4 – physical targets similar
  - Manning numbers reduced across mining and maintenance



# Achievements

- Development and Production both increased
- Longer development rounds standardised
- In-cycle fibrecrete standardised
- Split firing of ore drives
- Successful high grade remnant pillar recovery
- Pillar recovery aided by introduction of remote longhole drilling

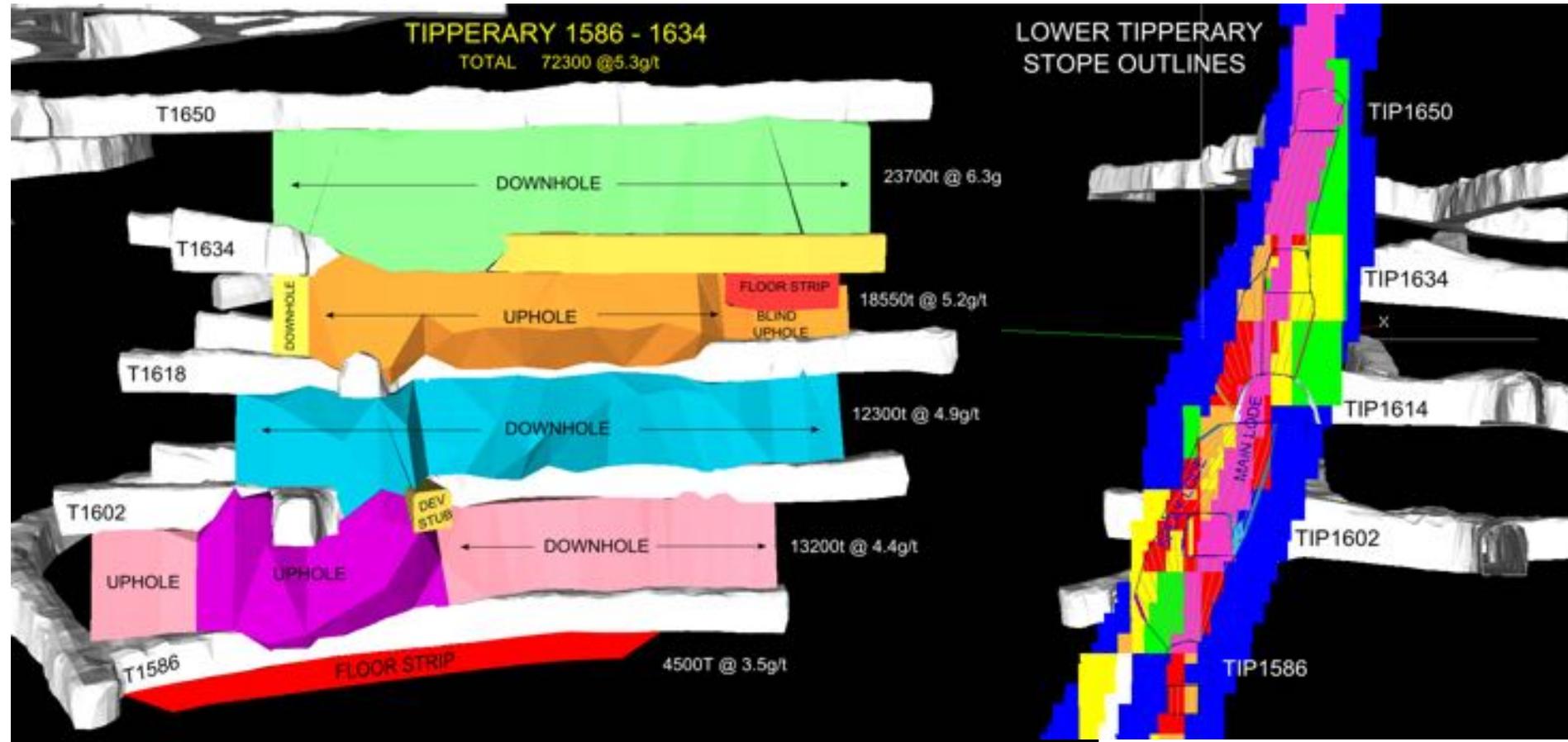


# Cost management



- Roses Pride and Empire ladderways to be installed in return air rises
  - Design 380m vertical ladder system for Empire
- Reinstate VR3 ladders and decommission VR2 winder
- Redesign Lower Tipperary Stopping blocks
  - Historically stripped development to full ore width (up to 10m)
  - Designed longholes to take out most of the orebody
- Roses Pride Orebody Extraction
  - Opportunity to mine top down and save cost on backfilling
- Crown 1910 Sill Pillar
  - Drilled slashing with diamond drill: approximately \$200k to recover \$2M in ore

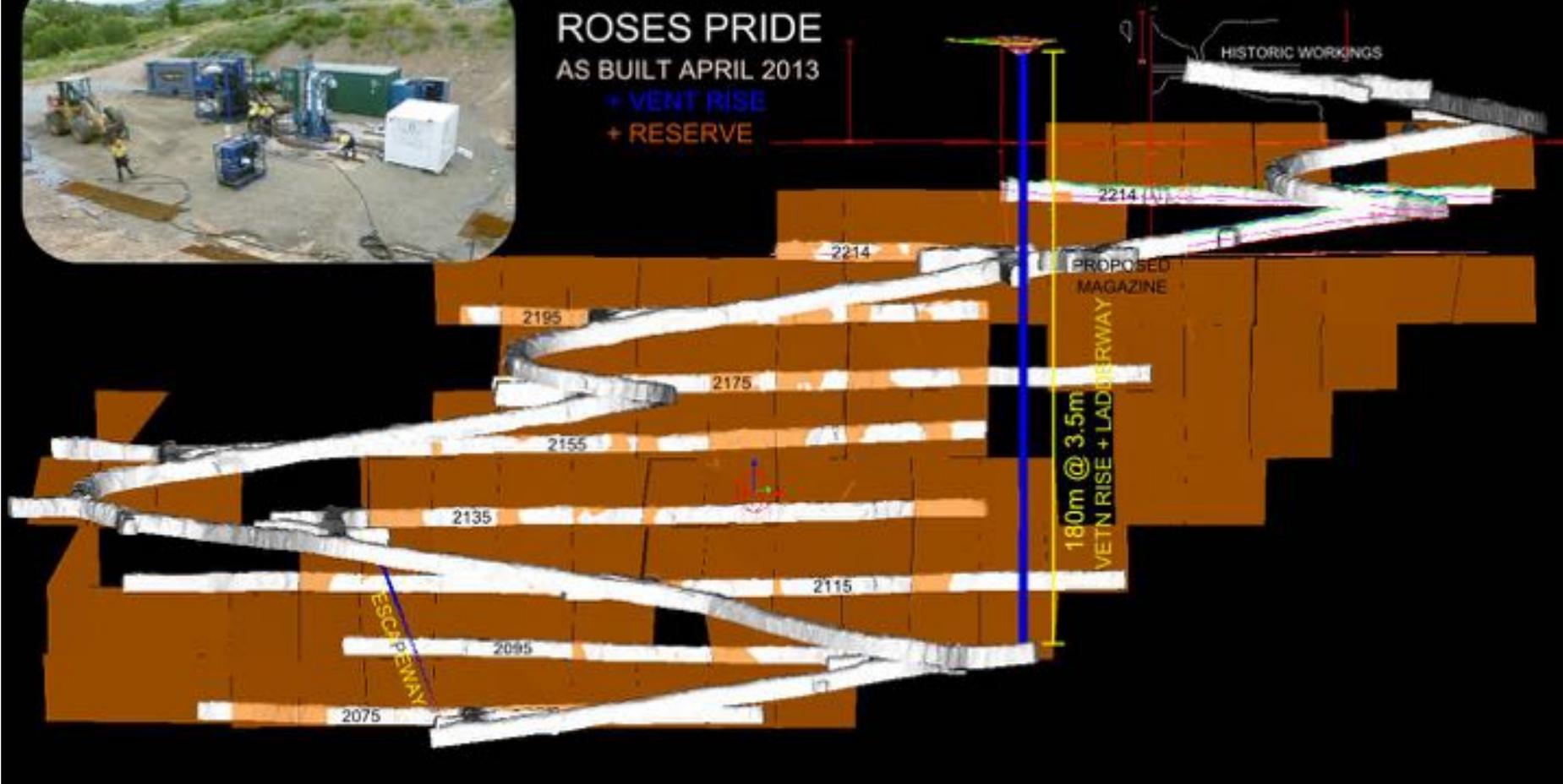
# Lower Tipperary stoping



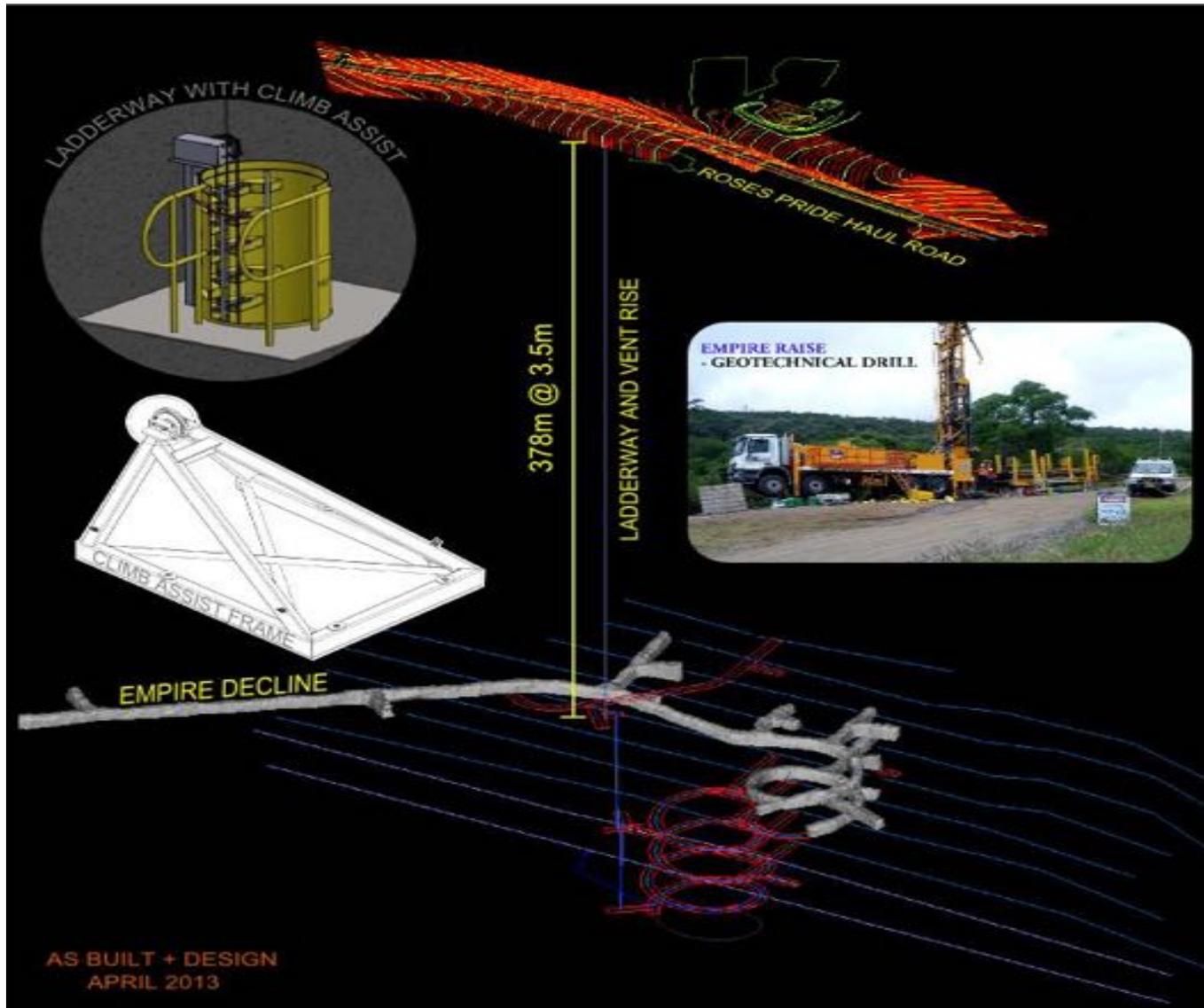
# Roses Pride raise



ROSES PRIDE  
AS BUILT APRIL 2013  
+ VENT RISE  
+ RESERVE



# Empire raise



# Processing

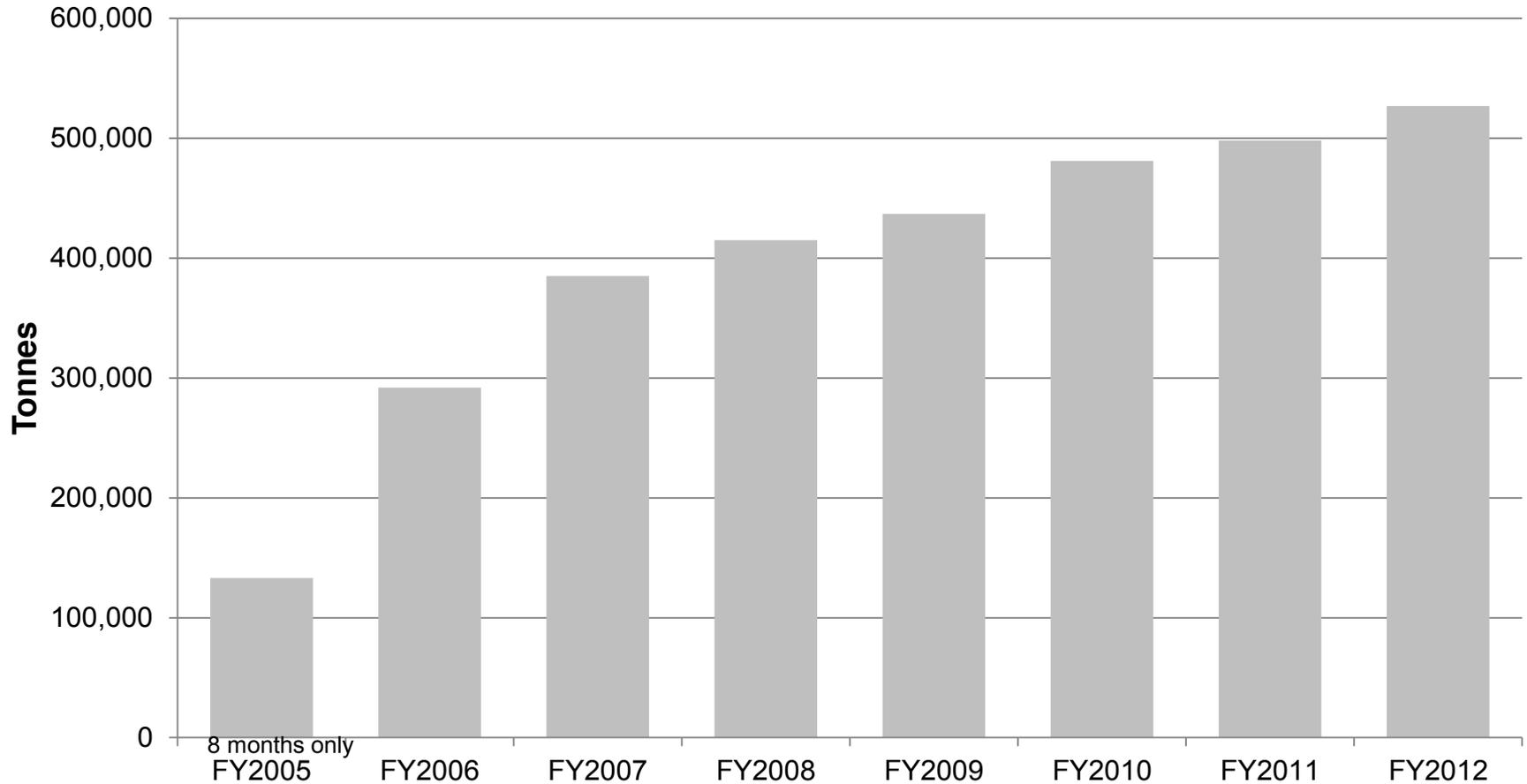


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# Historical plant performance



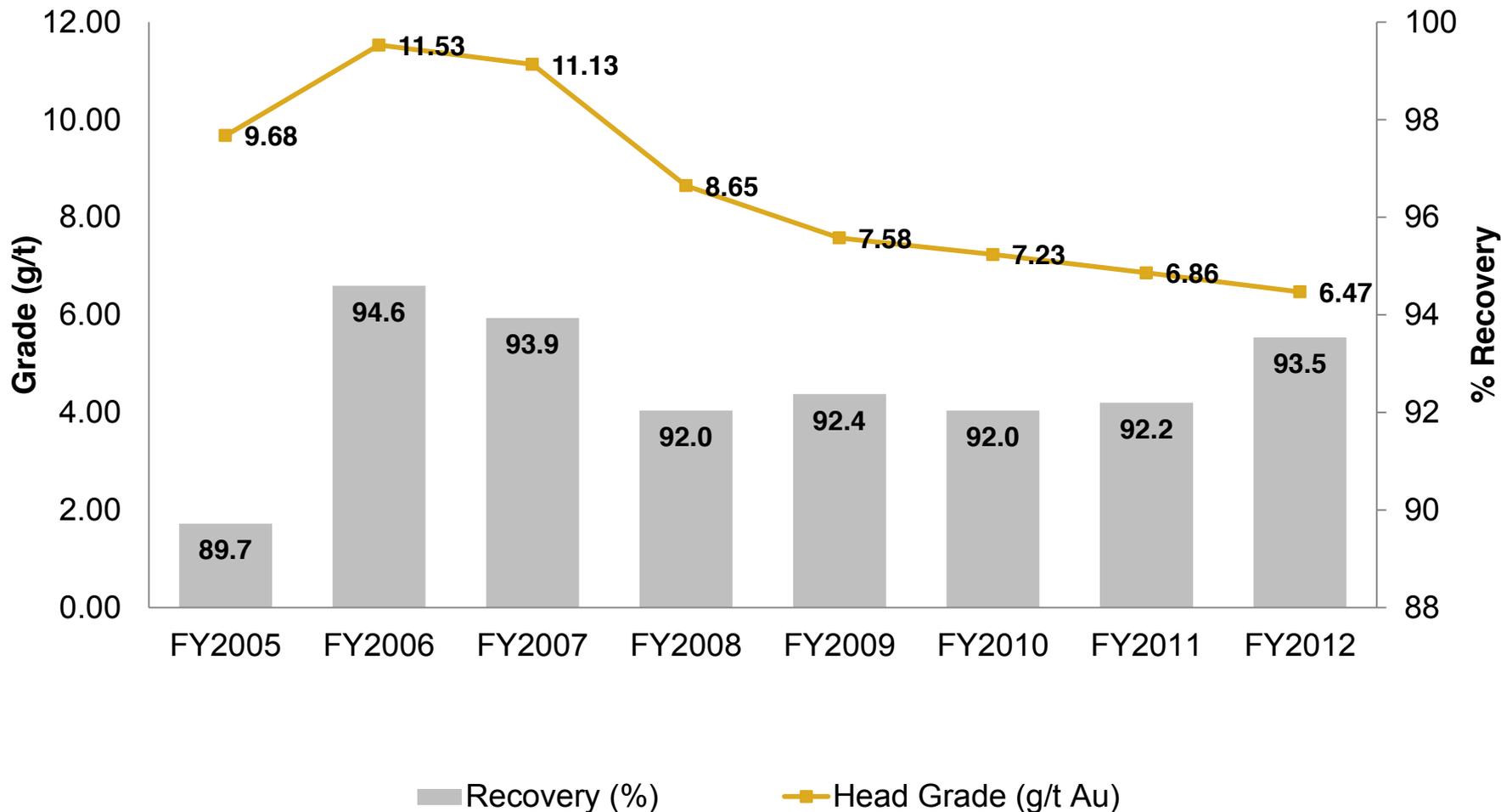
## Dry Tonnes Milled



# Historical plant performance



## Head Grade v Recovery



# Processing performance FY13



July 12 to March 13

Cracow

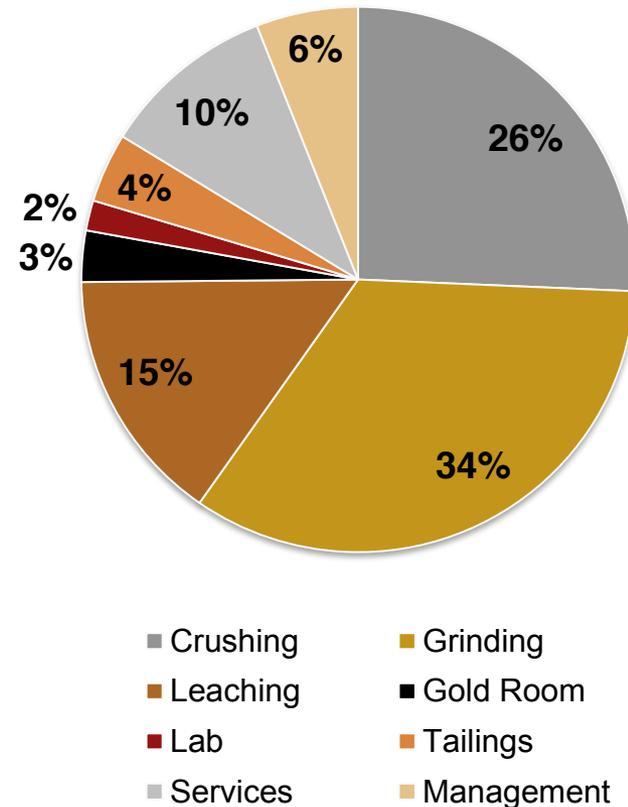
Plant throughput	380kt
Plant availability	96.2%
Throughput rate	60tph
Grade	6.88g/t
Gold recovery	93.5%
Gold produced	78,896oz
Silver produced	63,973oz



# Processing improvements

- Modification to carbon management
  - reduced gold losses
    - Additional gold recovered ~\$500k/yr
- Convert grinding media back to high chrome media
  - Reduced cost ~\$300k/yr
- Reduced reagent consumption
  - Modified practices and rationalisation ~\$250k/yr
- Conversion to Stainless steel wool
  - ~\$3k/yr – plus reduced labour

## Costs composition



**Future**



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# Continued Reliable and Sustainable Production



## Building Upon

- Strong mature operation - strong base
- Re-energised and motivated team with Evolution
- Reliable, well engineered and operated mine
- Consistent 100kozpa production



## Future Opportunities

- Owner Miner transition to reduce costs FY14
- Large interest in o/miner advertisement
- Experienced candidates have applied
- Mineral field still has exploration potential
- Golden Plateau review for future production



# Competent Person Statement



The information in this presentation that relates to exploration results, Mineral Resources or Ore Reserves 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 the employer named in that row 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 type of deposit under consideration and to the activity which he or she has undertaken to qualify as a Competent Person. Each person named in the table consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Activity	Name of Competent Person	Institute
Cracow Exploration Results and Mineral Resources	Shane Pike	Australasian Institute of Mining and Metallurgy
Cracow Ore Reserves	Fusheng Li	Australasian Institute of Mining and Metallurgy