ABN: 74 084 669 036
P 02 9696 2900
F 02 9696 2901

Level 30
175 Liverpool Street,
Sydney, NSW 2000
www.evolutionmining.com.au

ASX Announcement

24 August 2016

ACQUISITION OF AN ECONOMIC INTEREST IN THE ERNEST HENRY COPPER-GOLD OPERATION AND PRO RATA ENTITLEMENT OFFER TO RAISE A$400 MILLION

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Evolution Mining Limited (ASX:EVN) ("**Evolution**" or the "**Company**") is pleased to announce that it has, through a wholly owned subsidiary, entered into a transaction with Glencore plc ("**Glencore**") to acquire an economic interest in Glencore's Ernest Henry operation ("**Ernest Henry**") for A$880 million[1]. In addition, Evolution has entered into a strategic alliance with Glencore in respect of potential future regional acquisitions and the parties have made a commitment to cooperate on exploration activities in the region surrounding Ernest Henry (collectively, the "**Transaction**").

Transaction Highlights

- Proven, large scale, long life copper-gold mine located in Australia
- Pro-forma FY16 gold production for Evolution's interest of 88,342 ounces at an AISC of A$(59)/oz[2]
- Reduces Evolution Group FY17 AISC guidance from A$1,000/oz to A$930/oz[3]
- Major capital investment recently completed supporting the 11 year mine life, based on current reserves
- Upside at Ernest Henry through potential mine life extension at depth and regional opportunities
- Provides Evolution with a platform for growth in one of the world's premier copper-gold mining regions
- Acquisition expected to be earnings, cash flow and value accretive
- Further extends Evolution's average reserve life to more than eight years
- Revised FY17 Group production guidance of 800,000 – 860,000oz at an AISC of A$900 – A$960/oz

Evolution's Executive Chairman, Jake Klein, commented:

> *"Evolution has today gained exposure to a world-class mining asset in Ernest Henry. Since inception we have consistently communicated a very clear strategy of upgrading the quality of our asset portfolio to create a globally relevant, mid-tier Australian gold producer. This acquisition, together with the recent divestment of Pajingo, is a substantial step forward in delivering on this strategy.*
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> *"In the last 12 months we have demonstrated that the acquisitions of Cowal and Mungari have provided significant value accretion to our shareholders. The addition of low cost gold production from Ernest Henry to our portfolio gives us exposure to another high quality, long life asset that further underpins the future success of our business. Evolution is building a portfolio of high quality, long life assets that will prosper through the gold cycle."*

Note: All information in this announcement in relation to Ernest Henry has been sourced from Glencore plc and its subsidiaries. Evolution has not independently verified such information and no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy.

[1] Evolution is not acquiring a direct interest in the underlying assets or production of the Ernest Henry mine. Under the transaction documents, Evolution is acquiring an amount of copper, gold and silver that is referable to a proportion of the actual future production of the Ernest Henry mine. To the extent that the actual future production of the Ernest Henry mine is less than expected, Evolution has no entitlement to receive a prescribed quantity of payable metals.

[2] Based on production and costs for the 12 months to 30 June 2016 and inclusive of attributable copper and silver credits.

[3] Midpoint of Evolution Group FY17 AISC guidance.

The Transaction is expected to deliver Evolution gold production at extremely low AISC[4] (after copper and silver credits), generate significant free cash flow (similar to the cash flow generation from Cowal at current spot metal prices) and provide Evolution with exposure to mine life extension potential from a high quality Australian copper-gold mine. The Transaction arrangements are summarised below.

Evolution has agreed to acquire 100% of future gold produced from the agreed life of mine area (the "**LoM Area**")[5] and 30% of future copper and silver produced from the LoM Area. In addition to the upfront A$880 million payment, Evolution must contribute 30% of future production costs in respect of the LoM Area. In the 12 months to 30 June 2016, Ernest Henry produced 67,000t of copper and 88,000oz of gold in concentrate. On a pro-forma basis, Evolution's interest in Ernest Henry would have delivered an FY16 AISC of negative A$(59) per ounce[2] (after copper and silver credits) and generated a net mine cash flow of A$142 million.[6]

Evolution intends to raise approximately A$401 million through an underwritten pro-rata accelerated renounceable entitlement offer to partly fund the Transaction. Evolution's largest shareholder, La Mancha Group International B.V., has confirmed that it will take up A$60 million, representing approximately 50% of its entitlement, under the entitlement offer. The balance of the A$880 million payment will be funded by a new A$500 million Term Loan ("**Facility D**"), with a five year tenor, which will be additional to Evolution's existing syndicated debt facility.

Overview of the Ernest Henry copper-gold mine

Ernest Henry is located ~35km north east of Cloncurry in Queensland, Australia. The mine has a long operating history, having been initially commissioned as an open-cut mine in 1997 which transitioned to a wholly underground operation in late 2011. Ernest Henry currently has an Ore Reserve base that supports a mine life of at least 11 years. Ernest Henry is a high quality Australian copper-gold asset which has a track record of stable, large scale, low cost production. The underground mining operation utilises the sub-level caving ore extraction method. The ore is crushed underground and brought to surface via a sophisticated ore hoisting system supported by a 1.0km deep shaft and a 1.2km network of conveyors.

Ernest Henry is expected to immediately contribute annualised gold production of approximately 85,000oz[7] at a very low AISC, including copper and silver by-product credits at current spot prices. The Ernest Henry Mineral Resource is estimated at 96.1 million tonnes grading 1.17% copper and 0.59g/t gold for 1.1 million tonnes copper metal and 1.8 million ounces gold and is reported inclusive of Ore Reserves[8]. The processing plant currently has capacity of around 8.5Mtpa and is scalable up to approximately 11.0Mtpa.

Ernest Henry has strong potential growth prospects beyond its current reserve life via its large resource base and extension potential at depth.

Evolution has also entered into agreements with Glencore in respect to the potential for future regional acquisitions and exploration activities on tenements proximal to Ernest Henry. There are several existing identified exploration targets and regional opportunities that Glencore and Evolution are already focused on further analysing. The long mine life and strong free cash flow expected to be generated from Ernest Henry should allow Evolution to explore and develop upside opportunities.

[4] AISC (All-in Sustaining Cost) includes C1 cash costs, plus royalty expense, sustaining capital expense and general corporate and administration expense. Calculated on a per ounce payable production basis. Pro-forma FY16 AISC of A$(59)/oz based on production and costs for the 12 months to 30 June 2016 and inclusive of attributable copper and silver credits.

[5] The LoM Area is defined by reference to a geological block diagram of the Ernest Henry mine taken from the current Life of Mine plan.

[6] Net mine cash flow is calculated as EBITDA less Sustaining Capex.

[7] Based on FY17 forecast production for the full financial year for the asset.

[8] Full details of the Ernest Henry Mineral Resource and Ore Reserve are provided Appendix B of this announcement.

Summary of Transaction Arrangements

Under the proposed arrangements:

- Evolution has agreed to acquire 100% of future gold and 30% of future copper and silver produced from the LoM Area;[9]

- Evolution is required to pay A$880 million and to contribute 30% of future production costs in respect of the LoM Area;

- Evolution has agreed to pay 49% of development and production costs in return for the equivalent of 49% of future copper, gold and silver production from the area outside of the LoM Area and within the mining tenements comprising Ernest Henry ("**New Reserves Area**") as well as from any area not currently owned by either Evolution or Glencore that is within an agreed radius of Ernest Henry and which is later acquired by the parties ("**Regional Acquisitions**");[10]

- Evolution and Glencore have entered into a non-binding agreement under which the parties commit to cooperate in relation to exploration opportunities in the region surrounding Ernest Henry with the aim of establishing an exploration joint venture. Development of any opportunities discovered will be on terms to be agreed.

Under the Transaction arrangements, Evolution will have certain governance rights and protections in relation to the operations at Ernest Henry in respect of the LoM Area, the New Reserves Area and any Regional Acquisitions. These include minority voting rights on the management committee that directs operations at Ernest Henry, as well as veto rights on fundamental operational matters. Evolution will also have certain step-in and pre-emption rights.

For a more detailed summary of the Transaction arrangements, please see Appendix A to this announcement.

Glencore is a party to, and co-obligor, under the relevant Transaction agreements. The debt of Glencore is currently rated BBB- with S&P.

The Transaction remains subject to Foreign Investment Review Board approval. Transaction completion is currently expected to occur in October / November 2016.

Entitlement Offer Details

The Transaction will be partly funded via a 2-for-15 underwritten accelerated renounceable entitlement offer to raise approximately A$401 million at an offer price of A$2.05 per new share ("**Entitlement Offer**").The record date under the Entitlement Offer is 7.00pm (AEST) on 29 August 2016 ("**Record Date**").

The offer price represents a 13.4% discount to the theoretical ex rights price ("**TERP**") based on the adjusted last closing price of Evolution on 23 August 2016[11] and a 18.4% discount to TERP based on the adjusted 10 day VWAP of Evolution as at 23 August 2016.[11]

The Entitlement Offer comprises an accelerated institutional entitlement offer and a retail entitlement offer.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 2 new fully paid ordinary shares in Evolution ("**New Shares**") for every 15 existing fully paid ordinary shares in Evolution ("**Entitlement**") held as at 7.00pm (AEST) on the Record Date.

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[9] Evolution will receive the equivalent of 30% of the copper concentrate (containing copper, gold and silver) produced from the Ernest Henry mine, and sell that to Glencore under the offtake agreement in return for cash and, in the case of gold, gold metal credits. Evolution will receive the equivalent of 70% of the payable gold produced from the Ernest Henry mine as gold credits to its metals account.

[10] Evolution will receive the equivalent of 49% of the copper concentrate (containing copper, gold and silver) produced from the Ernest Henry mine, and sell that to Glencore under an offtake agreement in return for cash and, in the case of gold, gold metal credits.

[11] Share price adjusted for A$0.02 per share FY16 Final Dividend declared on 17 August 2016.

At the time of allotment, New Shares issued under the Entitlement Offer will rank *pari passu* with existing shares. New Shares issued under the Entitlement Offer will not be entitled to the final FY16 dividend declared on 17 August 2016.

Institutional Entitlement Offer
The institutional entitlement offer will take place from Wednesday, 24 August 2016 to Thursday, 25 August 2016 ("**Institutional Entitlement Offer**"). Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer and can choose to take up all, part or none of their Entitlement.

Entitlements cannot be traded on the ASX. Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild ("**Institutional Bookbuild**"). Any proceeds from the sale of Entitlements under the Institutional Bookbuild in excess of the offer price will be remitted proportionally to those institutional shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those institutional shareholders.

Evolution shares have been placed in trading halt and will recommence trading once the Institutional Entitlement Offer and Institutional Bookbuild are completed.

Retail Entitlement Offer
Eligible retail shareholders will be invited to participate in a retail entitlement offer at the same offer price and offer ratio as the Institutional Entitlement Offer ("**Retail Entitlement Offer**"). The Retail Entitlement Offer will open on Thursday, 1 September 2016 and close at 5.00pm (AEST) on Wednesday, 14 September 2016.

Eligible retail shareholders can choose to take up all, part of none of their Entitlement. Entitlements cannot be traded on the ASX. Entitlements which are not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the retail bookbuild on Monday, 19 September 2016 ("**Retail Bookbuild**"). Any proceeds from the sale of Entitlements under the Retail Bookbuild in excess of the offer price will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet and accompanying personalised entitlement and acceptance form which are expected to be despatched on Thursday, 1 September 2016. Copies of the retail offer booklet will be available on the ASX website (www.asx.com.au) on or around Tuesday, 30 August 2016.

Entitlement Offer Timetable

Announcement of Transaction and Entitlement Offer	Wednesday, 24 August 2016
Record date under the Entitlement Offer	7.00pm Monday, 29 August 2016
Retail Entitlement Offer opens	Thursday, 1 September 2016
Despatch of retail offer booklet and entitlement and acceptance form	Thursday, 1 September 2016
New Shares allotted under the Institutional Entitlement Offer and Institutional Bookbuild and commencement of trading on the ASX	Monday, 5 September 2016
Retail Entitlement Offer closes	5.00pm Wednesday, 14 September 2016
New Shares allotted under the Retail Entitlement Offer and Retail Bookbuild	Monday, 26 September 2016
New Shares allotted under the Retail Entitlement Offer and Retail Bookbuild commence trading on the ASX	Tuesday, 27 September 2016
Despatch of Holding Statements and despatch of payments (if any) in respect of Entitlements not accepted under the Retail Entitlement Offer	Tuesday, 27 September 2016

The above timetable is indicative only and subject to change. All dates and times are AEST. Evolution reserves the right to vary these dates or to withdraw the Entitlement Offer at any time.

Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, Evolution, in consultation with the underwriters, reserves the right to amend this timetable at any time, including extending the closing date of the Retail Entitlement Offer period or accepting late applications, either generally or in particular cases, without notice. Any extension of the closing date will have a consequential effect on the issue date of the New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX.

The information in this announcement does not constitute financial product advice and does not take into account the financial objectives, personal situation or circumstances of any shareholder. If you are in any doubt as to how to proceed, please contact your financial, tax or other professional adviser.

Evolution's Advisers

Evolution's financial adviser to the Transaction was RBC Capital Markets and the legal adviser was Allens.

Evolution's syndicate of banks are Australia and New Zealand Banking Group, Citibank, Commonwealth Bank of Australia, Macquarie Bank, National Australia Bank, Société Générale, Sumitomo Mitsui Banking Corporation and Westpac Banking Corporation.

For further information please contact:

Investor Enquiries

Bryan O'Hara
Investor Relations Manager

Media Enquiries

Michael Vaughan
Media Relations

Evolution Mining Limited
Tel: +61 2 9696 2900

Fivemark Partners
Tel: +61 422 602 720

About Evolution Mining

Evolution Mining is a leading, growth-focussed Australian gold miner. Post the sale of Pajingo, which is expected to complete in September 2016, Evolution operates six wholly-owned mines – Cowal in New South Wales, Mt Carlton, Mt Rawdon, and Cracow in Queensland, and Mungari and Edna May in Western Australia. Evolution is also acquiring an economic interest in the Ernest Henry copper-gold operations in Queensland.

In FY16 Evolution produced 803,476 ounces of gold at an AISC of A$1,014 per ounce generating a net mine cash flow of A$428.2 million.

Assuming completion of both the Pajingo sale and the acquisition of an economic interest in Ernest Henry, Evolution has revised FY17 Group gold production guidance to 800,000 – 860,000 ounces at an AISC of A$900 – A$960 per ounce.

JORC Code 2012 and ASX Listing Rules Requirements

The Ernest Henry Mineral Resource and Ore Reserve statement included with this announcement has been prepared in accordance with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves, 2012 edition (the "JORC Code"). The Ernest Henry Mineral Resource and Ore Reserve summaries are tabulated on the following pages. A Material Information Summary pursuant to ASX Listing Rules 5.8 and 5.9 and the Assessment and Reporting Criteria in accordance with JORC Code requirements is also provided.

Competent Person statements

The information in this statement that relates to the Ernest Henry Mineral Resource is based on information compiled by Colin Stelzer. The information in this statement that relates to Ernest Henry Ore Reserve is based on information compiled by Alexander Campbell. Mr Stelzer and Mr Campbell are Competent Persons who are members of The Australasian Institute of Mining and Metallurgy and are employed by Glencore and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the JORC Code. Mr Stelzer and Mr Campbell consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Ernest Henry Mineral Resources and Ore Reserves

The Ernest Henry Mineral Resource at 31 December 2015 was estimated at 96.1 million tonnes at 1.17% Cu and 0.59g/t Au for 1,124kt copper and 1,839koz gold and was reported inclusive of Ore Reserves. The Ernest Henry Ore Reserve at 31 December 2015 was estimated at 57.9 million tonnes at 1.06% Cu and 0.54g/t Au for 612kt copper and 1,011koz gold. This Mineral Resource and Ore Reserve estimate has not been previously reported to the ASX.

Mineral Resource Statement (at 31 December 2015) at a CuEq cut-off of 0.9%					
Classification	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Gold Grade (g/t)**	**Gold Metal (koz)**
Measured	16.1	1.29	208	0.67	347
Indicated	71.0	1.15	817	0.59	1,347
Inferred	9.0	1.10	99	0.5	145
Total	**96.1**	**1.17**	**1,124**	**0.59**	**1,839**

Ore Reserve Statement (at 31 December 2015) at a CuEq cut-off of 0.9%					
Classification	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Gold Grade (g/t)**	**Gold Metal (koz)**
Proved	10.9	1.17	128	0.6	210
Probable	47.0	1.03	484	0.53	801
Total	**57.9**	**1.06**	**612**	**0.54**	**1,011**

Data is reported to significant figures to reflect appropriate precision and may not sum precisely due to rounding
The Mineral Resource Competent Person is Colin Stelzer, an employee of Glencore, and the Ore Reserve Competent Person is Alexander Campbell, an employee of Glencore
CuEq=Cu(%)+RF×Au(g/t)
RF=(Gold Price×Payable Gold Metal%×Gold Recovery%)/((Copper Price×Payable Copper Metal%×Copper Recovery%)/100)
Payable Gold Metal % = 95, Payable Copper Metal % =92, Gold Recovery %=79, Copper Recovery % = 94

Material Information Summary

Ernest Henry Mineral Resources

Geology and Geological Interpretation

The Ernest Henry Deposit is an Iron Oxide Copper Gold (IOCG) hosted within a sequence of moderately south south-east-dipping, intensely altered Paleoproterozoic intermediate metavolcanic and metasedimentary rocks, of the Mt Isa group. Copper occurs as chalcopyrite within the magnetite-biotite-calcite-pyrite matrix of a 250 x 300 m pipe like breccia body. The breccia pipe dips approximately 40 degrees to the south and is bounded on both the footwall and hanging wall by shear zones. The ore-body is open at depth.

The distribution of Copper and gold metal at Ernest Henry is directly proportional to the degree of brecciation occurring with chalcopyrite, magnetite and associated gold occupying the matrix within the breccia. The domains used to constrain mineralization for estimation are largely grade driven, constructed using Leapfrog's implicit modelling software. Statistically there are two grade populations existing within the deposit; a high grade core domain above 0.9% Cu gives way quite sharply to the lower 0.1% Cu domain constraining the low grade halo. A contact analysis has been conducted on the transition between the two populations that supports the use of a semi soft boundary in the estimation. Distribution of metal within the high grade core is relatively consistent and as such emphasis on defining its shape is considered more important than gathering internal grade information.

Sampling and Sub-sampling

The Ernest Henry deposit has been defined by a combination of diamond drill and channel sampling performed throughout the deposit. Channel samples are chipped from the walls and treated as pseudo drill holes over the length of excavation sampled. Holes drilled from the surface and underground are oriented perpendicular to mineralisation. Underground channel samples are oriented along the strike of mineralisation and are conducted on a lateral 25m spacing, in line with sub-level mine excavations.

Diamond core is sampled at 2m intervals and core is cut in half to produce a 5kg sample, with one half submitted for assay, and the other half retained on site. Channel samples are also collected routinely every 2m to produce approximately 5kg samples.

Sample Analysis Methods

Diamond core and channel samples are sent to the laboratory for crushing to 6mm, split via a riffle splitter if >3.2kg and pulverised using an LM2 mill to a nominal 85% passing 75 microns, of this material a 0.4g sample is prepared for further analysis via aqua regia digestion and 50g for analysis via fire assay.

Field duplicates are collected for all diamond core at a rate of one in every 25 samples and for channel sample at a rate of one in every 10 samples. Prior to 2014 diamond core field duplicates sent quarter core for duplicate analysis and compared the results against the original half core results, which resulted in poor repeatability. All field duplicates since 2014, send half core for duplicate analysis to compare against the original half core results and indicates good repeatability.

Comparison of field duplicates is performed routinely to ensure the sample size is appropriate to grain size of sampled material. Since potential sample support issues have been rectified, results show good repeatability.

Drilling Techniques

Drill types utilised in UG Resource estimation are diamond core including HQ, NQ2 & NQ sizes yielding core diameters of 63.5mm, 50.6mm & 47.6mm respectively. Drill core is collected with a 3m barrel and standard tubing. Only selected drill holes have been oriented using an ezi mark orientation system for structural and geotechnical requirements.

Estimation Methodology

Grade estimations for copper, gold and density were completed using an ordinary kriging algorithm in Vulcan 8.2. Block dimensions (X, Y, Z = 20m x10m x 25m) used are reflective of the mining method, with 25m between sublevels and 20m between ore-drives. Sub-cells of 5 m x 5 m x 6.25 m were used to increase the resolution of domain margins. Samples were composited to 2m in length in four domains that reflect grade and the degree of

brecciation. Top cuts were applied based on a disintegration analysis with 7.0% for copper and 3.5ppm for gold. An anisotropic search ellipse was used for Cu, Au, Fe, S and Dbd (dry bulk density) with parameters selected to reflect the variogram ranges, and optimized using a QKNA study.

Deleterious elements occurring in the deposit include arsenic and uranium. Both are in low abundance and do not present an issue at the mill or in the concentrate. Sulphur is estimated into the model and can be used to characterise waste rock. All production from underground is considered to be acid forming and is treated as such.

Validation tools employed to scrutinise the model include:

- Statistical summary of block values to check outlying values and confirm all blocks were estimated
- Visual comparison in section between blocks and raw composite values indicate the estimation occurred in line with expectation
- Alternate models using nearest neighbour and inverse distance to evaluate conditional bias
- Comparison with previous models
- Investigate several blocks around domain boundaries using the Vulcan D-bug ellipse function to ensure sample selection and weighting is applied correctly by the kriging algorithm
- Mine to mill reconciliation data gathered over the past 2 years indicates the estimate to be accurate +/- 5%

Resource Classification

- Mineral resources are classified using the following general criteria:
  - Inferred: Any part of the estimation was considered inferred or better if it fell within the 0.1% Cu domain shell as derived in Leapfrog using the implicit modelling function with applied trends and a range inferring continuity to 100m beyond the deepest drilling or between drill holes
  - Indicated: Drill spacing between 40m – 60m, estimated with a full complement of composites selected in the kriging process (40)
  - Measured: Drill spacing or Channel sample data not exceeding 30 – 40m and including full drill coverage on adjacent sections to the north and south. Estimated with a full complement of composites selected in the kriging process (40)
- Other general conditions taken into consideration in the classification were as follows:
  - Slope of regression from kriging output
  - Kriging variance from kriging output
  - Confidence in the geological interpretation of structures or grade continuity
  - Consistency of grades between drill holes
  - Proximity of blocks to the edge of the domain boundaries

Only blocks falling within the 0.9% copper equivalent cut-off grade shell are ultimately considered to be resource, blocks outside this wireframe are considered “External” for the purposes of the flow model.

Cut-off Grade

The 2015 Mineral Resource estimate used a cut-off grade of 0.9% Cu equivalent. This cut-off is believed to reflect the potential of the resource given the current infrastructure available for extraction and a greater appreciation of established mining costs.

The copper equivalent calculation is:

CuEq=Cu(%)+RF×Au(g/t)
RF=(Gold Price×Payable Gold Metal%×Gold Recovery%)/((Copper Price×Payable Copper Metal%×Copper Recovery%)/100)
Payable Gold Metal % = 95, Payable Copper Metal % =92, Gold Recovery %=79, Copper Recovery % = 94

Mining and Metallurgical methods, parameters and other modifying factors considered to date

See the Mining Method and Processing Method sections provided below.

Ernest Henry Ore Reserves

Material Assumptions for Ore Reserves

The Ore Reserves are contained within the general layout of the sub-level cave. Recovered ore, including dilution, is forecast using Power Geotechnical Cellular Automata (PGCA) software to simulate cave flow and ore recovery based on the current block model, mine design and life of mine schedule. The modifying factors for the conversion from resource to reserve are incorporated in the flow modelling process using the PGCA model.

Ore Reserve Classification

The Ore Reserves are based on the application of a cave-flow simulation (flow model). Measured Resources recovered in the cave flow model are converted to Proved Reserves. Indicated Resources recovered in the cave flow model are converted to Probable Reserves. Inferred Resources and External Material recovered as dilution in the cave flow model are converted to Probable Reserves. The flow model has been calibrated against three years of historical production data.

Mining Method

Ore is mined from underground through sub level caving. The sub level cave is configured as in transverse SLC layout. The mine is an unconventional layout for a SLC due to the shallow dip (45^0) of the orebody. Level footprint dimensions are approximately 220m x 220m and remains relatively uniform throughout the mine but a reduction to 150m width is apparent in the bottom levels. Ore is extracted from draw points with a fleet load haul dump units (LHD's) and tipped into the ore pass system from where it is hauled and tipped into an underground gyratory crusher using LHD's (load, haul, dump) into skips and hoisted to surface via a hoisting shaft. On surface, ore is transferred to the concentrator via a surface conveyor system.

Processing method

Copper and gold is recovered using single stage crushing conducted underground, milling using a SAG and Ball mill and flotation recovery process. Recovered gold is contained within the copper concentrate. The concentrator's historical capacity is 11.0Mtpa (1,500tph), however the current reconfigured circuit capacity is 8.5Mtpa (1,100tph) to suit the underground ore characteristics and production profile. The metallurgical process is well tested technology and has been conducted onsite for approximately 20 years.

Cut-off Grade

Cut-off grades for the mine design were derived using an iterative process of mine design, cave flow simulation and economic analysis. The marginal cut-off grade for the underground sublevel cave operation is 0.9% copper equivalent grade. The methodology for the calculation of the cut-off grade is consistent with the formula referenced in the Mineral Resource section.

The economic evaluation supporting development of the cut-off grade at Ernest Henry includes the use of a financial evaluation model which includes reserve revenue, operating and sustaining capital costs, assumed commodity prices and exchange rates, metallurgical recovery estimates, transport costs, smelting and refining costs as well as royalty payments.

The optimum shut-off grade that maximizes the NPV of the mine was calculated to be 0.85% copper equivalent grade. This value was determined through a hill-of-value economic analysis in which multiple shut-off grades were simulated within the calibrated cave flow model to identify the production draw strategy that maximized the NPV of the mine. Due to the 45 degree dip of the orebody, a portion of the orebody on each sublevel exists where there is no opportunity to extract unrecovered ore on the sublevel below. In these areas, the cave is drawn to a marginal break-even grade of 0.73% copper equivalent.

Estimation Methodology

See the Estimation Methodology section provided above.

Material Modifying Factors

The modifying factors for the conversion from resource to reserve are incorporated in the flow modelling process using the PGCA model. Mine to mill reconciliation data gathered over the past 2 years indicates the estimate to be accurate +/- 5%.

Limitation on information in relation to Ernest Henry

All information in this announcement in relation to Ernest Henry - including in relation to production, resources and reserves, costs, financial information and life of mine plans - has been sourced from Glencore and its subsidiaries. Evolution has not independently verified such information and no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy.

Future performance

This announcement contains forward looking statements about Evolution and Ernest Henry. 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, expected costs or production outputs, the outcome and effects of the proposed Transaction and future operation of Evolution. To the extent that these materials contain forward looking information, the forward looking information is subject to a number of risk factors, including those generally associated with the gold industry. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated .These 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 Evolution and Ernest Henry operate or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation. Any such forward looking statements are also based on current assumptions which may ultimately prove to be materially incorrect. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to Evolution as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), Evolution undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance on, future earnings or financial position or performance are also forward looking statements.

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All dollar values are in Australian dollars ("$" or "A$") unless stated otherwise. The pro forma financial information included in this announcement does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Investors should be aware that financial data in this announcement include "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by the Australian Securities and Investments Commission and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934. Non-IFRS/non-GAAP measures in this announcement include "All-in Sustaining Costs". Evolution believes this non-IFRS/non-GAAP financial information provides useful information to users in measuring the financial performance and conditions of Evolution. The non-IFRS financial information do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an

alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this announcement. Financial data for Ernest Henry contained in this announcement has been derived from financial statements and other financial information made available by Glencore in connection with the proposed Transaction. Such financial information is unaudited and does not purport to be in compliance with Article 3-05 of Regulation S-X.

Investors should note that it is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the JORC Code, whereas mining companies in other countries may be required to report their mineral reserves and/or resources in accordance with other guidelines (for example, SEC Industry Guide 7 in the United States). Investors should note that while Evolution's mineral resource estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries, and do not comply with SEC Industry Guide 7. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. Accordingly, if Evolution were reporting in accordance with SEC Industry Guide 7, it would not be permitted to report any mineral resources, and the amount of reserves it has estimated may be lower. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that Evolution will be able to legally and economically extract them. In addition, investors should note that under SEC Industry Guide 7, mine life may only be reported based on ore reserves. Mine life estimates in this announcement assume that a portion of non-reserve resources will be converted to ore reserves, which would not be permitted under SEC Industry Guide 7.

Appendix A – Transaction Summary

Production from LoM Area[12]

Under the transaction agreements, Evolution has agreed to acquire 100% of future gold produced from the LoM Area and 30% of future copper and silver produced from the LoM Area, and Evolution is required to pay A$880 million and to contribute 30% of future production costs in respect of the LoM Area.

The LoM Area is defined by reference to a geological block diagram of the Ernest Henry mine, taken from the current Life of Mine Plan.

The transaction agreements set out certain governance rights and protections for Evolution in relation to the operation of the Ernest Henry mine, including establishment of a management committee to make operational and budgetary decisions. Evolution will have 30% voting rights on the management committee, and veto rights in respect of fundamental operational matters, including any amendment to the current Life of Mine Plan or programme and budget, to the extent that such amendment deviates by more than 15% from the current Life of Mine Plan.

Glencore may suspend operations, and therefore the supply of materials under the supply agreement, provided that, after a three month period, Evolution has step-in rights. During any step in period, Evolution may step-in and, if it does so, it is responsible for 100% of production costs and takes the equivalent of 100% of the payable metals.

Evolution has pre-emptive rights on a sale by Glencore of the Ernest Henry mine to a third party. On a change of control or an insolvency event of a Glencore entity, Evolution has the option to exercise a right to purchase the mine at fair market value (discounted to reflect the fair market value of Evolution's upfront payment).

If the Ernest Henry mine is sold to a third party, a Glencore entity experiences an insolvency event or there is a change of control of the owner of the Ernest Henry mine, then, in addition to its other rights, Evolution continues to be entitled to receive a prescribed quantity of metals ("**Stream**") based on the Life Of Mine Plan at the time of the sale, insolvency event or change of control. In such circumstances, Glencore and Evolution have agreed to negotiate in good faith for Glencore to acquire the Stream.

Production at the Ernest Henry mine, and therefore supply under the supply agreement, may also be suspended in circumstances where a force majeure event occurs.

Production from New Reserves Area and Regional Acquisitions[13]

Under the transaction agreements, Evolution agrees to an ongoing obligation to pay an amount equal to 49% of development and production costs in return for the equivalent of 49% of future copper, gold and silver production from the New Reserves Area.

The relevant agreements set out certain governance rights and protections for Evolution in relation to the operation within these areas, including establishment of a management committee to make operational and budgetary decisions. Evolution will have 49% voting rights on management committee, and veto rights in respect of the same matters as Evolution's veto rights in respect of the LoM Area.

Evolution has the same step-in rights and other protections in respect of these areas as it does for the LoM Area. Evolution and Glencore will also have rights to participate in any mutual Regional Acquisitions and will be entitled to associated production entitlements on the same basis.

Exploration agreement

Evolution and Glencore have entered into a non-binding agreement under which the parties commit to cooperate in relation to exploration opportunities in the region surrounding Ernest Henry with the aim of establishing an exploration joint venture. Development of any opportunities discovered will be on terms to be agreed.

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[12] Evolution will receive the equivalent of 30% of the copper concentrate (containing copper, gold and silver) produced from the Ernest Henry mine, and sell that to Glencore under the offtake agreement in return for cash and, in the case of gold, gold metal credits. Evolution will receive the equivalent of 70% of the payable gold produced from the Ernest Henry mine as gold credits to its metals account.

[13] Evolution will receive the equivalent of 49% of the copper concentrate (containing copper, gold and silver) produced from the Ernest Henry mine, and sell that to Glencore under the offtake agreement in return for cash and, in the case of gold, gold metal credits.

Appendix B – Reserves Statement

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The EHM deposit has been defined by a combination of diamond drill and channel sampling performed throughout the deposit. Channel samples are chipped from the walls & treated as pseudo drill holes over the length of excavation sampled. The proportion of the total drill hole samples is 75% (818) for diamond drilling and 25% (275) for channel pseudo drill holes. • Holes drilled from the surface and underground are oriented perpendicular to mineralisation. UG channel samples are oriented along the strike of mineralisation and are conducted on a lateral 25m spacing, in line with sub-level mine excavations. • The diamond core is routinely sampled at 2m intervals from ½ core over the entire length of the drill hole, producing approximately 5kg samples. Channel samples are also collected routinely every 2m to produce approximately 5kg samples. • Samples undergo further laboratory preparation and analysis provided externally, involving crushing to 6mm, riffle splitting and pulverising to 85% passing 75 microns, of this material a 0.4g sample is prepared for analysis via aqua regia digestion and 50g for analysis via fire assay.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drill types utilised in UG Resource estimation are diamond core including HQ, NQ2 & NQ sizes yielding core diameters of 63.5mm, 50.6mm & 47.6mm respectively. Drill core is collected with a 3m barrel and standard tubing. • Only selected drill holes have been oriented using an ezi mark orientation system for structural and geotechnical requirements.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Current practice ensures all diamond core intervals are measured and recorded for RQD and core loss. • Core recovery through the mineralised portion of the deposit is high (>99.5%) • No bias is observed due to core loss

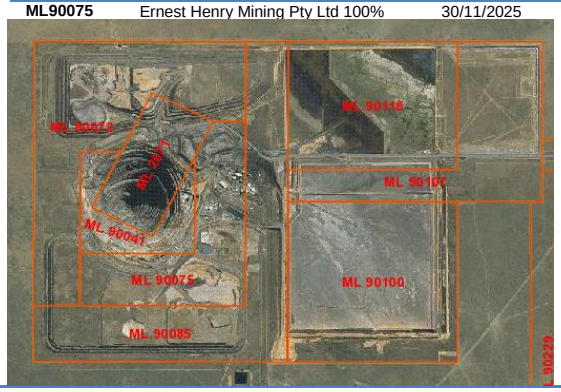
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*
	• *The total length and percentage of the relevant intersections logged.*
		• All diamond core has been logged, geologically and geotechnically to support its inclusion into the underground Resource estimation. The geologic and geotechnical records are considered qualitative and quantitative with the following items being captured
		  ○ Lithology
		  ○ Texture
		  ○ Alteration
		  ○ Mineralisation
		  ○ Structures – including veining & faults
		  ○ Weathering
		  ○ RQD

Criteria	JORC Code explanation	Commentary
		• Photography of diamond core has occurred for 57% of this data set.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Drill core is cut in half to produce a 5kg sample using an automatic core saw, with one half submitted for assay, and the other half retained on site. Where core is oriented, it is cut on the core orientation line. • Diamond core and channel samples are sampled at 2m intervals and sent to the laboratory for crushing to 6mm, split via a riffle splitter if >3.2kg and pulverised using an LM2 mill to a nominal 85% passing 75 microns, of this material a 0.4g sample is prepared for further analysis via aqua regia digestion and 50g for analysis via fire assay. • Field duplicates are collected for all diamond core at a rate of one in every 25 samples and for channel sample at a rate of one in every 10 samples. Prior to 2014 diamond core field duplicates sent quarter core for duplicate analysis and compared the results against the original half core results, which resulted in poor repeatability. All field duplicates since 2014, send half core for duplicate analysis to compare against the original half core results and indicates good repeatability. • Comparison of field duplicates is performed routinely to ensure the sample size is appropriate to grain size of sampled material. Since potential sample support issues have been rectified, results show good repeatability.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples are assayed at ALS Geochemistry Townsville for a multi element suite using ME-ICP41, Cu-OG46 & MEOG46 methods, which analyses a 0.4g sample in aqua regia digestion with and AES finish as well as gold Au-AA26, which utilises fire assay on a 50g sample with and AA instrument finish. Analytical methods are deemed to be appropriate for this style of mineralisation. • Historic quality control procedures include the use of six certified standards as well as field duplicates inserted at 1:25 ratio for all sample batches sent to the ALS laboratory. • There have been no blanks inserted with the diamond core historic data set. The ALS laboratory provides their own quality control data, which includes laboratory standards and duplicates. • Analysis of historical quality control sample assays indicate the accuracy and precision is within acceptable limits and suitable for inclusion in the underground resource estimate.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All diamond drill holes are logged remotely on a laptop utilising Acquire software and stored digitally in an Acquire database on a network server. • Procedures have been developed to ensure a repeatable process is in place for transferring, maintaining & storing all drilling, logging and sampling data on the network server, which has a live upload to a local device and daily back up to an offsite device. • A review of the historical dataset of the underground resource indicates confirms the veracity of the data. All files are reported digitally from ALS laboratories in CSV format, which is then imported directly into the Acquire database. Checks of the assay results in Acquire and results returned from the lab are performed at the completion of each drilling & sampling campaign.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collar coordinates are picked up by EHM site surveyors using a Leica total station survey instrument. All underground excavations are monitored using the same instrument. • A variety of downhole survey methods have been utilised in the underground resource, however 93% of the diamond drill holes have been surveyed using a gyroscopic instrument recording down hole survey data

Criteria	JORC Code explanation	Commentary
		in 3m intervals. • All data points are reported in UTM AMG84 zone 54.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• There are no exploration results reported. • Drill holes are spaced with the following resource classification: o 40m x 40m for Measured o 60m x 60m for Indicated o 100m x 100m Inferred This drill hole spacing is considered sufficient as it exhibits grade and geological continuity appropriate to the Mineral Resource classifications outlined in the 2012 JORC code. The drill spacing is also supported by historic reconciliation data from the mill. • Prior to 2015, 12m sample compositing was applied to underground Resource estimation. This was subsequently changed to a 2m composite length after review.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Holes drilled from the surface and underground are oriented perpendicular to mineralisation and bounding shear zones wherever possible. UG channel samples are oriented along the strike of mineralisation and are conducted on a lateral 25m spacing, in line with sub-level mine excavations. • There has been no orientation bias recognised within the data used for the underground Mineral Resource estimate.
Sample security	• *The measures taken to ensure sample security.*	• Diamond core samples are securely stored onsite prior to being dispatched to the ALS laboratory in Townsville.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	In 2014 an external audit was conducted on the data management & QAQC procedures including drilling & sampling. These were found to be in line with industry standards.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The EHM operations cover 9 mining leases. • The details of the leases are summarised in the following table: **ML2671** Ernest Henry Mining Pty Ltd 100% 30/11/2025 **ML90041** Ernest Henry Mining Pty Ltd 100% 30/11/2037 **ML90072** Ernest Henry Mining Pty Ltd 100% 30/11/2025 **ML90085** Ernest Henry Mining Pty Ltd 100% 31/03/2026 **ML90100** Ernest Henry Mining Pty Ltd 100% 31/05/2026 **ML90107** Ernest Henry Mining Pty Ltd 100% 31/08/2026 **ML90116** Ernest Henry Mining Pty Ltd 100% 30/09/2026 **ML90075** Ernest Henry Mining Pty Ltd 100% 30/11/2025 
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The EHM orebody was discovered in 1991 by Western Mining Corporation Ltd. The size and potential of the discovery led to further drill definition. A successful feasibility study led to the establishment of an open pit

Criteria	JORC Code explanation	Commentary
		operation in 1997 which was completed in 2011. In 2006 a deep drilling campaign was initiated to explore the down dip extension of the deposit ultimately leading to the development of the current underground mining project, which commenced operation in 2013. • Data used in the current estimate is a compilation of several phases of exploration done since the early 1990's.This data has been assessed for quality as outlined in section 1 and deemed to be suitable for use as the basis of the mineral resource estimate.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Ernest Henry Deposit is an Iron Oxide Copper Gold (IOCG) hosted within a sequence of moderately south south-east-dipping, intensely altered Paleoproterozoic intermediate metavolcanic and metasedimentary rocks, of the Mt Isa group. Copper occurs as chalcopyrite within the magnetite-biotite-calcite-pyrite matrix of a 250 x 300 m pipe like breccia body. The breccia pipe dips approximately 40 degrees to the South and is bounded on both the footwall and hanging wall by shear zones. The ore-body is open at depth.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• No exploration has been reported in this release, therefore no drill hole information to report. This section is not relevant to this report on Mineral Resources and Ore Reserves.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No exploration has been reported in this release, therefore there are no drill hole intercepts to report. This section is not relevant to this report on Mineral Resources and Ore Reserves. Comments relating to data aggregation methods relevant to the Mineral Resource estimate can be found in Section 1 – "Sampling techniques" and "Drill sample recovery."
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No exploration has been reported in this release, therefore there are no relationships between mineralisation widths and intercept lengths to report. This is not relevant to this report on Mineral Resources and Ore Reserves.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but*	• No exploration has been reported in this release, therefore no exploration diagrams have been produced. This section is not relevant to this report on Mineral Resources and Ore Reserves.

Criteria	JORC Code explanation	Commentary
	not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• No exploration has been reported in this release, therefore there are no results to report. This section is not relevant to this report on Mineral Resources and Ore Reserves.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No exploration has been reported in this release, therefore no exploration diagrams have been produced. This section is not relevant to this report on Mineral Resources and Ore Reserves.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• No exploration has been reported in this release, therefore no exploration diagrams have been produced. This section is not relevant to this report on Mineral Resources and Ore Reserves.

Section 3 Estimation and Reporting of Mineral Resources

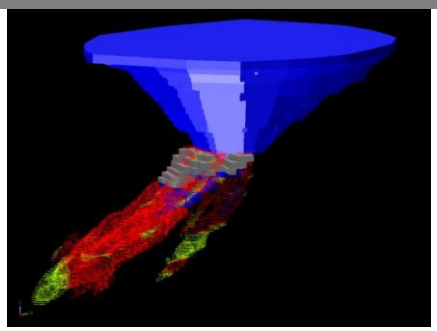
(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• All drill hole data is securely stored and backed up daily in an Acquire database on a single server located in Mt Isa. Assay data is quality controlled upon receipt and imported directly into the database via import templates. User access to the database is controlled by a hierarchy of permissions as defined by the database administrator.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person is a full time employee of Ernest Henry Mining working at the Ernest Henry Mine.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The distribution of Copper and gold metal at Ernest Henry is directly proportional to the degree of brecciation occurring with chalcopyrite, magnetite and associated gold occupying the matrix within the breccia. The domains used to constrain mineralization for estimation are largely grade driven, constructed using Leapfrog's implicit modelling software. Statistically there are two grade populations existing within the deposit; a high grade core domain above 0.9% Cu gives way quite sharply to the lower 0.1% Cu domain constraining the low grade halo. A contact analysis has been conducted on the transition between the two populations that supports the use of a semi soft boundary in the estimation. Distribution of metal within the high grade core is relatively consistent and as such emphasis on defining its shape is considered more important than gathering internal grade information.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below*	• The Ernest Henry deposit is approximately 250m x 300m in plan with an irregular shape. The longer axis is parallel with the bounding shear zones. The deposit dips

Criteria	JORC Code explanation	Commentary
	surface to the upper and lower limits of the Mineral Resource.	at 43 degrees to the South, extending from 60m under a sedimentary blanket to beyond1600m in depth. Below1525 mRL a secondary lens is partitioned to the South East appearing to be strongly influenced by the shearing. The current EHM resource estimate reports blocks below 1705 mRL that form a contiguous mineable entity above the 0.9% Copper equivalent cut-off. The current resource extends down to 960 mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Grade estimations for Copper, Gold and density were completed using an ordinary kriging algorithm in Vulcan 8.2. Block dimensions (X, Y, Z = 20 m x10 m x 25 m) used are reflective of the mining method, with 25m between sublevels and 20m between ore-drives. Sub-cells of 5 m x 5 m x 6.25 m were used to increase the resolution of domain margins. Samples were composited to 2m in length in four domains that reflect grade and the degree of brecciation. Top cuts were applied based on a disintegration analysis with 7.0% for copper and 3.5ppm for gold. An anisotropic search ellipse was used for Cu, Au, Fe, S and Dbd (dry bulk density) with parameters selected to reflect the variogram ranges, and optimized using a QKNA study. • Deleterious elements occurring in the deposit include Arsenic and Uranium. Both are in low abundance and do not present an issue at the mill or in the concentrate. Sulfur is estimated into the model and can be used to characterize waste rock. All production from underground is considered to be acid forming and is treated as such. • Validation tools employed to scrutinize the model include: ➢ Statistical summary of block values to check outlying values and confirm all blocks were estimated. ➢ Visual comparison in section between blocks and raw composite values indicate the estimation occurred in line with expectation. ➢ Alternate models using nearest neighbor and inverse distance to evaluate conditional bias. ➢ Comparison with previous models. ➢ Investigate several blocks around domain boundaries using the Vulcan D-bug ellipse function to ensure sample selection and weighting is applied correctly by the kriging algorithm. ➢ Mine to mill reconciliation data gathered over the past 2 years indicates the estimate to be accurate +/- 5%.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnage estimates for the purpose of estimating in-situ ore resources are determined based on dry bulk density.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The 2015 resource estimate used a cut-off grade of 0.9% Cu equivalent. This cut-off is believed to reflect the potential of the resource given the current infrastructure available for extraction and a greater appreciation of established mining costs. ○ $CuEq = Cu(\%) + RF \times Au(g/t)$ (Equation 1) ○ $RF = \frac{Gold\ Price \times Payable\ Gold\ Metal\% \times Gold\ Recovery\%}{(Copper\ Price \times Payable\ Copper\ Metal\% \times Copper\ Recovery\%)}$ (Equation 2) ▪ Payable Gold Metal % = 95 ▪ Payable Copper Metal % = 92 ▪ Gold Recovery %= 79 ▪ Copper Recovery % = 94

Criteria	JORC Code explanation	Commentary
		The final step in the derivation of resource figures is to generate a wireframe capturing all the blocks forming a contiguous mineable entity. In some cases the requirement to maintain a reasonable shape and size for the solid means some areas are inclusive of grades below cut-off and the exclusion of outlying blocks above 0.9% Cu equivalent will be excluded. • Another practical consideration in the derivation of the cut-off is the proximity to the outer grade limit of the high grade core, whereby the grade rises dramatically between 0.6% Cu and 1.2% Cu over a short distance.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The Ernest Henry deposit lends itself to a low cost high production mass mining technique such as sub-level caving. It is anticipated the successful extraction of the deposit as demonstrated through the underground mine since 2012 using the sub-level caving technique will continue into the future.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• The ore at Ernest Henry has been successfully milled since the open cut started in 1996. Historical mill recoveries for copper and gold in the primary sulfide ore are in the order of 95% and 80% respectively. There is no indication that the metallurgical character of the mineralisation down dip in the deposit will change to adversely affect these recoveries.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• All the relevant environmental licenses are in place for the current mining operation, including TSF capacity for all Reserves.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.*	• An extensive database of dry bulk density measurements have been collected since deposit's discovery using the Archimedes water displacement principal on core samples approximately every 20m down diamond drill core. These measurements are used in conjunction with an elemental assay analysis to generate a stoichiometric regression formula that is applied to every sample. The estimate for dry bulk density is then estimated into the block model using ordinary kriging. • Samples are dried in an oven prior to density measurements.

Criteria	JORC Code explanation	Commentary
	• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• There are very few open voids in the EHM orebody and the crystal structure of the rock exhibits minimal porosity. These factors are not thought to have any significant influence on the estimated global density.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources are classified using the following general criteria: ○ **Inferred**: Any part of the estimation was considered inferred or better if it fell within the 0.1% Cu domain shell as derived in Leapfrog using the implicit modelling function with applied trends and a range inferring continuity to 100m beyond the deepest drilling or between drill holes. ○ **Indicated:** Drill spacing between 40 m – 60 m, estimated with a full complement of composites selected in the kriging process (40). ○ **Measured:** Drill spacing or Channel sample data not exceeding 30-40m and including full drill coverage on adjacent sections to the north and south. Estimated with a full complement of composites selected in the kriging process (40). • Other general conditions taken into consideration in the classification were as follows; ○ Slope of regression from kriging output ○ Kriging variance from kriging output. ○ Confidence in the geological interpretation of structures or grade continuity; ○ Consistency of grades between drill holes; ○ Proximity of blocks to the edge of the domain boundaries Only blocks falling within the 0.9% copper equivalent cut-off grade shell are ultimately considered to be resource, blocks outside this wireframe are considered "External" for the purposes of the flow model. The Copper Equivalent cut-off grade is calculated using Equation 1 (See Cut-off parameters Section 3 Estimation and Reporting of Mineral Resources).
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The Mineral Resource estimate has been reviewed by external geostatistical consultants each year since the 2011 underground feasibility study. Each review has endorsed the estimate while also recommending minor potential improvements for the next estimate. Mine to Mill Reconciliation data gathered since 2012 reconciles within +/- 5%.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where*	• Mine to Mill Reconciliation data from the underground operation has confirmed the global accuracy of the resource estimate with total received metal reconciling within +/- 5%. • The nature of a caving operation means there is a lag between reserves and ore delivered to the mill over short time frames reflecting the challenges of accurately predicting the flow within a cave. • As a final validation the current model was compared with reconciled tonnes and grade as accounted by the mill to the end of 2015. This comparison indicates the copper estimate is within 1% of the actual output.

Criteria	JORC Code explanation	Commentary
	available.	 • The results of the reconciliation suggest only minor dilution with no grade has entered the cave indicating either a well-established ore blanket is in place or there is a systematic under-draw of the cave.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• A detailed description of the Mineral Resource estimate is provided in the previous sections of this Table. • Mineral Resources at Ernest Henry Mining are reported above a copper equivalent grade of 0.9% (see Equation 1 in Cut-off parameters, Section 3). This has been calculated as the cut-off grade for the underground sublevel cave operation. • Recovered ore, including dilution, is forecast using Power Geotechnical Cellular Automata (PGCA) software to simulate cave flow and ore recovery based on the current block model, mine design and life of mine schedule. The model is validated using mine to mill reconciliation data and calibrated to site conditions using both reconciliation data and recovery of markers installed in the cave. • The block model is discretized into 1.25m^3 particles within the model. Each block retains the respective attributes of the parent block in the block model including density, grade and resource category. These blocks flow within the cave model based on stochastic rules developed from large scale recovery studies conducted in similar SLC operations. The model calculates ore recovery based on the simulated mine schedule and planned production draw strategy. The recovered tonnes and grade for a mining period and the reserve classification is estimated based on the proportion (of tonnes and grade) of each resource category. This method enables Ore Reserves to be estimated using the Mineral Resource classification for the depleted ore, unrecovered cave stocks, forecast ore recovery and the recovery of external and diluting material. • Reported Mineral Resources are inclusive of the Ore Reserve.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person is a full time employee of Ernest Henry Mining and conducts regular site visits to the Ernest Henry Mine.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least*	• The SLC mine has been in operation for five years. A detailed mine design and schedule exists for the planned life of the mine and is included in the cave flow model used to estimate the Ore Reserve. • The modifying factors for the conversion from resource

Criteria	JORC Code explanation	Commentary
	Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	to reserve is incorporated in the flow modelling process using the PGCA model. Mine to mill reconciliation data gathered over the past 2 years indicates the estimate to be accurate +/- 5%.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Economic evaluation at Ernest Henry uses a financial evaluation model which includes reserve revenue, operating and sustaining capital costs, assumed commodity and prices and exchange rates, metallurgical recovery, transport costs, smelting and refining costs and royalty payments. • Cut-off grades for the mine design were calculated using an iterative process of mine design, cave flow simulation and economic analysis. The marginal cut-off grade for the underground sublevel cave operation is 0.9% copper equivalent. • The optimum shut-off grade that maximizes the NPV of the mine was calculated to be 0.85% copper equivalent grade. This value was determined through a hill-of-value economic analysis in which multiple shut-off grades were simulated within the calibrated cave flow model to identify the production draw strategy that maximized the NPV of the mine. • Due to the 45 degree dip of the orebody, a portion of the orebody on each sublevel exists where there is no opportunity to extract unrecovered ore on the sublevel below. In these areas, the cave is drawn to a marginal break-even grade of 0.73% copper equivalent.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.*	• Not applicable as the mine is currently operational. • Pre-feasibility and feasibility studies conducted in 2006 and 2008 (respectively) and ongoing mine planning reviews have determined the sub-level caving mining method is the most appropriate mining method for the deposit based on the orebody geometry, grade, geotechnical conditions and economic evaluation. • Geotechnical parameters and engineering assessments have determined that the rock mass is amenable to sublevel caving. Empirical assessment and numerical modelling forecasts are reflected in current cave propagation to date. • The mine design uses 25m sublevel spacing, 15m drive spacing (center to center), 6m wide cross cuts and a standard SLC drill and blast design. These design parameters are in line with benchmarked mines and assessed to be geotechnically stable. • All rock types, including blasted ore and the caved material are assumed to flow at the same velocity within the cave flow model. • No mining dilution factors are applied as dilution is included in the cave flow model simulation. This is included in the reported Ore Reserves due to the non-selective nature of the mining method. • No mining recovery factors are applied as internal and external material recovery is included in the cave flow model simulation. This is included in the reported Ore Reserves due to the non-selective nature of the mining method. • A minimum mining width for cave propagation is in the order of 140 m based on empirical cavability assessments. A draw width of 11 m is applied in the

Criteria	JORC Code explanation	Commentary
		cave flow model. This value has been selected based on recovery of markers installed inside the cave and benchmarked values from other SLC mines in similar conditions.
	• *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.*	• Sublevel caving is a non-selective bulk mining method in which dilution recovery is necessary to recover economic ore. Inferred Mineral Resources and unclassified external material that are recovered in the cave flow model are included in the Ore Reserves. The inclusion of this material is necessary as a recovery factor or dilution factor is not applied in the cave flow model. • Dilution and unclassified material in the Mineral Resource that is recovered as part of the mining method is included in the financial assessment conducted to estimate the Ore Reserve.
	• *The infrastructure requirements of the selected mining methods.*	• All major infrastructure for the mine has been constructed including underground crusher, conveyor system, hoisting shaft, pumping and ventilation systems. Access to the underground mine is via an in-pit portal and decline.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.*	• Copper and gold is recovered using single stage crushing conducted underground, milling using a SAG and Ball mill and floatation recovery process. Recovered gold is contained within the copper concentrate.
	• *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• The metallurgical process is well tested technology and has been conducted onsite for approximately 20 years. • The current Ore Reserve is based on historic metallurgical recovery factors. No significant variation in recovery is expected. Recovery factors used in the Ore Reserve estimate are 94% for copper and 79% for gold. • No deleterious elements have been experienced in material concentration or expected based on drilling and sampling conducted to date. • Bulk sampling is conducted on a routine basis to confirm plant performance. • Minerals are not defined by a specification.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Environmental studies including flora and fauna, hydrogeological studies, waste rock characterization and cultural heritage have been carried out for the mine. • An environmental authority (licence) has been granted by the regulator. • The plan of operations has been approved by the regulator. • The mine has an Environmental Management Plan and all required mining approvals have been granted for mine production, waste dump and tailings storage facilities and site clearing. • Acid forming materials are contained in approved storage facilities and controlled using a waste rock management plan.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• All required infrastructure and access to utilities to mine the Ore Reserve is in place.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.*	• All major infrastructure has been constructed. Sustaining capital is forecast based on the needs of the operation and updated as part of the annual and five year budget

Criteria	JORC Code explanation	Commentary
		cycle.
	• *The methodology used to estimate operating costs.*	• Operating costs are calculated using a first principles approach and reconciled with actual costs on a monthly basis and as part of annual financial reviews.
	• *Allowances made for the content of deleterious elements.*	• No deleterious elements material to this estimate have been encountered and is not expected based on drilling and ongoing sampling results.
	• *The source of exchange rates used in the study.*	• Economic inputs such as foreign exchange generated internally by Ernest Henry Mining. The detail of this process is commercial sensitive and is not disclosed.
	• *Derivation of transportation charges.*	• Transport costs are based on reconciled historic data.
	• *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.*	• Treatment charges are included in the cost model and are based on smelting in Mt Isa.
	• *The allowances made for royalties payable, both Government and private.*	• Royalty payments of 3.77% and 5% for copper and gold (respectively) to the Queensland government are included in financial models
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Head grades are derived from the cave flow model using PGCA flow model. • Transport and treatment charges are based on reconciled data and included in the cost model and net smelter return calculation. • Ernest Henry mining applies a common process to the generation of commodity prices. This involves generation of long-term price curves based on current sales contracts, industry capacity analysis, global commodity consumption and economic growth trends. In this process, a price curve rather than a single price point is used to develop estimates of mine returns over the life of the operation. The detail of this process and of the price point curves is commercially sensitive and is not disclosed.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Supply and demand of copper and gold is not a constraint used in the estimate of the Ore Reserve at Ernest Henry Mining. • Ernest Henry does not produce industrial minerals.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Economic inputs such as foreign exchange rates and inflation rates are generated internally by Ernest Henry Mining. The detail of this process is commercial sensitive and is not disclosed. • Sensitivity testing of the Ernest Henry Mining ore reserves using Ernest Henry Mining long term prices demonstrates a positive net present value that meets Ernest Henry Mining's investment criteria.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Deed and access agreements are in place with neighboring landholders. • All other permits for planned mining operations have been granted.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements*	• Events such as cyclones and high rainfall events present a risk to short term production targets and are managed through site risk mitigation processes. These events have not been included the estimation of the Ore Reserves.

Criteria	JORC Code explanation	Commentary
	and marketing arrangements. • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• Mining operations at the site have been conducted for 20 years. There are no outstanding approvals required for planned mining.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Measured Resources recovered in the cave flow model are converted to Proved Reserves. • Indicated Resources recovered in the cave flow model are converted to Probable Reserves. • Inferred Resources and External Material recovered as dilution in the cave flow model are converted to Probable Reserves. • The results of the cave flow model have been reconciled based on three years of historical mine data. • The process used to modify the Mineral Resource to the Ore Reserve is deemed appropriate by the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• Internal review of the methodology used to generate the Ore Reserve estimate has been conducted.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Comparison of cave flow model forecasts and ore grade presented to the concentrator indicate that the assumptions used in the model used to estimate the Ore Reserve are valid. • Calibration of the flow model has been conducted using three years of historical data. Mine to mill reconciliation data gathered over the past 2 years indicates the estimate to be accurate +/- 5%. • The accuracy of the estimates in this Ore Reserve is largely dependent of the accuracy of the block model used to determine the Mineral Resource as well as the accuracy of the cave flow model and economic assumptions used. • The cave flow model is calibrated on a 6 monthly basis to ensure assumptions and model parameters are accurate. • All assumptions used in financial models are subject to internal review.