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# ASX Announcement

17 October 2016

## ACQUISITION OF MARSDEN COPPER-GOLD PROJECT

Evolution Mining Limited (ASX:EVN) ("Evolution") advises that it has entered into a binding agreement with Newcrest Operations Limited ("Newcrest"), a wholly owned subsidiary of Newcrest Mining Limited to acquire the Marsden copper-gold project. Evolution will make an upfront payment of A\$3 million on completion of the acquisition and a further A\$7 million payment contingent on a decision to mine<sup>1</sup>. The agreement is subject to conditions including governmental approval.

Marsden is a copper-gold porphyry deposit located immediately to the south-east of Evolution's Cowal gold mine in New South Wales. Marsden is the nearest known sizeable mineral deposit to the Cowal operation outside the Cowal tenement package and as such has strategic value to Evolution's exploration activities in the region.

The Marsden deposit hosts an Indicated and Inferred Mineral Resource of 180 million tonnes grading 0.20g/t Au and 0.38% Cu containing 1.1 million ounces of gold and 0.67 million tonnes of copper<sup>2</sup>.

Technical review by Evolution has shown that the potential to develop the Marsden deposit is enhanced by utilising the Cowal milling circuit and associated infrastructure. The current Cowal treatment facility is unable to treat Marsden material concurrently with Cowal ore and hence any option involving processing at Cowal will be at the end of the Cowal mine life.

Commenting on the Marsden acquisition, Jake Klein, Executive Chairman of Evolution said:

*"The Marsden project provides long term optionality to our nearby Cowal operation and has the potential to further extend the life of what is already a long-life operation."*

### For further information please contact:

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### About Evolution Mining

Evolution Mining is a leading, growth-focussed Australian gold miner. 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. On 24 August 2016, Evolution announced that it was 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 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.

1. The A\$7 million amount is indexed annually according to CPI up to a maximum amount of A\$10 million. The contingent payment is only payable if the decision to mine is made within 10 years from the date of acquisition
2. The information that relates to the Marsden Mineral Resources is extracted from Newcrest Mining's Mineral Resources and Ore Reserves Statement provided in its 2016 Annual Report (released 6 October 2016) available to view at [www.newcrest.com.au](http://www.newcrest.com.au). Evolution plans to update the Marsden Mineral Resource estimate in line with Evolution practices and cost assumptions and report it constrained within an optimised pit shell as for Evolution's other open pit Mineral Resources.

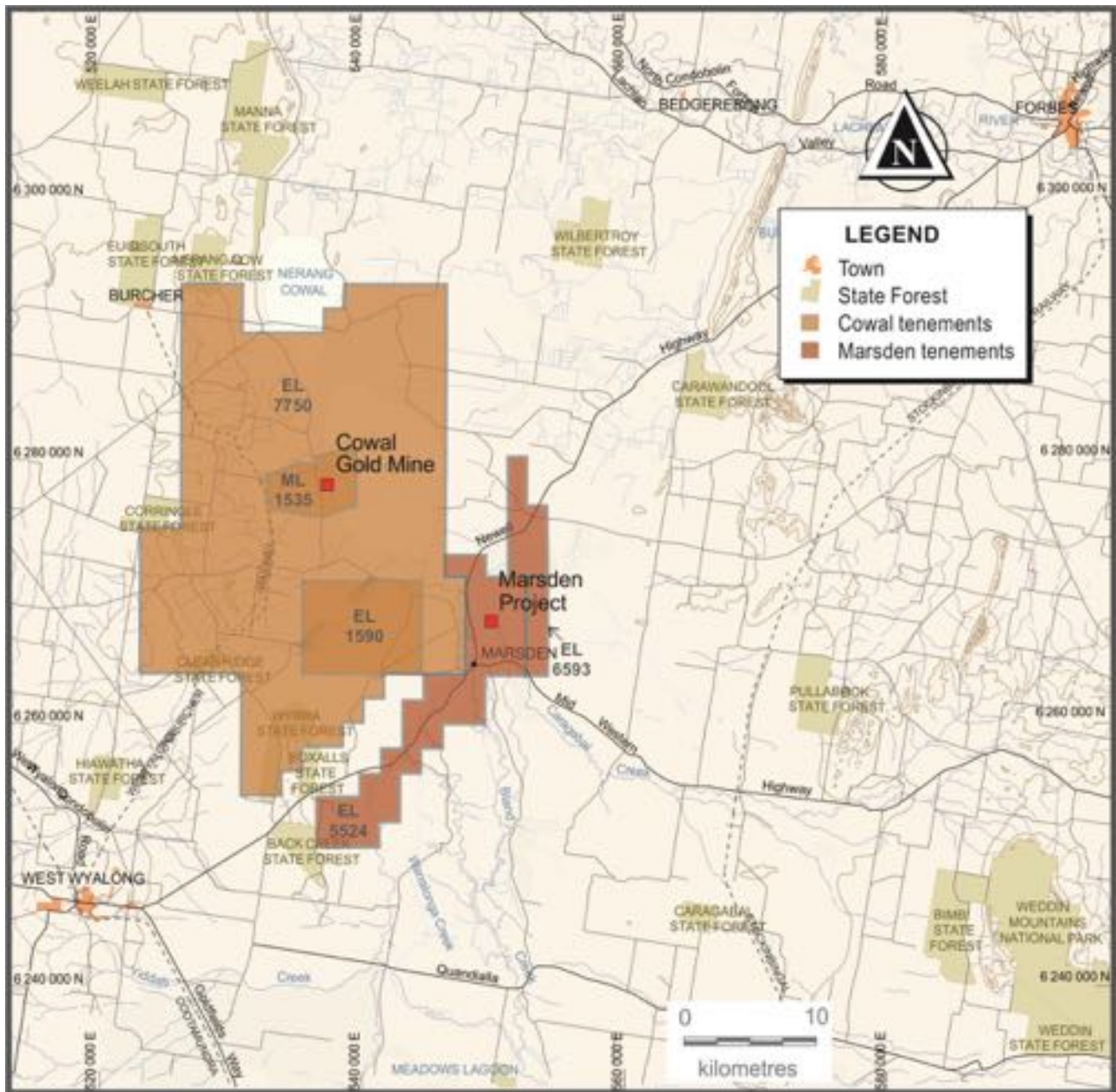


Figure: Location plan showing the Marsden copper-gold project and the proximity of the project to the Cowl Gold Mine, New South Wales

### Marsden Mineral Resources as at 31 December 2015

	Ore	Gold		Copper	
	Mt	g/t	Moz	%	Mt
Measured	-	-	-	-	-
Indicated	160	0.21	-	0.40	-
Inferred	15	0.074	-	0.19	-
<b>Total</b>	<b>180</b>	<b>0.20</b>	<b>1.1</b>	<b>0.38</b>	<b>0.67</b>

**Notes:**

- Data is reported to two significant figures to reflect appropriate precision in the estimate and this may cause some apparent discrepancies in the totals
- Long term metal price assumptions applied by Newcrest: Gold US\$/oz 1,300 and copper US\$/lb 3.40 US\$:AU\$ at an exchange rate 0.80

The information that relates to the Marsden Mineral Resources is extracted from Newcrest Mining's Mineral Resources and Ore Reserves Statement provided in its 2016 Annual Report (released 6 October 2016) available to view at [www.newcrest.com.au](http://www.newcrest.com.au).

Evolution confirms that it is not aware of any new information or data that materially affects the information included in the Report and that all material assumptions and technical parameters underpinning the estimates in the Report continue to apply and have not materially changed. Evolution confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Report.

Evolution plans to update the Marsden Mineral Resource estimate in line with Evolution practices and cost assumptions and report it constrained within an optimised pit shell as for Evolution's other open pit Mineral Resources.