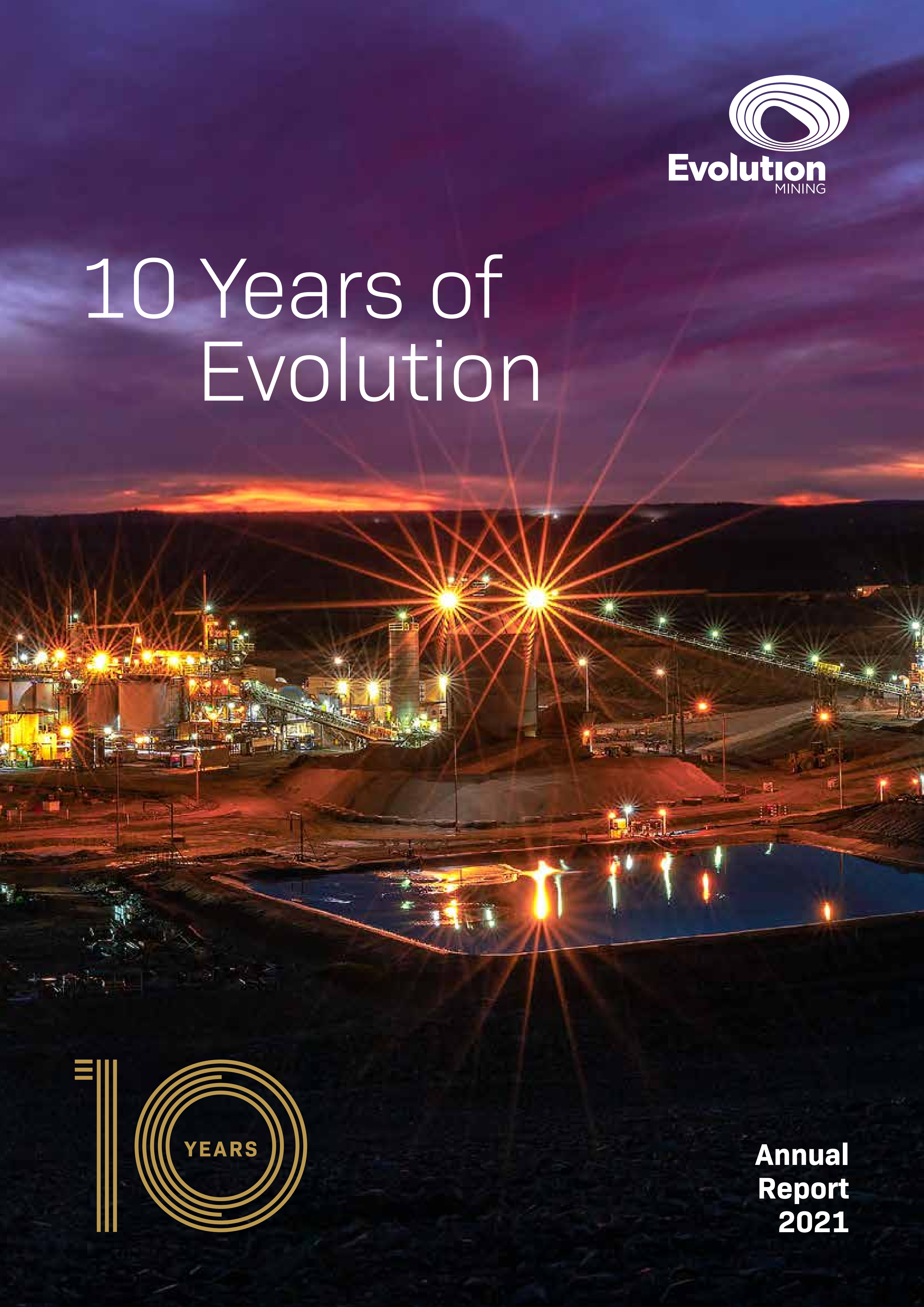

Evolution
MINING

10 Years of Evolution

10 YEARS

Annual
Report
2021

10 years of Evolution

2021

Mungari – Cornerstone asset

Kundana Assets Acquisition elevates Mungari to a cornerstone asset

Acquisition of Kundana Operations, EKJV (51%), Carbine Project and WKJV (75%)

Battle North Acquisition proximal to Red Lake: Unlocking value and extending mine life through acquiring proximal deposits

2020

Crush Creek Acquisition: Unlocking value and extending mine life through earn-in agreements.

Cracow Divestment: Lowering Group AISC[1,2] by A$20/oz

Red Lake – Cornerstone asset

Red Lake Acquisition

Unlocking value in an under-capitalised asset with significant mine life

2019

Evolution's inaugural entry in the Dow Jones Sustainability Index – Australia, one of only two gold companies

2017

Edna May Divestment: Divested due to low margins[3] (18%) compared to the rest of the Group (49%), reducing Group AISC by A$50/oz

Evolution enters ASX 100

2016

Ernest Henry – Cornerstone asset

Ernest Henry Economic Interest

Reducing Group AISC by A$100/oz

Marsden Acquisition: Strategic acquisition of the nearest known sizeable copper-gold deposit to Cowal

Pajingo Divestment: Divested due to lack of strategic fit in the portfolio, reducing Group AISC costs by A$15/oz

2015

Cowal – Cornerstone asset

Cowal Acquisition

Reducing Group AISC by A$100/oz and extending portfolio mine life

Mungari Acquisition: Reducing Group AISC by A$30/oz and extending portfolio mine life

2013

Mt Carlton produces first concentrate, reducing Group AISC by A$25/oz

2012

Evolution enters ASX 200

2011

Evolution Formed

Conquest Mining and Catalpa Resources merge to form Evolution Mining November 2011

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1. Cost reductions refer to contribution to Group AISC for a given financial year
2. Based on FY20 performance
3. Based on EBITDA margin

We have come a long way!

Execution of our growth strategy has delivered four cornerstone assets

Cowal Expansion to 350kozpa in FY24 – 17+ year mine life

Investment in the development of the Cowal Underground project and longer-term development of satellite open pits is expected to increase the operation's annual production to over 350koz and extend mine life to 17+ years

Red Lake Transformation to 350kozpa in FY26 – 15+ year mine life

Investing in mine development and exploration milling expansions to restore Red Lake to a premier Canadian gold mine targeting 350kozpa in FY26 and to extend mine life 15+ years

Ernest Henry Extension – Mine life extension below 1,200mRL

Current drill program testing extension of the ore body below the current reserves at 1,200mRL is expected to deliver 3 – 5 year mine life extension and will provide increased copper exposure

Mungari Plant Expansion, 200kozpa objective – 13+ year mine life

Kundana Assets to provide a high-grade ore source and support a potential mill expansion to 4.2Mtpa at Mungari with the objective of achieving an increase in production to 200kozpa and extend mine life to 13+ years – mill expansion studies in progress

Our vision

Inspired people creating a premier, global, gold company

Our strategy

- Prioritise margin over ounces approach, maintaining a portfolio of 6 to 8 assets generating superior returns with an average mine life of at least 10 years
- Build a reputation for sustainability, reliability and transparency
- Embed financial discipline across the business
- Maintain an active pipeline of quality exploration and development projects
- Open to all quality gold, silver and copper-gold value accretive investments

Our values

Safety

Think before we act,
every job, every day

Excellence

We take pride in our work, deliver our best and always strive to improve

Accountability

If it is my responsibility,
I own it – good or bad

Respect

We trust each other, act honestly and consider each other's opinion

10 years of sharing the benefits of mining

~A$10.6B

Economic contributions since inception – helping to build vital infrastructure and fund essential community services in Australia and Canada

~A$600M

In combined regional and direct spend since inception

A$17M

Community Investment including sponsorships, donations and Shared Value projects

67%

Local employment

Provision of career opportunities through workplace programs

69 graduate roles

41 apprenticeships

64 vacation roles

Diversity and Inclusion focus

to provide equal employment opportunities in mining for everyone

Emergency Response Teams on call

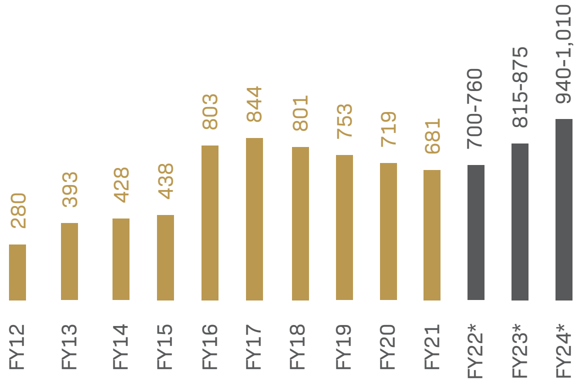
to assist with emergency incidents within our local communities including in drought, fire and flood events

Collaboration with industry

on mining innovations such as the Electric Mine Consortium to accelerate progress towards the industry goal of fully electrified zero carbon dioxide and zero particulate mines

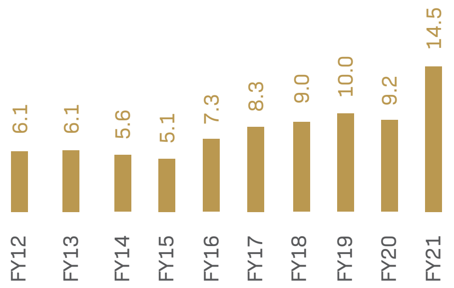
Our performance

Gold production (koz)

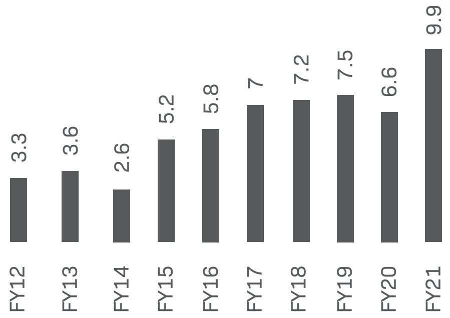


* Denotes three-year production outlook published 22 July 2021

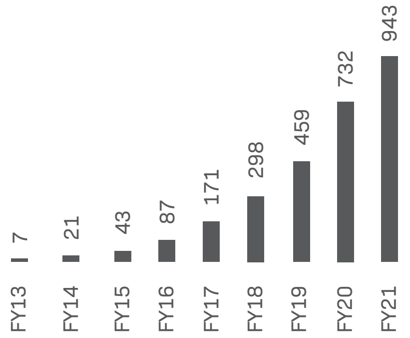
Reserve life (years)*



Reserve growth since inception (Moz)



Cumulative dividends declared (A$M)



* Total Group gold reserves (excluding Kundana Assets and McFinley) divided by Group production. FY12 production adjusted to include non-attributable production prior to 2 Nov 2011 formation of Evolution. FY12 and FY13 excludes reserves and production for Mt Carlton which was not a producing asset until late FY13

We Say, We Do, We Deliver

30 Shared Value Projects delivered

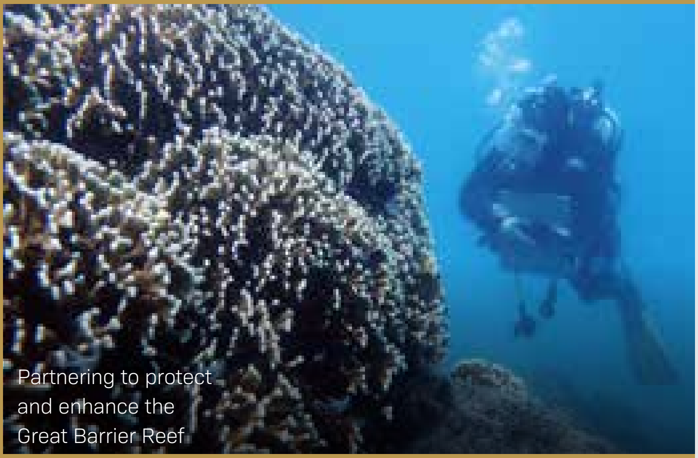
Partnering with our communities to deliver long-term benefits including local economic development, environmental stewardship, infrastructure capability, sport, health and education including:

- Partnering with the University of Queensland Research on breakthrough research in early cancer detection using gold, extending to long haul COVID-19
- Rural Aid partnership to make a larger impact across our regions such as:
  - Buy a Bale NSW for struggling farmers – 2,736 bales delivered to over 200 farmers
  - Financial assistance to farmers to pay bills and spend in their local communities
- Somewhere Down the Lachlan – sculpture trail in regional NSW to encourage tourism and promote the Wiradjuri culture
- Improving Indigenous outcomes:
  - Partnering with the Wiradjuri Condobolin Corporation to form the Galari Agricultural Company to enhance the employability and skill development of Indigenous youth
  - Partnering with our First Nation Partners at Red Lake on a collaborative business entity named 'Shared Spirits'
- Environmental enhancement Partnering with James Cook University and the Great Barrier Reef Marine Park Authority on the Great Barrier Reef beach scrub protection and Yellow Zone research project
- Partnering with the University of Queensland on a sustainable transformational reuse and economic alternatives for Mine Waste Study


Evolution volunteers assisting with sandbagging during the 2017 NSW floods


Support for Rural Aid - Buy a Bale hay drop to support farmers during the NSW drought


Somewhere Down the Lachlan sculpture trail - to encourage tourism and promote the Wiradjuri culture


Partnering to protect and enhance the Great Barrier Reef

Building a reputation for quality and transparency in Sustainability Reporting

- Inaugural annual Sustainability Report published in 2018
- Reporting aligned with the principles of the Global Reporting Initiative (GRI), Taskforce on Climate Related Disclosures (TCFD), the United Nations Global Compact (UNGC), and the United Nations Sustainable Development Goals (SDGs)
- Evolution included in 2020 Dow Jones Sustainability Index Australia – one of only two gold companies
- Morgan Stanley Capital International (MSCI) rating of 'AA' (on a scale of AAA-CCC) – 29.5% above the industry average

SAM Now a Part of S&P Global

MSCI ESG RATINGS AA

CCC	B	BB	BBB	A	AA	AAA

SUSTAINALYTICS RATED

ISS ESG

FY21 Achievements

Operational and Financial Performance

680,788oz

Gold production

AISC A$1,215/oz[1]

(US$907/oz)[2] - among the lowest cost gold producers in the world

A$345.3M

Record statutory net profit after tax– 14% increase year-on year (YOY)

A$354.3M

Underlying net profit after tax

A$914.2M

EBITDA

Record payout of

A$273.4M

in fully franked dividends – 23.5% increase YOY

Mineral Resources and Ore Reserves

74% increase

in Mineral Resources to 26.4Moz YOY

49% increase

in Ore Reserves to 9.9Moz YOY

Sustainability

COVID-19 – **no material impact** on operations

TRIF[3] 9.6 – heavy focus on increased field leadership and high-quality safety interactions

Commitment to Net Zero greenhouse gas emissions by 2050 and 30% reduction by 2030 (Scope 1 and 2)

25% increase

in water reuse - improved water security

'AA' MSCI ESG rating' the highest rating among global gold mining peers

A$129.8M

contribution to local and regional businesses and organisations[4] including **A$100.4M** in direct spend with local organisations

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[1] All-in Sustaining Cost includes C1 cash cost, plus royalties, sustaining capital, general corporate and administration expenses on a per ounce sold basis

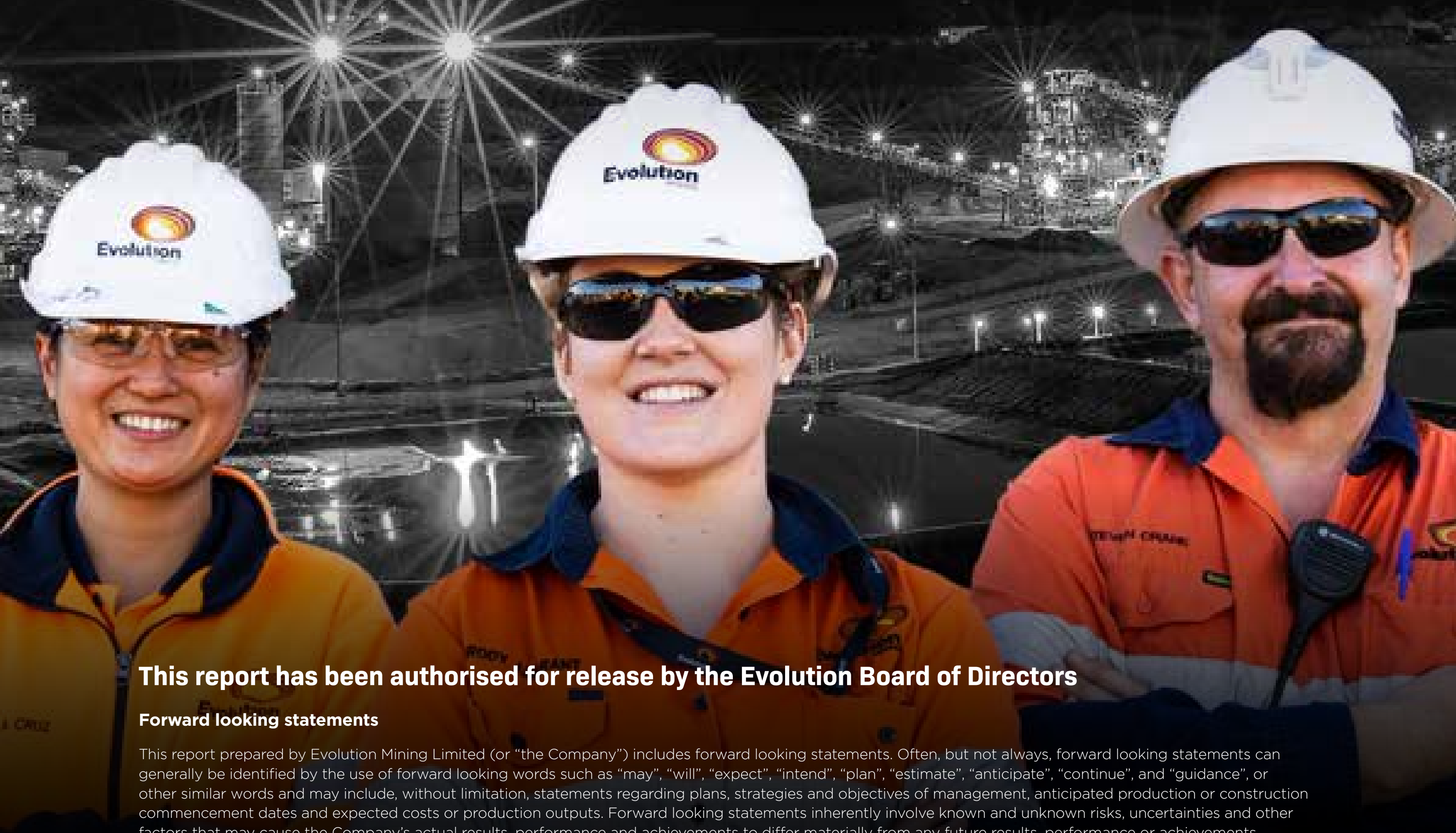
[2] Calculated using an average AUD:USD exchange rate of 0.7466 for FY21

[3] TRIF: Total recordable injury frequency. The frequency of total recordable injuries per million hours worked. Results above are based on a 12-month moving average

[4] Local and regional organisations are defined by postcode in relation to geographical proximity to Evolution mine sites

Together, we can become the best gold company in the world

Contents



This report has been authorised for release by the Evolution Board of Directors

Forward looking statements

This report prepared by Evolution Mining Limited (or "the Company") includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation. Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control. Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Executive Chairman's Report

Celebrating 10 years of inspired people creating a premier global gold company

On behalf of the Board of Directors of Evolution Mining Limited, I am proud to present you with the Company's 2021 Annual Report. This incorporates our Sustainability Report which supports our objective to deliver long-term stakeholder value through safe, low-cost gold production in an environmentally and socially responsible manner.

As we celebrate 10 years since formation, we look back on what we have achieved over the last decade with great pride. To quote from my address to the inaugural Annual General Meeting on 29 November 2011: "*Evolution was formed to create a vibrant, growth orientated, creative gold company that will attract and retain the best people to deliver on a growing portfolio of assets and attract the attention of major investors in the gold industry." Our mantra from day one has been* ***"We say, We do, We deliver"*** and I can confidently say that we have delivered far in excess of what we set out to do 10 years ago.

From the very beginning we developed a clear and consistent strategy to capitalise on what we felt would be a transformational period in the Australian gold industry. We set out to build and upgrade the quality of our asset portfolio and become a globally relevant gold company that prospers through the cycle.

In the years that followed we have had the courage to act countercyclically to acquire great assets at attractive valuations from motivated sellers who were divesting mines in Australia and Canada. Through focus and commitment, we have added significant value to these operations which now cornerstone our portfolio.

Today we are a very different company, but our vision and strategy has not changed. Our relentless focus on quality over quantity has resulted in Evolution generating sector leading returns and rewarding our shareholders by paying 17 consecutive dividends. With four long life cornerstone assets we are investing in growing production and extending mine life at these high margin assets. Importantly, we have always prudently managed our balance sheet to ensure we are well capitalised to fund our growth ambitions and deliver returns to our shareholders.

While our past achievements give us much to celebrate, we look to the future more excited than ever about our ability to capitalise on the opportunities in front of us to continue to deliver long term stakeholder value through safe, low-cost gold production in an environmentally and socially responsible manner. In July 2021 we announced our commitment to reducing greenhouse gas emissions in alignment with the climate change goals of the Paris Agreement. Evolution is committed to reducing our greenhouse gas emissions (Scope 1 and 2) by 30% by 2030; and achieving net zero greenhouse gas emissions by 2050.

Evolution continues to be recognised for its Sustainability performance, including receiving a sector leading 'AA' rating in the annual MSCI ESG Ratings assessment. The COVID-19 pandemic has not had a material impact on our operations with protocols developed to minimise risks to our people and communities and to ensure we can continue to safely produce gold during this challenging period that we continue to navigate through.

At Evolution we are committed to providing a workplace where our people are safe and healthy which relies on the commitment, leadership, teamwork, engagement and involvement of our entire workforce. This year we had a strong focus on improving leading safety metrics including proactive reporting, training, field interactions and action close outs. In FY21 our Total Recordable Injury Frequency (TRIF) rose to 9.6 (30 June 2020: 6.8). We remain fully committed to improving our safety performance.

In FY21, Evolution produced 680,788 ounces of gold at an All-in Sustaining Cost (AISC) of A$1,215 per ounce (US$907/oz). This translated into a record statutory net profit after tax of A$345.3 million, a 14.5% increase on the prior year. Operating mine cash flow totalled A$937.3 million prior to total capital investment of A$379.8 million. A record A$273.4 million in fully franked dividends was paid during the year, a 23.5% increase on FY20.

During the year a maiden Mineral Resource estimate of 11.0 million ounces of gold and Ore Reserves of 2.9 million ounces of gold, in accordance with the JORC Code, were declared at Red Lake – a significant uplift from when we announced the acquisition in November 2019. This contribution from Red Lake and continued growth at Cowal resulted in Evolution's Group Mineral Resources increasing by 74% year-on-year to 26.4 million ounces and Group Reserves increasing by 49% to 9.9 million ounces.

In May 2021 Evolution completed the acquisition of Battle North whose key asset was the Bateman operation located 10 kilometres from Evolution's Red Lake operations in Ontario, Canada. The additional processing capacity from Bateman mill will accelerate the ability to achieve in excess of 350,000 ounces of gold per annum from Red Lake.

The Cowal Underground Project Feasibility Study was completed during FY21 and has received Board and regulatory approval for development. The Cowal underground will provide a higher-grade ore source which will be blended with E42 open pit ore to drive the operation's production profile to 350,000 ounces per annum. Cowal now has a mine life of at least 17 years in which it will continue to deliver significant economic benefit for all stakeholders.

Evolution's interest in Ernest Henry continues to deliver exceptional cash flows with record net mine cash flow of A$309.0 million generated in FY21. The drilling program and Concept Study for mine life extensions below the 1,200mRL was successfully completed during the year with encouraging results. Approval to advance to a Pre-Feasibility Study is expected during the December 2021 half-year.

Subsequent to the end of the 2021 financial year, we announced that Evolution had entered into an agreement with Northern Star Resources Limited to acquire a 100% interest in the Kundana Operations; a 51% interest in the East Kundana Joint Venture; a 100% interest in certain tenements comprising the Carbine Project; and a 75% interest in the West Kundana Joint Venture. The transaction, which completed on 18 August 2021, represents an important strategic opportunity to consolidate the Mungari region, optimise the value of existing infrastructure at the Mungari Operation and capture significant operational synergies.

With four long-life, high-margin cornerstone assets, and a robust Balance Sheet, Evolution is well placed to deliver on the organic growth opportunities within the portfolio over the coming years.

Evolution relies on the relationships we have built with our stakeholders to ensure that the opportunities created by our operations produce socially inclusive and sustainable development for the communities in which we live and work. The communities near our sites experience the most direct social, environmental and economic impacts of our business. By providing competitive wages and benefits, prioritising local procurement, contributing our fair share of taxes and royalties, and investing in community programs and infrastructure, we work hard to support the development goals of our host communities and governments. We are also committed to respecting and enhancing the rights, interests, and cultural activities of our First Nation Partners and Indigenous Peoples within the communities in which we operate.

As I stated 10 years ago, we have always endeavoured to attract and retain the best people in the industry. Our people have always been our most important asset and we want every person's time at Evolution to be the highlight of their career. Time and again this year we have been challenged to go above and beyond and each time our employees and contractors have stood tall, accepted the challenge and delivered. The anxiety and disruption that COVID-19 has created should not be underestimated but together we have overcome these obstacles to continue to deliver on our strategy. I want to sincerely thank each one of our employees and contractors for their ongoing contribution. I would also like to thank the Board of Directors for the ongoing support they have given to the Leadership Team this year.

Looking ahead to the 2022 financial year, our production guidance increases to 700,000 – 760,000 ounces which is driven by growing production at Cowal and Red Lake. Group AISC is expected to be in the range of A$1,220 – A$1,280 per ounce.

Over the last 10 years Evolution has built a sustainable portfolio of long-life, low-cost, high-margin assets in the safe jurisdictions of Australia and Canada. Our balance sheet is strong, our assets are generating strong cash flow and our people are inspired to continue to deliver value for all our stakeholders while staying true to our values of Safety, Excellence, Accountability and Respect.

Yours faithfully

JAKE KLEIN
EXECUTIVE CHAIRMAN

Operations

Chief Operating Officer's Review

FY21 was the catalyst for Evolution's growth to a premier global gold mining company with significant projects brought to fruition at three of our assets, underpinned by the dedication, hard work and values-driven actions of our people.

Our Total Recordable Injury Frequency (TRIF) on 30 June 2021 was 9.6 (30 June 2020 was 6.8). Performance varied across the portfolio and although we did not achieve our TRIF target, each of our operations were actively involved in implementing sound, robust initiatives to help reduce the risk of incidents, injuries, and illnesses. We also saw pockets of excellence, with Mt Rawdon and Mt Carlton achieving respectively 3- and 6-months recordable injury free as of early August 2021. All operations have developed detailed safety improvement plans for FY22 to drive increased attention and improvement in safety, with a target TRIF reduction of 12.5% over the financial year.

COVID-19 continues to be a significant focus for the business and the formal crisis management response protocols remain activated. We have worked closely with regulators, community, and industry groups to comply, as a minimum, with agreed protocols and requirements. All management decisions are underpinned by our values of keeping our people healthy and safe. There has been no material impact on operations to date, which would not have been possible without early proactive hard work and diligence from our site and group teams in the development of clear operating protocols and trigger action response plans.

Sustainability performance remains a prerequisite to our success as a business, and year by year becomes an increasingly important element of our social licence. At Evolution, we are committed to doing our part. We have recently announced our commitment to a net zero future by reducing greenhouse gas emissions by 30% by 2030, and net zero emissions by 2050 in alignment with the climate change goals of the Paris Agreement. We will focus on reducing emissions across our operations, as well as partnering with others to develop new technological solutions.

Sustainability also means partnering with our stakeholders to deliver long-term benefits to the communities in which we operate. Our partnerships resulted in the commencement of seven new Shared Value projects in FY21 including breakthrough cancer research with the University of Queensland. I am pleased to say that our sustainability performance has been recognised by key ratings agencies including the Dow Jones Sustainability Index Australia and has resulted in an upgrade to an 'AA' rating from MSCI. This is a testament to the work being done to differentiate ourselves as a business in the Sustainability space. Details of our sustainability efforts are provided in the Sustainability section of this 2021 Annual Report.

On the production front, we finished the 2021 Financial Year with 680,788 ounces produced at an All-in Sustaining Cost of A$1,215 per ounce – both metrics were within or better than original guidance (production 2% below revised guidance in April 2021). This delivery reflects not only the improved planning systems we have been implementing but also the tenaciousness of our teams to overcome operational challenges to deliver on our commitments. In FY22, we plan to keep the momentum focusing on short interval control and better links between strategic and tactical planning.

Our internal continuous improvement program 'Act Like an Owner' has also seen a significant increase in rewards distributed, highlighting the positive culture our people continually demonstrate through value-adding efforts. In FY21, we reached a record of 225 approved submissions, representing a 20% increase on FY20.

For the third consecutive year, we delivered significant value through our Data Enabled Business Improvement (DEBI) innovation program. A$41.5 million in benefits were realised in FY21 against a target of A$30.0 million. The program comprised over a hundred initiatives across the Group, with our best success coming from processing initiatives such as the Oxide Elimination Campaign at Cowal and throughput and recovery improvements at Red Lake and Mt Rawdon. Our use of data and analytics to drive business improvement continues to mature and will continue to pay dividends as we embed it as part of how we operate.

Innovation and technology remain front of mind in our FY22 business plan, with a broad range of opportunities being pursued across the business. Examples include use of electric powered underground fleet at Red Lake, in situ leaching research options for Marsden and crowd-sourced problem solving for Discovery and operational challenges.

In FY21 Evolution continued to improve the quality of its portfolio with the acquisition of Battle North Gold to accelerate the transformation of Red Lake, and Crush Creek to provide a new ore source at Mt Carlton. The Cowal Underground development which will provide a higher-grade ore source at Cowal has received Board and regulatory approval. We also completed the acquisition of the Kundana mine and East Kundana Joint Venture assets from Northern Star Resources to elevate Mungari to the fourth cornerstone asset in the Evolution portfolio. It is an exciting time to be a part of the business, with immense opportunity ahead of us. The FY22 business plan vital few goals of Keeping our People Safe, Living our Values Driven Culture and Reliably Delivering the Budget will be paramount in securing our current and future success.

Yours faithfully

BOB FULKER
CHIEF OPERATING OFFICER

Rokion R100 battery electrical vehicle (BEV) for underground at Red Lake

Hololens (Augmented Reality) technology at Cowal - enables maintenance teams on the surface and/or at the Original Equipment Manufacturer or Dealership to view what the maintainer is seeing in real-time to expedite troubleshooting eg working on an excavator in the open pit

Operational Performance

Cowal

The Cowal operation is a world-class open pit gold operation located 350km west of Sydney and operated by Evolution since July 2015. It is situated within the Bland Shire on the traditional lands of the Wiradjuri People. The operation also works closely with the Lachlan and Forbes Shires.

Cowal was the highest gold producer in the Group, achieving 210,847 ounces of gold produced at an AISC of A$1,042 per ounce. Cowal mined to plan resulting in meeting its planned gold production. The decrease in production when compared to the prior year was mainly due to the planned transition from Stage G ore to Stage H ore in the E42 open pit, and some lower grade stockpiled material being processed while this transition occurred. In FY22 Stage H ore becomes the predominate ore feed leading to a planned increase in production.

A major milestone was achieved at Cowal with Board and regulatory approvals received for the development of the Cowal Underground Mine, which provides a higher-grade ore source that will be blended with the current E42 open pit and stockpile ore. The development of the Cowal Underground Mine is part of the Group's goal of Cowal producing 350,000 ounces of low-cost gold a year and extend its mine life out beyond 17 years, while at the same time injecting significant economic benefit for all stakeholders. The planned capital investment is A$380 million.

Capital investment in FY21 consisted of investment in major projects including the continuation of Stage H stripping, construction of the Integrated Waste Landform (IWL) tailings facility and the Underground Feasibility Study.

The development of the Galway decline commenced in late February 2021 and is targeted to complete in December 2021 quarter. This decline will establish the next stage of diamond drilling platforms to convert additional resources to reserves and to provide valuable grade control information for future mining.

The Underground Ore Reserve increased approximately 30% above the maiden estimate of 804,000 ounces to more than 1 million ounces.

Red Lake

The Red Lake operation is an underground gold mine in north western Ontario and is situated in one of the highest-grade Archean gold camps in Canada. Acquired in April 2020, an operational transformation plan is underway to restore Red Lake to a premier Canadian gold mine.

In our first year of ownership, Red Lake produced 126,339 ounces of gold at an AISC of A$2,044 per ounce which was within both production and cost guidance. The three-year transformation program at Red Lake is well underway to restore the operation's production to above 200,000 ounces per annum at an AISC of less than US$1,000 per ounce.

Construction of the Campbell Young Dickinson (CYD) Decline box cut is progressing well with first development to commence in the September 2021 quarter. This decline will provide independent access to the Upper Campbell and HG Young ore bodies where 4.8 million ounces of Red Lake's 11 million ounce Mineral Resource estimate is situated.

On 20 May 2021 Evolution announced the completion of the Battle North Gold acquisition which will enable growth plans to be accelerated at Red Lake. With the acquisition of Battle North Gold the Board has also approved an accelerated plan to deliver in excess of 350,000 low-cost ounces per annum at Red Lake within five years. The acquisition also provides the opportunity to build on our track record as a safe and sustainable operator for the long-term benefit of a broad range of stakeholders including the local workforce, regional communities and our Wabauskang and Lac Seul First Nation Partners.

The consolidated operation will consist of the Lower Red Lake, Upper Campbell, Cochenour and McFinley mining areas that will provide ore to the Campbell, Red Lake and Bateman mills with a total processing capacity target of 2 million tonnes by FY26.

Ernest Henry

The Ernest Henry copper-gold operation is a large-scale, long-life asset operated by Glencore. The operation employs sub-level caving or extraction method. It is located 38km north-east of Cloncurry, Queensland on the traditional lands of the Mitakoodi people.

Evolution acquired an economic interest in Ernest Henry that will deliver 100% of future gold revenue and 30% of future copper and silver revenue produced from within an agreed life of mine area. Outside the life of mine area, we will have a 49% interest in future copper, gold and silver revenue from Ernest Henry.

Ernest Henry had an outstanding year with records being delivered on multiple fronts. Gold production was 92,397 ounces at an AISC of negative A$(876) per ounce. The record AISC result for Ernest Henry was primarily driven by gold production being delivered to plan combined with record high achieved copper price of A$11,198 per tonne for 19,196 tonnes of copper sold. Full year net mine cash flow was A$309.0 million.

The drilling program for extensions below the 1,200mRL and the Concept Study were successfully completed with plans to seek approval for a Pre-Feasibility Study (PFS) in the December 2021 half-year.

Mungari

The Mungari operation is located 600km east of Perth and 20km west of Kalgoorlie in Western Australia. There are currently two registered native title claims over the majority of the Mungari tenements – the Maduwongga People and the Marlinyu Ghoorlie People. Our local communities are Coolgardie and Kalgoorlie.

Mungari produced another solid contribution to the Group's overall gold production result with gold production of 115,829 ounces at an average AISC of A$1,453 per ounce. Mungari's production was lower than the prior period as more material was processed from the lower grade open pits than from the higher grade underground mine in line with the mining sequence. Full year net mine cash flow was A$73.2 million.

A key highlight at Mungari has been the performance of the processing plant, which continued to perform strongly, capitalising on improved operational and maintenance initiatives. During the year Mungari achieved throughput of over 2.0 million tonnes at an average grade of 1.97g/t with gold recoveries of 91.3%. The plant throughput achieved its FY21 target and was significantly above the plant's nameplate capacity of 1.6 million tonnes per year.

The acquisition of a portfolio of high-grade underground mines within 8km of Mungari's mill from Northern Star Resources Limited announced on 22 July 2021 will escalate Mungari to Evolution's fourth cornerstone asset. The transaction provides a pathway to annual production objective of 200,000 ounces at Mungari, more than doubles the Mungari Mineral Resources and Ore Reserves and consolidates a 1,027km^2 land package.

Mt Rawdon

The Mt Rawdon Operation is located 75km south-west of Bundaberg, Queensland and is surrounded by the traditional lands of the Byellee, Gooreng Gooreng, Gurang and Taribelang Bunda people who make up the Port Curtis Coral Coast native title claim group. Our local communities are Mt Perry, Gin Gin, Biggenden and Gayndah. Evolution has owned and operated Mt Rawdon since November 2011.

Mt Rawdon produced 77,005 ounces of gold at an AISC of A$1,513 per ounce for FY21. The production result was in line with expectations and the prior period due to stable delivery of ore to the processing plant. Net mine cash flow was A$58.4 million. The team celebrated 20 years of continuous operations on 16 February 2021. A significant milestone of 365 days without a recordable injury was achieved on 25 February 2021 and the operation had been injury free for over 15 months until May 2021.

A focus on improving the reliability of the mill resulted in total throughput of 3.4 million tonnes in FY21 which was an improvement on the 3.3 million tonnes processed in FY20 and was the highest throughput achieved since FY16.

Mt Carlton

Mt Carlton is located 150km south of Townsville, Queensland, on the traditional lands of the Birriah People. Our local communities are Gumlu, Home Hill, Bowen and Townsville. The operation was developed by Evolution and commissioned in 2013.

Mt Carlton produced a total of 58,371 ounces at an AISC of A$1,937 per ounce. The result was ahead of plan. Mine operating cash flow was A$25.7 million and net mine cash flow was A$19.6 million which was a strong turnaround from the prior period due to improved operational performance.

Underground mining during the year was concentrated on gaining access to ore in the Western Feeder Zone while V2 open pit ore was extracted from the Stage 4C following the work in the prior period on the Stage 4C cutback. Adjacent to the V2 open pit, underground development of the decline into the high-grade silver A39 deposit continued during the year with production from A39 schedule to commence in the December 2021 quarter.

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Outlook

Guidance for FY22

Evolution is guiding FY22 Group gold production of 700,000 – 760,000 ounces at an AISC guidance is A$1,220 – A$1,280 per ounce. Assuming an AUD:USD exchange rate of 0.73, Evolution's forecast FY22 AISC equates to approximately US$890 – US$935 per ounce.

Investment in sustaining capital in FY22 is guided to be between A$125.0 – A$155.0 million. The majority of the sustaining capital is directed to Cowal and Red Lake to invest in equipment and infrastructure required due to their longer life of mine plans.

Investment in major capital and exploration is additional to the costs included in AISC and are reported in All-in Cost (AIC). Major capital in FY22 is guided to be in the range of A$440.0 – A$510.0 million with more than half of the major capital associated with expansion projects at Cowal to develop the Underground (A$145.0 – A$160.0 million), continue the construction of the Integrated Waste Landform (A$75 – A$80 million) and undertake feasibility studies on Open Pit expansion opportunities (A$15.0 – A$20.0 million).

Major capital investments at Red Lake covers the mine development to recapitalise the existing mining areas of Lower Red Lake and Cochenour (A$50.0 – A$55.0 million), and to commence development of two new mining areas in Upper Campbell (A$35.0 – A$40.0 million) and McFinley (A$25.0 – A$30.0 million). Major capital for the Campbell mill (A$10.0 – A$15.0 million) and Bateman mill (A$10.0 – A$15.0 million) will increase processing capacity in excess of 2 million tonnes per annum and set the operation on the path to in excess of 350,000 ounces production in FY26. The major capital at the other operations is predominantly mine development expenditure.

The table below provides details of our FY22 Guidance as released on 18 August 2021.

FY22 Guidance	Gold production (oz)	AISC (A$/oz) *	Sustaining Capital (A$M) **	Major Capital (A$M) **
Cowal	230,000 – 250,000	1,180 – 1,220	35.0 – 40.0	260.0 – 280.0
Red Lake	155,000 – 165,000	1,600 – 1,660	55.0 – 60.0	130.0 – 155.0
Mungari	115,000 – 125,000	1,750 – 1,800	15.0 – 22.5	25.0 – 40.0
Mt Rawdon	75,000 – 80,000	1,470 – 1,520	5.0 – 10.0	12.5 – 17.5
Mt Carlton	45,000 – 50,000	1,650 – 1,700	5.0 – 10.0	12.5 – 17.5
Ernest Henry	80,000 – 90,000	(780) – (720)	10.0 – 12.5	0
Corporate		70 –75		
Group	**700,000 – 760,000**	**1,220 – 1,280**	**125.0 – 155.0**	**440.0 – 510.0**

* AISC assumes A$2,200/oz Au and A$11,000/t Cu for royalties and by-products

** Corporate capital of A$3M (Sustaining) and A$2M (Major) not included above

Three-year Outlook

Production is planned to increase by at least 30% to around 1 million ounces during the three-year period to FY24. Growth will be largely driven by the ramp up of the Cowal underground mine, an increasing production profile at Red Lake and increased production at Mungari following the acquisition of the Kundana Assets. Costs are expected to remain relatively stable over the three-year period as the growth strategy continues to focus on producing high margin ounces.

Investment in sustaining capital is forecast to be between A$125 – A$155 million in FY22; A$120 – A$160 million in FY23; and A$125 – A$165 in FY24. Replacement of equipment and infrastructure at Cowal (A$35 – A$45M per year) and Red Lake (A$40 – A$45M in FY22; A$45 – A$55M in FY23 and FY24) due to extended life of mine plans account for the majority of sustaining capital. Investment in growth projects at Cowal and Red Lake will materially increase production and transform the quality of Evolution's asset portfolio.

Group Three-Year Outlook	FY22	FY23	FY24
Production (oz)	700,000 – 760,000	815,000 – 875,000	940,000 – 1,010,000
AISC (A$/oz)[1]	1,220 – 1,280	1,125 – 1,185	1,170 – 1,230
Sustaining Capex (A$/M)	125 – 155	120 – 160	125 – 165
Major Capital (A$M)	440 – 510	490 – 560	290 – 360

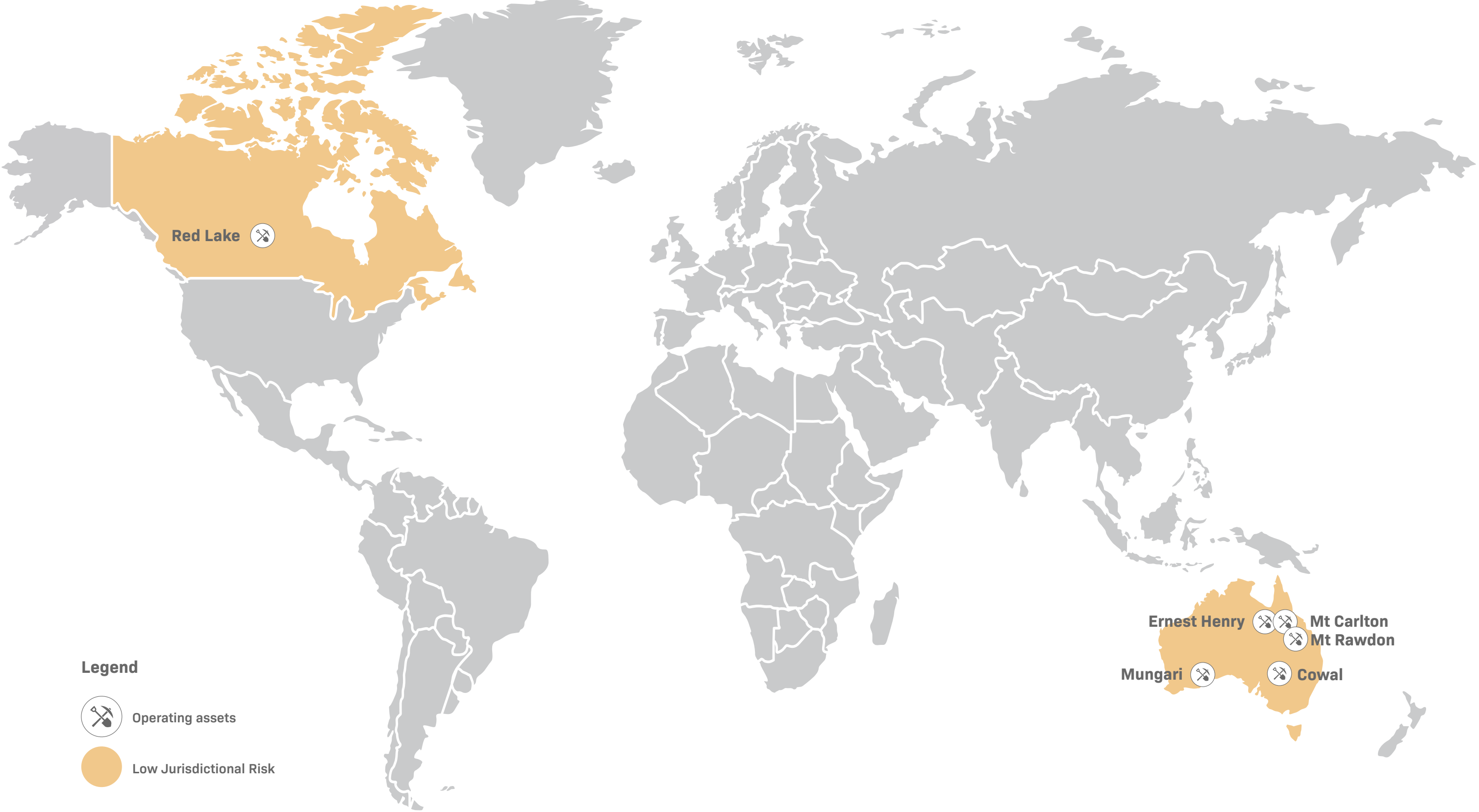
[1] AISC is based on Gold price of A$2,200/oz (royalties) and Copper price of A$11,000/t (By-product credits)

Cautionary statement concerning the proportion of Exploration Targets

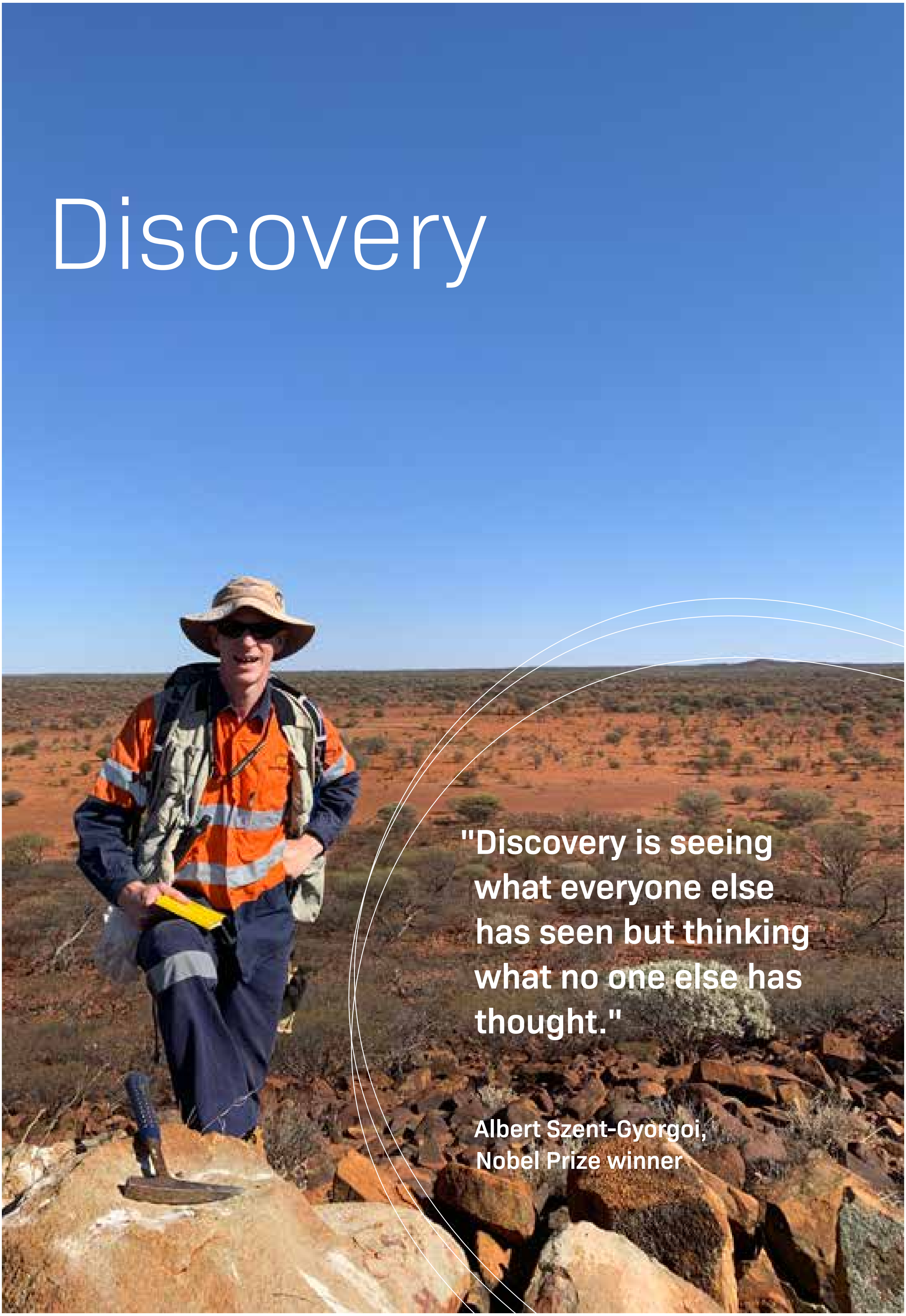
Of Evolution's Group Production Outlook, 3% is comprised of Exploration Targets. The potential quantity and grade of this Exploration Target is conceptual in nature and there has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of Mineral Resources or that production target itself will be realised.

For information on Production Targets and Forecast Financials, refer to the ASX release entitled "Acquisition to elevate Mungari to a cornerstone asset and A$400 million equity raising" released to the ASX on 22 July 2021 and available to view at www.evolutionmining.com.au. The Company confirms that all material assumptions underpinning the Production Target and Forecast Financial information derived from the Production Target in the 22 July 2021 release continue to apply and have not materially changed.

Assets located solely in Tier 1 jurisdictions



Discovery



> "Discovery is seeing what everyone else has seen but thinking what no one else has thought."
>
> Albert Szent-Gyorgoi,
> Nobel Prize winner

Discovery

We are committed to organic growth by the discovery of new gold deposits at our existing operations and across our portfolio of greenfield exploration projects. We focus on safely and responsibly finding new deposits that have the potential to deliver long-life, low-cost mines that improve the quality of our portfolio. We are building a world class exploration team and acquiring assets in highly endowed gold districts.

Our Discovery group had another outstanding 12 months in the 2021 Financial Year. This year we continued embedding and strengthening our early-stage exploration team responsible for managing our greenfield exploration projects in Western Australia and Queensland. We invested in the technical development of our people and provided opportunities to upskill and gain experience across our diverse portfolio of operating assets and greenfield projects.

Our Discovery strategy is simple. We focus on safely and responsibly finding new deposits that have the potential to deliver long-life, low-cost mines that improve the quality of our portfolio. We focus exploration for epithermal and greenstone gold mineralisation because we believe we have the right combination of skills and expertise to discover these types of deposits. However, we are also willing to consider other mineralisation styles if we believe they can deliver high quality opportunities that improve overall portfolio quality. Our area selection and project evaluation methodologies consider the following technical characteristics to help rank and prioritise where we are willing to go:

- Key mineral systems elements such as geologic architecture, fluid and metal sources, and the drivers and traps capable of producing world-class gold deposits
- Footprint scales demonstrating size and grade potential for an Evolution-scale mining operation. Distribution patterns of low-level gold, pathfinder elements and alteration mineral associations that demonstrate evidence of large hydrothermal systems always rank highly
- Navigating to gold using the right data layers to enable determination of where we are in a system and to vector to gold quickly and effectively. We believe strongly in integrating geological observations with project-wide multi-element geochemistry, airborne and handheld spectral analysis and fit-for-purpose geophysical techniques. It is critical to definitively test the best targets early. Clear program objectives and results that inform technical and, in some cases, good judgment calls to persist with a target or alternatively to walk away, are vital to our strategy

We hold highly prospective tenements in New South Wales, Queensland, Western Australia and Ontario, Canada. At the end of FY21, our Discovery team was exploring approximately 9,800km^2 of granted tenements and mining leases with applications for 76km^2 pending. These tenements are either 100% owned by Evolution or subject to earn-in or joint venture agreements.

Total expenditure for the year ended 30 June 2021 was A$52 million. A total of 172km of drilling was completed across the Group. Drilling expenditure in FY22 is guided to be A$35.0 – A$60 million.

In FY22, approximately 80% of our discovery investment will be directed to resource growth and to deliver new discoveries near our operating mines.

Cowal

The Cowal orebody is a world class deposit ranking in the top 10 Australian gold mines. Evolution has grown the Mineral Resources and Ore Reserves since acquisition in 2015 from 3.4 million to 9.7 million ounces and from 1.6 million to 4.6 million ounces respectively[5].

FY21 drilling resulted in further growth from the high-grade underground orebody. Drilling programs at GRE46 and Dalwhinnie resulted in an upgrade of Mineral Resources from Inferred to Indicated category and extended mineralisation beyond the existing Underground resource outlines. Underground Ore Reserves increased to more than 1.0 million ounces and results were analysed as part of the Underground Feasibility Study. Mineralisation remains open down plunge and along strike.

Development of the Galway decline commenced in April 2021 and drilling positions were established in June 2021. This second decline establishes the next stage of diamond drilling platforms to extend resources across the gap between Dalwhinnie and Regal along with upgrading Mineral Resource classification that will convert additional Mineral Resources to Ore Reserves and to provide confirmation of grade control parameters.

Early stage exploration continued at several prospects including at E40, Nikka and the E39 copper porphyry exploration target. Nikka is the continuation of the E42 mineralisation around the central fault beneath the pit.

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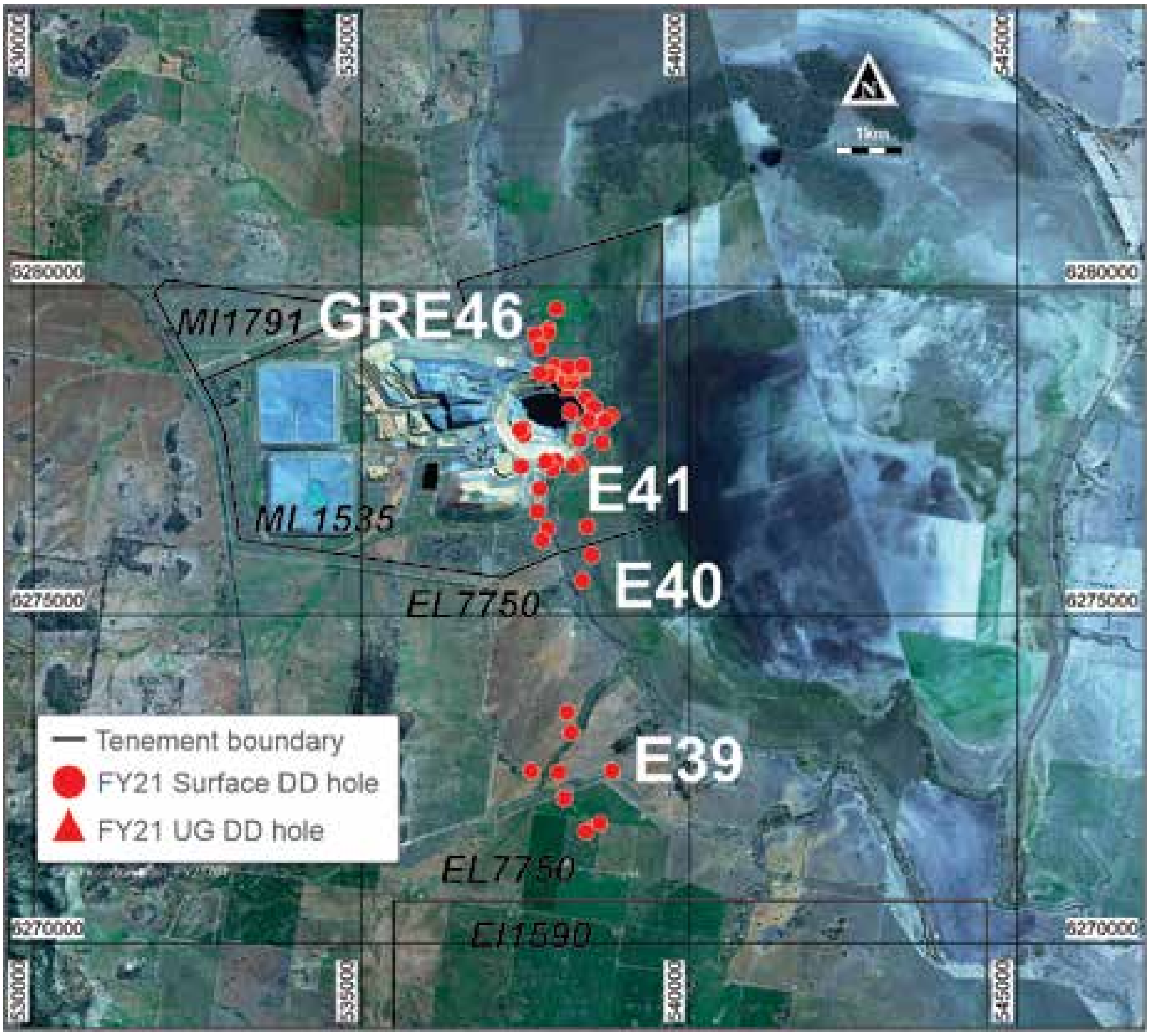
[5] Information on Mineral Resources and Ore Reserves is provided on pages 33 to 35 of this Annual Report



Location map of Cowal resource definition and regional projects in FY21

Red Lake

Red Lake is one of the largest, highest grade gold camps in North America with historical production of over 25 million ounces with head grades exceeding 20 grams per tonne.

Evolution's land position at Red Lake almost doubled to 736km^2 with the addition of the Bateman properties to the portfolio following completion of the Battle North Gold Corporation acquisition in May 2021. The resources and reserves acquired in the transaction will be re-estimated in accordance with the JORC Code and reported in Evolution's annual Mineral Resources and Ore Reserves statement in February 2022.

The Mineral Resource at 31 December 2020 is estimated at 47.8 million tonnes grading 7.2 grams per tonne for 11.0 million ounces. The Ore Reserve was materially increased to 13.2 million tonnes grading 6.9 grams per tonne for 2.93 million ounces gold following maiden estimates in accordance with the JORC Code.

Red Lake represents some of the greatest resource and exploration upside in the Evolution portfolio. In FY21, we appropriately committed to spend US$50 million on exploration over a three-year period with a planned drill program of over 100,000m per annum to test high quality targets, deliver new discoveries and to extend resources.

FY21 resource definition drilling focused on reserve conversion priorities anticipated to come into the production schedule over the next 12 to 24 months. Results from this drilling supported resource classification upgrades at Cochenour, Deep Sulphides, Lower Campbell and the Twin Otter Zone.

At Lower Red Lake, several impressive widths and grades were intersected in a small lens approximately 100m in the footwall of the Deep Sulphide ore body (Red Lake) which is a new zone with no history of previous mining.

Discovery surface diamond drilling to test drill targets along the East Bay Trend, in the Western Stratigraphy and at the SR Zone was undertaken. These areas were prioritised geologically for their potential to host new zones of high-grade mineralisation. A high-grade intersection at the SR prospect close to planned development of the CYD Decline was returned. Follow-up drilling is planned during H1FY22 to test the potential of new mineralised zones that can be accessed from the CYD Decline as it advances to future production areas at Upper Campbell.

Positive results were returned from underground drilling testing prospective stratigraphy and structures in the Hangingwall Corridor outboard of the Kovala fault which is an important structure in the geological architecture influencing the geometry of the historically mined High Grade Zone. Follow-up drilling is ongoing to test the extent and continuity of this zone.

Encouraging results at new Discovery targets (Thor/Thrust and Voss/Sidequest) along strike of Cochenour justified further drilling programs.

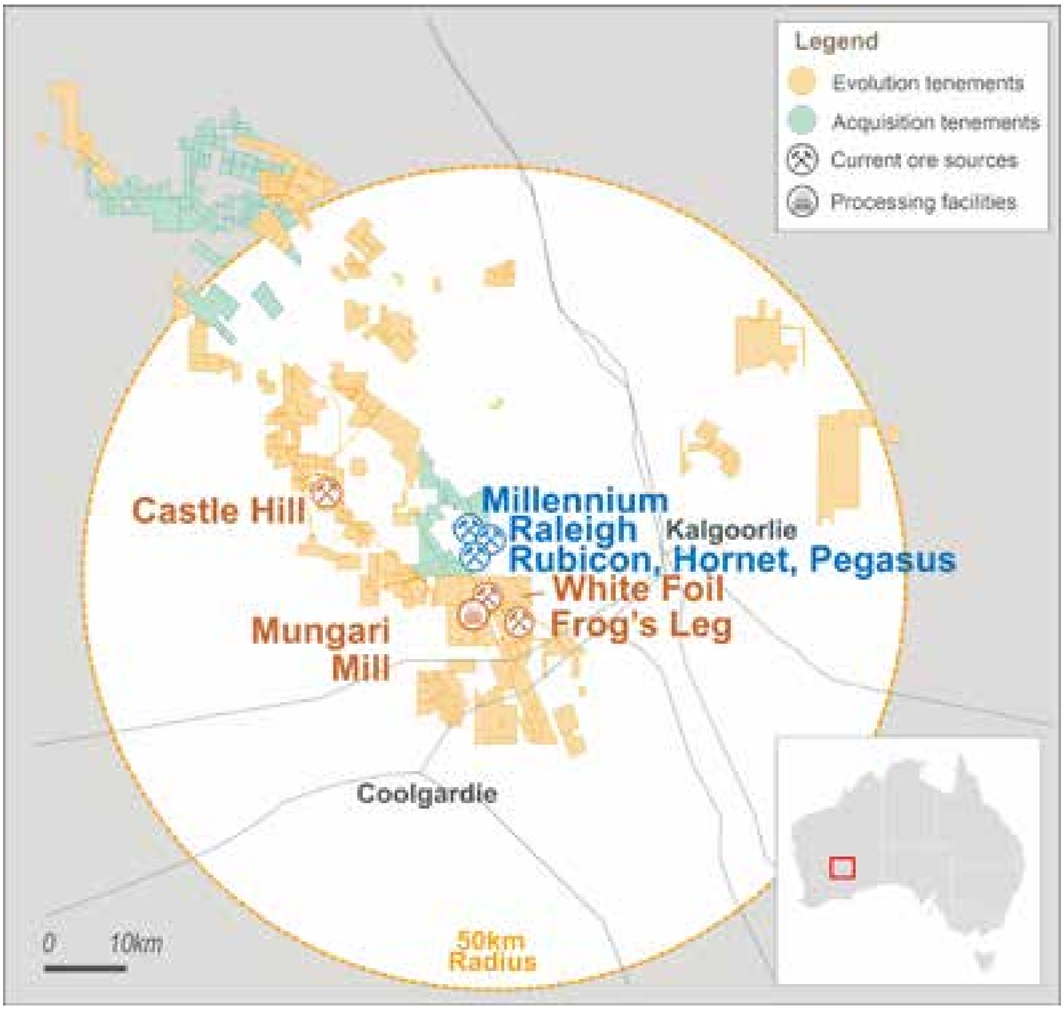
Mungari

Resource definition drilling was conducted at Frog's Leg below the Rocket ore body. The purpose of the drilling was to close out the gap between deepest development in the mine and a deep drill hole which indicated the mineralisation remains open along the dip plane of the ore body. Drilling intercepted mineralised vein structure characteristic of the Rocket ore body although, mineralised true widths reflect the ore body is narrowing at depth. Modelling will progress with a potential small addition to the resource.

Extensions along strike of the Boomer structure at Frog's Leg have been drilled north and south of the main Boomer resource. Results diminished the opportunity for new mineralisation along strike.

Resource definition drilling was conducted at Castle Hill to increase the confidence in the Mineral Resource. Infill results confirmed grade and thickness continuity of mineralised zones predicted in the geological models.

The acquisition of the Kundana Operations (100%), East Kundana Joint Venture (51%), certain tenements comprising the Carbine Project (100%) and 75% interest in the West Kundana Joint Venture consolidates a 1,027km^2 land package at Mungari. Drilling will focus on targets with the best grade potential that have the biggest impact on bringing forward future high-grade production.



Location map of Mungari

Crush Creek (100%)

Evolution entered into an earn-in agreement with private entity Basin Gold Pty Ltd over the Crush Creek project in September in 2019 and exercised an option to acquire 100% of the project on 10 December 2020.

The Crush Creek project is located 10km northwest of Collinsville, Queensland, and approximately 30km southeast of the Mt Carlton Operation. It hosts low sulphidation epithermal gold mineralisation.

Successful drilling programs at the BV7 and Delta areas have resulted in the release of a maiden Mineral Resource of 1.13 million tonnes grading 3.48 grams per tonne gold for 126,000 ounces gold, reinforcing our belief that mineralisation we are delineating has the potential to extend mine life at Mt Carlton.

Drilling is continuing at Crush Creek with a focus on growing the in-situ mineral resources at the BV7 and Delta areas as well as testing the nearby Gamma and Delta South prospects where positive results have been returned. New targets have recently been developed based on results received from soil geochemical sampling and mapping.

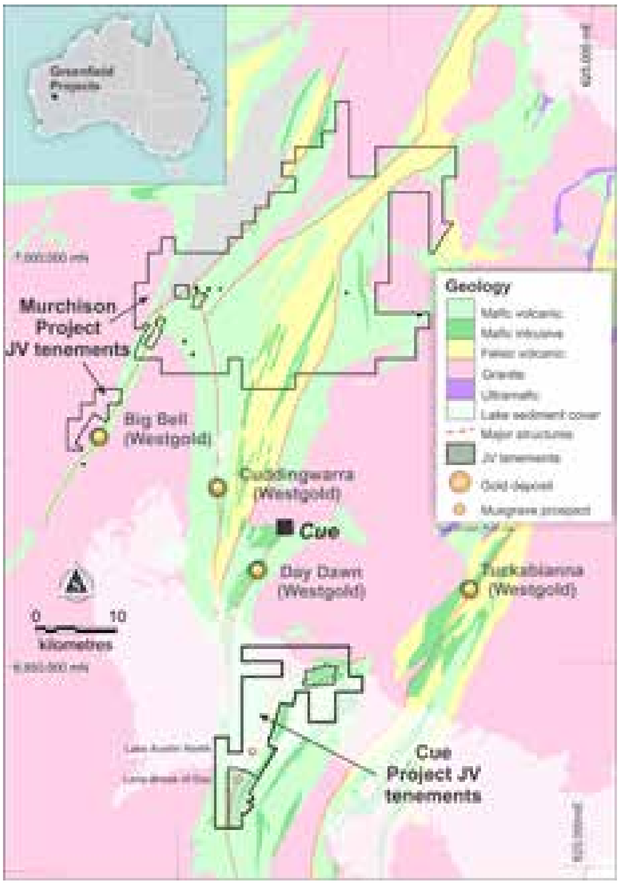
Plan of the Crush Creek area showing drill hole traces at the regional targets

Murchison Project, WA (earning 80%)

Evolution entered into an agreement with Enterprise Metals Limited over the Murchison Project in April 2019.

The Murchison Project is a large, early-stage gold exploration project covering ~835km^2 in the Murchison region of central Western Australia. The project area is prospective for Archaean greenstone hosted gold deposits and encompasses poorly tested continuations of the Big Bell and Cuddingwarra Shear Zones which host multi-million-ounce gold deposits at Big Bell, Cuddingwarra and Mount Magnet. In addition, historic exploration has indicated prospectivity for volcaniclastic copper/zinc deposits. The Murchison project is located 30km northwest of Cue, Western Australia.

Work undertaken in FY21 included a first phase aircore drilling program (140 holes for 12,082m) to evaluate extensions of the Big Bell and Cuddingwarra Shear Zones. Anomalies identified on the Big Bell Shear Zone and a structural target at the Behring Prospect will be tested by a 3,200m reverse circulation and diamond core (RC/DC) drill program.



Map showing the location and geology of the Cue and Murchison JV tenements

Cue project, WA (earning 75%)

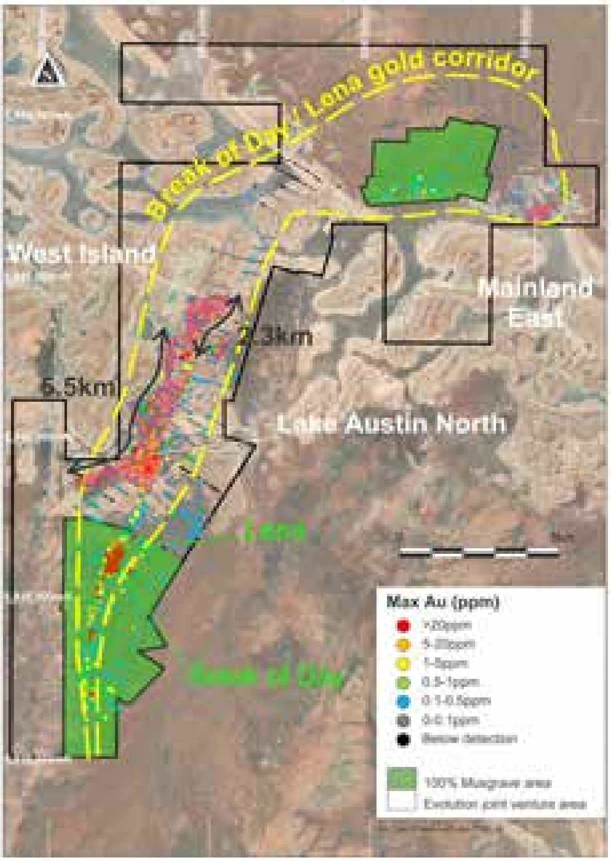
In September 2019 Evolution entered into an earn-in joint venture agreement with Musgrave Minerals Limited over the Cue exploration project. Cue is located in the Murchison Province of central Western Australia which hosts a gold endowment in excess of 30 million ounces.

The Cue project is approximately 50km south of our Murchison joint venture and is prospective for Archaean greenstone gold deposits. The Cue joint venture covers a prospective mineralised trend, which includes Musgrave's Lena and Break of Day resources to the south. Large parts of the fertile trend are poorly tested and extend under younger lake cover which is potentially obscuring mineralisation.

In FY21, four diamond holes for over 1,500m of diamond drilling were completed. Drilling targeted bedrock origins of mineralisation beneath a 7km long gold in aircore anomaly delineated in previously reported results from Lake Austin.

The drilling has identified a new high-grade gold zone at West Island hosted in a differentiated dolerite sill over a strike length of 400m. Encouragingly, mineralisation remains open in all directions. Follow-up drilling, which commenced early July, is designed to delineate the potential scale of mineralisation at West Island.

Evolution has committed A$5 million to fund further drilling at Cue in FY22. Diamond drilling will focus on delineating the system's scale at West Island as well as testing additional gold-in-regolith aircore anomalies and defining new diamond drilling targets through aircore drilling.



Location plan of the Cue JV project showing Evolution drill holes drilled in FY21 and historical drilling

Mineral Resources and Ore Reserves

Group Mineral Resources as at 31 December 2020 are estimated at **26.4 million ounces of gold and 904,000 tonnes of copper** compared with the estimate at 31 December 2019 of 15.2 million ounces of gold and 934,000 tonnes of copper. The updated estimate accounts for mining depletion in FY20 of 929,000 ounces of gold. All Mineral Resources are constrained at an A$2,000 per ounce economic threshold at Evolution's 100% owned assets.

Group Ore Reserves as at 31 December 2020 are estimated at **9.9 million ounces of gold and 505,000 tonnes of copper** compared with the 31 December 2019 estimate of 6.6 million ounces of gold and 532,000 tonnes of copper after accounting for mining depletion of 920,000 ounces of gold.

Commodity Price Assumptions

At Evolution assets, commodity price assumptions used to estimate the December 2020 Mineral Resources and Ore Reserves cut-off grades are unchanged and are provided below. An AUD:CAD exchange rate assumption of 0.9 has been used for Red Lake.

- Gold: A$1,450 per ounce for Ore Reserves, A$2,000 per ounce for Mineral Resources
- Silver: A$20.00 per ounce for Ore Reserves, A$26.00 per ounce for Mineral Resources
- Copper: A$6,000 per ounce for Ore Reserves, A$9,000 per ounce for Mineral Resources

Ore Reserves are subject to an economic test to verify extraction is justified. The economic test includes all capital, operating and sustaining costs and is performed via a sensitivity analysis using a range of assumed gold prices from A$1,450 to A$2,200 per ounce and considers a range of financial metrics including AISC, NPV and FCF. Sites may have different revenue assumptions in their final Ore Reserves financial model as detailed in previous statements.

JORC 2012 and ASX Listing Rules Requirements

The Mineral Resources and Ore Reserves statement included in this report has been prepared in accordance with the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code 2012) and the ASX Listing Rules for all Evolution assets.

Changes since 31 December 2020 Mineral Resources and Ore Reserves Statement

Evolution's Mineral Resources and Ore Reserves as at 31 December 2020 were released to the ASX on 17 February 2021 in the report entitled "Annual Mineral Resources and Ore Reserves Statement."

The Battle North acquisition announced by Evolution on 15 March 2021 was successfully completed on 19 May 2021 as advised in ASX release on 20 May 2021 and entitled "Completion of Battle North Acquisition." Mineral Resources and Ore Reserves associated with this transaction (Bateman Gold Project) are currently excluded from Red Lake Mineral Resources and Ore Reserves as they are reported under the Canadian National Instrument 43-101 Standards (see the Technical Report dated January 27, 2021 available under Battle North's profile at www.sedar.com) and are subject to change when reported in accordance with the JORC Code 2012 and the ASX Listing Rules. Revised estimates will be reported in Evolution's Annual Mineral Resources and Ore Reserves Statement in February 2022.

The acquisition of the following assets from Northern Star Resources Limited was completed as advised in ASX release on 18 August 2021 and entitled "Kundana Assets Sale Completes." Northern Star's Mineral Resources and Ore Reserves will be re-estimated according to Evolution's estimation methodologies and reported in Evolution's Annual Mineral Resources and Ore Reserves Statement in February 2022.

- 100% interest in the Kundana Operations
- 51% interest in the East Kundana Joint Venture (EKJV)
- 100% interest in the certain tenements comprising the Carbine Project
- 75% interest in the West Kundana Joint Venture (WKJV)

Evolution is not aware of any other new information or data that materially affects the information contained in the Annual Mineral Resource and Ore Reserve Statement 31 December 2020 other than changes due to normal mining depletion during the six months ended 30 June 2021.

Governance and Internal Controls

Evolution reports its Mineral Resources and Ore Reserves on an annual basis, with Mineral Resources inclusive of Ore Reserves. Reporting is in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and the ASX Listing Rules. All Mineral Resource and Ore Reserve estimates and procedures are subject to internal and external review by qualified professionals. All Competent Persons named by Evolution are suitably qualified and experienced as per minimum acceptable requirements defined in the JORC Code 2012 Edition. Prior to the public release of the Mineral Resource and Ore Reserve estimates, they are reviewed by the Evolution Board.

Competent Persons Statement

The information in this statement that relates to the Mineral Resources and Ore Reserves listed in the table below is based on, and fairly represents, information and supporting documentation prepared by the Competent Person whose name appears in the same row, who is employed on a full-time basis by Evolution (except for Mark Boon who is a full-time contractor), and is a Member or Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), Australian Institute of Geoscientists (AIG) or Recognised Professional Organisation (RPO) and consents to the inclusion in this report of the matters based on their information in the form and context in which it appears. Each person named in the table below has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012.

Evolution employees acting as a Competent Person may hold equity in Evolution and may be entitled to participate in Evolution's executive equity long-term incentive plan, details of which are included in Evolution's annual Remuneration Report. Annual replacement of depleted Ore Reserves is one of the performance measures of Evolution's long-term incentive plans.

Activity	Competent Person	Membership	Status
Cowal Mineral Resource	James Biggam	AusIMM	Member
Cowal Open Pit Ore Reserve	Ryan Kare	AusIMM	Member
Cowal Underground Ore Reserve	Joshua Northfield	AusIMM	Member
Red Lake Mineral Resource	Dean Fredericksen	AusIMM	Member
Red Lake Ore Reserve	Brad Armstrong	RPO	Member
Mungari Mineral Resource	Brad Daddow	AIG	Member
Mungari Open Pit Ore Reserve	Chris Honey	AusIMM	Member
Mungari Underground Ore Reserve	Mark Boon	AusIMM	Member
Mt Carlton Mineral Resource	Ben Coutts	AusIMM	Member
Mt Carlton Open Pit Ore Reserve	Anton Kruger	AusIMM	Fellow
Mt Carlton Underground Ore Reserve	Anton Kruger	AusIMM	Fellow
Mt Rawdon Mineral Resource	Justin Watson	AusIMM	Fellow
Mt Rawdon Ore Reserve	Thomas Lethbridge	AusIMM	Member
Marsden Mineral Resources	James Biggam	AusIMM	Member
Marsden Ore Reserve	Anton Kruger	AusIMM	Fellow

Full details of the Ernest Henry Mineral Resources and Ore Reserves are provided in the report entitled "Glencore Resources and Reserves as at 31 December 2020" released 3 February 2021 and available to view at www.glencore.com. The information in this statement that relates to the Ernest Henry Mineral Resource and Ore Reserve is based on, and fairly represents, information and supporting documentation prepared by Jessica Shiels and Michael Corbett respectively. Jessica and Michael are members of the Australasian Institute of Mining and Metallurgy and are full-time employees of Glencore. The Company confirms that all material assumptions and technical parameters underpinning the estimates in Glencore's market release continue to apply and have not materially changed. Jessica and Michael consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Table 1: December 2020 Group Gold Mineral Resource Statement – excludes Battle North Gold (Bateman Project) and Kundana Assets

Gold			Measured			Indicated			Inferred			Total Resource				Dec 19 Resource
Project	**Type**	**Cut-Off**	**Tonnes (Mt)**	**Gold Grade (g/t)**	**Gold Metal (koz)**	**Tonnes (Mt)**	**Gold Grade (g/t)**	**Gold Metal (koz)**	**Tonnes (Mt)**	**Gold Grade (g/t)**	**Gold Metal (koz)**	**Tonnes (Mt)**	**Gold Grade (g/t)**	**Gold Metal (koz)**	**CP[4]**	**Gold Metal (koz)**
Cowal[1]	Open pit	0.35	20.63	0.46	306	209.19	0.85	5,724	22.90	0.84	615	252.71	0.82	6,645	1	6,0891
Cowal	UG	1.5	-	-	-	22.78	2.55	1,868	14.75	2.43	1,151	37.53	2.50	3,019	1	2,502
Cowal[1]	**Total**		**20.63**	**0.46**	**306**	**231.97**	**1.02**	**7,593**	**37.65**	**1.46**	**1,765**	**290.24**	**1.04**	**9,664**	**1**	**8,591**
Red Lake[3]	**Total**	**3.3**	**-**	**-**	**-**	**28.09**	**7.45**	**6,371**	**19.72**	**6.82**	**4,322**	**47.81**	**7.19**	**11,053**	**2**	**-**
Mungari[1]	Open pit	0.5	-	-	-	37.55	1.19	1,443	6.80	1.35	296	44.36	1.22	1,739	3	1,849
Mungari	UG	1.8	0.34	5.09	56	1.78	3.25	187	2.58	2.46	204	4.71	2.95	448	3	560
Mungari[1]	**Total**		**0.34**	**5.09**	**56**	**39.34**	**1.29**	**1,629**	**9.39**	**1.66**	**500**	**49.07**	**1.39**	**2,186**	**3**	**2,409**
Mt Rawdon[1]	**Total**	**0.21**	**7.29**	**0.34**	**81**	**32.91**	**0.60**	**630**	**10.47**	**0.52**	**175**	**50.66**	**0.54**	**885**	**4**	**1,062**
Mt Carlton[1]	Open pit	0.35	-	-	-	6.96	0.70	157	2.17	2.56	178	9.12	1.14	335	5	3431
Mt Carlton[3]	UG	2.55	-	-	-	0.33	4.26	45	0.08	3.19	7.88	0.40	4.05	52	5	75
Mt Carlton[1]	**Total**		**-**	**-**	**-**	**7.28**	**0.86**	**201**	**2.24**	**2.58**	**186**	**9.53**	**1.26**	**387**	**5**	**418**
Ernest Henry[2]	**Total**	**0.9**	**4.29**	**0.51**	**70**	**45.43**	**0.61**	**896**	**8.98**	**0.61**	**177**	**58.70**	**0.61**	**1,143**	**6**	**1,288**
Marsden	**Total**	**0.2**	**-**	**-**	**-**	**119.83**	**0.27**	**1,031**	**3.14**	**0.22**	**22**	**122.97**	**0.27**	**1,053**	**1**	**1,053**
Total			**32.55**	**0.49**	**513**	**504.85**	**1.15**	**18,711**	**91.59**	**2.43**	**7,147**	**628.99**	**1.30**	**26,371**		**15,167**

Data is reported to significant figures to reflect appropriate precision and may not sum precisely due to rounding. Mineral Resources are reported inclusive of Ore Reserves. UG denotes underground.

[1] Includes stockpiles [2] Ernest Henry Operation cut-off 0.9% CuEq [3] Red Lake cut-off is 3.3g/t Au except for Cochenour (3.0g/t Au) and HG Young (3.2g/t Au) deposits

[4] Group Mineral Resources Competent Person (CP) Notes refer to 1. James Biggam; 2. Dean Fredericksen; 3. Brad Daddow; 4. Justin Watson; 5. Ben Coutts; 6. Jessica Shiels (Glencore)

[5] The Mineral Resource for the Mt Carlton A39 underground deposit has been estimated using a AuEq (g/t) cut-off of 4.4g/t to enable quotation of this silver rich deposit as equivalent gold ounces.

The gold equivalent (AuEq) calculation accounts for silver recoveries determined from metallurgical test work and uses an assumed silver price of A$26/oz and gold price of A$2,000/oz as per the below equation.

AuEq=26/2,000*0.8203*silver grade (Silver price/Gold price*silver recovery*silver grade). It is the Competent Persons opinion that the assigned cut-off criteria satisfies the JORC Code requirement that the reported Mineral Resource meets reasonable prospects of eventual economic extraction and that the silver present within the A39 deposit can be economically recovered.

Full details of the Evolution Mineral Resources and Ore Reserves are provided in the report entitled "Annual Mineral Resources an Ore Reserves Statement" released to the ASX on 17 February 2021 and available to view at www.evolutionmining.com.au. Full details of the Ernest Henry Mineral Resources and Ore Reserves are provided in the report entitled "Glencore Resources and Reserves as at 31 December 2020" released 3 February 2021 and available to view at www.glencore.com.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Reports and that all material assumptions and parameters underpinning the estimates in the Reports continue to apply and have not materially changed except for the Cowal Underground. This revised information is provided in ASX release entitled 'Cowal Underground Board Approval, Red Lake Growth Update and Group Three-year Outlook' released on 16 July 2021 and available to view at www.evolutionmining.com. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Reports. Evolution Mining has an economic interest earning rights to 100% of the revenue from future gold production and 30% of future copper and silver produced from an agreed area, and 49% of future gold, copper and silver produced from the Ernest Henry Resource outside the agreed area. The Ernest Henry Resource is reported here on the basis of economic interest and not the entire mine resource. The above reported figures constitute 77% of the total Ernest Henry gold resource.

Table 2: December 2020 Group Gold Ore Reserve Statement – excludes Battle North Gold (Bateman Project) and Kundana Assets

Gold			Proved			Probable			Total Reserve			Competent Person[4]	Dec 19 Reserves
Project	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes(Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)		Gold Metal (koz)
Cowal[1]	Open pit	0.45	20.60	0.46	306	104.72	0.96	3,241	125.32	0.88	3,547	1	3,6341
Cowal	Underground	1.8	-	-	-	12.55	2.59	1,045	12.55	2.59	1,045	2	
Cowal	**Total**		**20.60**	**0.46**	**306**	**117.27**	**1.14**	**4,287**	**137.87**	**1.04**	**4,593**		**4,438**
Red Lake[3]	**Total**	**4.3**	**-**	**-**	**-**	**13.16**	**6.90**	**2,929**	**13.16**	**6.90**	**2,929**	**3**	
Mungari	Underground	2.9	-	-	-	0.30	3.57	35	0.30	3.57	35	4	68
Mungari[1]	Open pit	0.75	-	-	-	9.68	1.35	419	9.68	1.35	419	5	500
Mungari[1]	**Total**		**-**	**-**	**-**	**9.98**	**1.41**	**454**	**9.98**	**1.41**	**454**		**568**
Mt Rawdon[1]	**Open pit**	**0.3**	**4.26**	**0.41**	**56**	**15.82**	**0.67**	**342**	**20.08**	**0.62**	**398**	**6**	**538**
Mt Carlton[1]	Open pit	0.8	-	-	-	6.13	0.63	124	6.13	0.63	124	7	2701
Mt Carlton[5]	Underground	3.2	-	-	-	0.30	4.52	44	0.30	4.52	44	7	40
Mt Carlton[1]	**Total**		**-**	**-**	**-**	**6.43**	**0.81**	**168**	**6.43**	**0.81**	**168**	**7**	**311**
Ernest Henry[2]	**Underground**	**0.9**	**2.67**	**0.81**	**70**	**29.94**	**0.47**	**455**	**32.62**	**0.50**	**525**	**8**	**660**
Marsden	**Open pit**	**0.3**	**-**	**-**	**-**	**65.17**	**0.39**	**817**	**65.17**	**0.39**	**817**	**7**	**817**
		Total	**27.54**	**0.49**	**432**	**257.77**	**1.14**	**9,452**	**285.31**	**1.08**	**9,884**		**6,642**

Data is reported to significant figures to reflect appropriate precision and may not sum precisely due to rounding

[1] Includes stockpiles [2] Ernest Henry Operation cut-off 0.9% CuEq [3] Red Lake cut-off is 4.3g/t Au except for Lower Campbell (4.4g/t Au) and Upper Campbell (2.5g/t Au) deposits

[4] Group Ore Reserve Competent Person (CP) Notes refer to 1. Ryan Kare; 2. Joshua Northfield; 3. Brad Armstrong; 4. Mark Boon; 5. Chris Honey; 6. Thomas Lethbridge; 7. Anton Kruger; 8. Michael Corbett (Glencore).

[5] The Ore Reserve for the Mt Carlton A39 underground deposit has been estimated using a AuEq (g/t) cut-off of 6.1g/t to enable quotation of this silver rich deposit as equivalent gold ounces

The gold equivalent (AuEq) calculation accounts for silver recoveries determined from metallurgical test work and uses an assumed silver price of A$20/oz and gold price of A$1,450/oz as per the below equation.

AuEq = 20/1,450*0.8203*silver grade (Silver price/Gold price*silver recovery*silver grade). It is the Competent Persons opinion that the assigned cut-off criteria meets the minimum acceptable criteria to support economic extraction and that the silver present within the A39 deposit can be economically recovered.

Full details of the Evolution Mineral Resources and Ore Reserves are provided in the report entitled "Annual Mineral Resources an Ore Reserves Statement" released to the ASX on 17 February 2021 and available to view at www.evolutionmining.com.au. Full details of the Ernest Henry Mineral Resources and Ore Reserves are provided in the report entitled "Glencore Resources and Reserves as at 31 December 2020" released 3 February 2021 and available to view at www.glencore.com.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Reports and that all material assumptions and parameters underpinning the estimates in the Reports continue to apply and have not materially changed except for the Cowal Underground. This revised information is provided in ASX release entitled 'Cowal Underground Board Approval, Red Lake Growth Update and Group Three-year Outlook' released on 16 July 2021 and available to view at www.evolutionmining.com. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Reports. Evolution Mining has an economic interest earning rights to 100% of the revenue from future gold production and 30% of future copper and silver produced from an agreed area, and 49% of future gold, copper and silver produced from the Ernest Henry Resource outside the agreed area. The Ernest Henry Resource is reported here on the basis of economic interest and not the entire mine resource. The above reported figures constitute 86% of the total Ernest Henry gold reserve.

Table 3: December 2020 Group Copper Mineral Resource Statement

Copper			Measured			Indicated			Inferred			Total Resource				Dec 19 Resources
Project	**Type**	**Cut-Off**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**CP[3]**	**Copper Metal (kt)**
Marsden	Total	0.2	-	-	-	119.83	0.46	553	3.14	0.24	7	122.97	0.46	560	1	560
Ernest Henry[2]	Total	0.9	1.54	0.93	14	20.20	1.16	234	7.11	1.16	83	28.85	1.15	331	2	356
Mt Carlton[1]	Open pit	0.35	-	-	-	1.25	0.29	4	1.04	0.43	5	2.29	0.29	7	3	14
Mt Carlton	UG	2.55	-	-	-	0.33	1.30	4	0.08	1.07	1	0.40	1.25		3	4
Mt Carlton[1]	Total		-	-	-	1.58	0.50	8	1.12	0.48	5	2.69	0.49	13	3	18
Total			**1.54**	**0.93**	**14**	**141.61**	**0.56**	**794**	**11.36**	**0.84**	**95**	**154.51**	**0.58**	**904**		**934**

Group Mineral Resources Competent Person[3] (CP) Notes refer to: 1. James Biggam; 2. Jessica Shiels (Glencore); 3 Ben Coutts

Table 4: December 2020 Group Copper Ore Reserve Statement

Copper			Proved			Probable			Total Reserve				Dec 19 Reserves
Project	**Type**	**Cut-Off**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Tonnes (Mt)**	**Copper Grade (%)**	**Copper Metal (kt)**	**Competent Person[3]**	**Copper Metal (kt)**
Marsden		0.3	-	-	-	65.17	0.57	371	65.17	0.57	371	1	371
Ernest Henry[2]	Total	0.9	0.80	1.49	12	12.94	0.91	117	13.74	0.94	129	2	150
Mt Carlton[1]	Open pit	1.8	-	-	-	0.32	0.12	0	0.32	0.12	0	1	10
Mt Carlton	Underground	3.2	-	-	-	0.30	1.40	4	0.30	1.40	4	1	1
Mt Carlton[1]	Total		-	-	-	0.62	0.74	5	0.62	0.74	5	1	11
Total			**0.80**	**1.49**	**12**	**78.73**	**0.63**	**493**	**79.53**	**0.63**	**505**		**532**

Group Ore Reserve Competent Person3 (CP) Notes refer to: 1. Anton Kruger; 2. Michael Corbett (Glencore)

The following notes relate to Tables 3 and 4. Data is reported to significant figures to reflect appropriate precision and may not sum precisely due to rounding. Mineral Resources are reported inclusive of Ore Reserves. Evolution cut-off grades are reported in g/t gold. [1] Includes stockpiles. [2] Ernest Henry Operation cut-off 0.9% CuEq. Full details of the Evolution Mineral Resources and Ore Reserves are provided in the report entitled "Annual Mineral Resources an Ore Reserves Statement" released to the ASX on 17 February 2021 and available to view at www.evolutionmining.com.au. Full details of the Ernest Henry Mineral Resources and Ore Reserves are provided in the report entitled "Glencore Resources and Reserves as at 31 December 2020" released
3 February 2021 and available to view at www.glencore.com.

The Company 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 parameters underpinning the estimates in the Report continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Reports. Evolution Mining has an economic interest earning rights to 100% of the revenue from future gold production and 30% of future copper and silver produced from an agreed life of mine area, and 49% of future gold, copper and silver produced from the Ernest Henry Resource outside the agreed area. Ernest Henry Reserve is reported here on the basis of economic interest and not the entire mine reserve. The above reported figures constitute 38% of the total Ernest Henry copper resource and 35% of the total Ernest Henry copper reserve.

FY21 Sustainability Report

Evolution acknowledges our First Nation Partners and Indigenous Peoples throughout Australia and Canada and recognises their continuing connection to land, waters and community. We pay our respects to them and their cultures; and to Elders past, present and emerging.

> **"Sustainability has long been at the core of Evolution's culture. We remain committed to driving programs that help address broader societal and environmental issues, such as climate change, and transparently disclosing our progress toward our key sustainability goals."**

James Askew,
Board Risk and
Sustainability Committee Chair

FY21 Sustainability Snapshot

Safety, Wellbeing and Risk

Active reporting, learning and sharing culture supported by weekly storytelling sessions

100%

of material and critical actions closed

Training compliance goal of

85%

achieved (22% improvement in FY21 compared to FY20)

Implemented and monitored controls to keep our people safe during COVID-19 and no interruption to operations

100%

of significant incidents reviewed with senior management and front-line leaders to promote learning across the business

Strong hazard reporting culture

Increased services to meet demand for mental health and wellbeing support during COVID-19

Zero fatalities and prevention through safety in design principles

Governance

100%

of all assets internally and externally audited and verified with oversight from the Board Risk and Sustainability Committee

Tailings Storage Facility (TSF) Governance Committee providing effective oversight of TSF management

Published 2020 Modern Slavery Statement, Supplier Code of Conduct and Procurement Statement

People

21%

increase in female workforce participation compared to FY20

7%

7% Indigenous workforce (consistent with FY20)

87%

'Choose to Stay' (employee retention rate) against a target of 87%

231

'Act Like an Owner' nominations (17% increase compared to FY20)

42%

of jobs filled internally (2% increase compared to FY20)

Aligned reporting with four key Environmental, Social and Governance (ESG) reporting frameworks reporting including Global Reporting Initiative (GRI) and Task Force on Climate-Related Financial Disclosures (TCFD)

Independent sustainability materiality assessment completed

Transparency with ESG reporting agencies

Became signatory to the United Nations Global Compact

Environment

Commitment to Net Zero greenhouse gas emissions by 2050 and 30% reduction by 2030 – aligned with the Paris Agreement (FY20 baseline for Scope 1 and 2)

Improved water security with

25%

increase in water reuse

No material environmental incidents

Over

70%

renewable energy at Red Lake operations

323

hectares of land rehabilitated on mine sites

100%

of sites covered under biodiversity plans

Community

Strong partnerships through locally relevant projects and engagement

67%

local employment across our operations

A$3.30M

in direct community investment

A$1.80B

contribution to the Australian and Canadian economies[2]

Committed

A$1.79M

to 7 Shared Value Projects[1]

A$129.8M contribution to local and regional businesses[3] and organisations including A$100.4M in direct spend with local organisations (27% increase in local spend compared to FY20)

Contributed over A$2.5M (since the pandemic began) to provide direct and indirect support to our local communities impacted by the pandemic

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[1] Shared Value Project spend was A$912K in FY21

[2] Economic contributions include supplier payments, wages, dividend payments, interest, taxes, royalties, community investment, payments to providers of capital and payments to financial institutions (interest)

[3] Local and regional organisations are defined by postcode in relation to geographical proximity to Evolution mine sites

Environmental, Social and Governance (ESG) Ratings Performance

S&P Global Corporate Sustainability Assessment	**Morgan Stanley Capital International (MSCI)**
CSA SAM Corporate Sustainability Assessment S&P Global: Inclusion in 2020 Dow Jones Sustainability Index Australia and 19% improvement in year-on-year score SAM Now a Part of S&P Global	*MSCI rating score of 'AA' for the Company's resilience to long-term ESG risks*[4] MSCI ESG RATINGS AA CCC B BB BBB A AA AAA

Shared Value Projects

The following Shared Value Projects (SVP) were supported in FY21:

New

- Red Lake Fire Recovery Support – Emergency Service capability uplift
- Mt Rawdon: Mt Perry Summit Walk Trail Upgrade
- West Wyalong Community Theatre
- 1770 Cultural Immersion Festival
- Galari Agricultural Company[5]
- West Wyalong Advocate Newspaper
- University of Queensland Sustainable Transformational Reuse and Economic Alternatives for Mine Waste Study

Ongoing

- University of Queensland's Research for Early Cancer Diagnosis Using Gold (extending to long haul COVID-19)
- Great Barrier Reef Beach Scrub Protection
- Johnathan Thurston JT Academy
- Great Barrier Reef Yellow Zone Research Project

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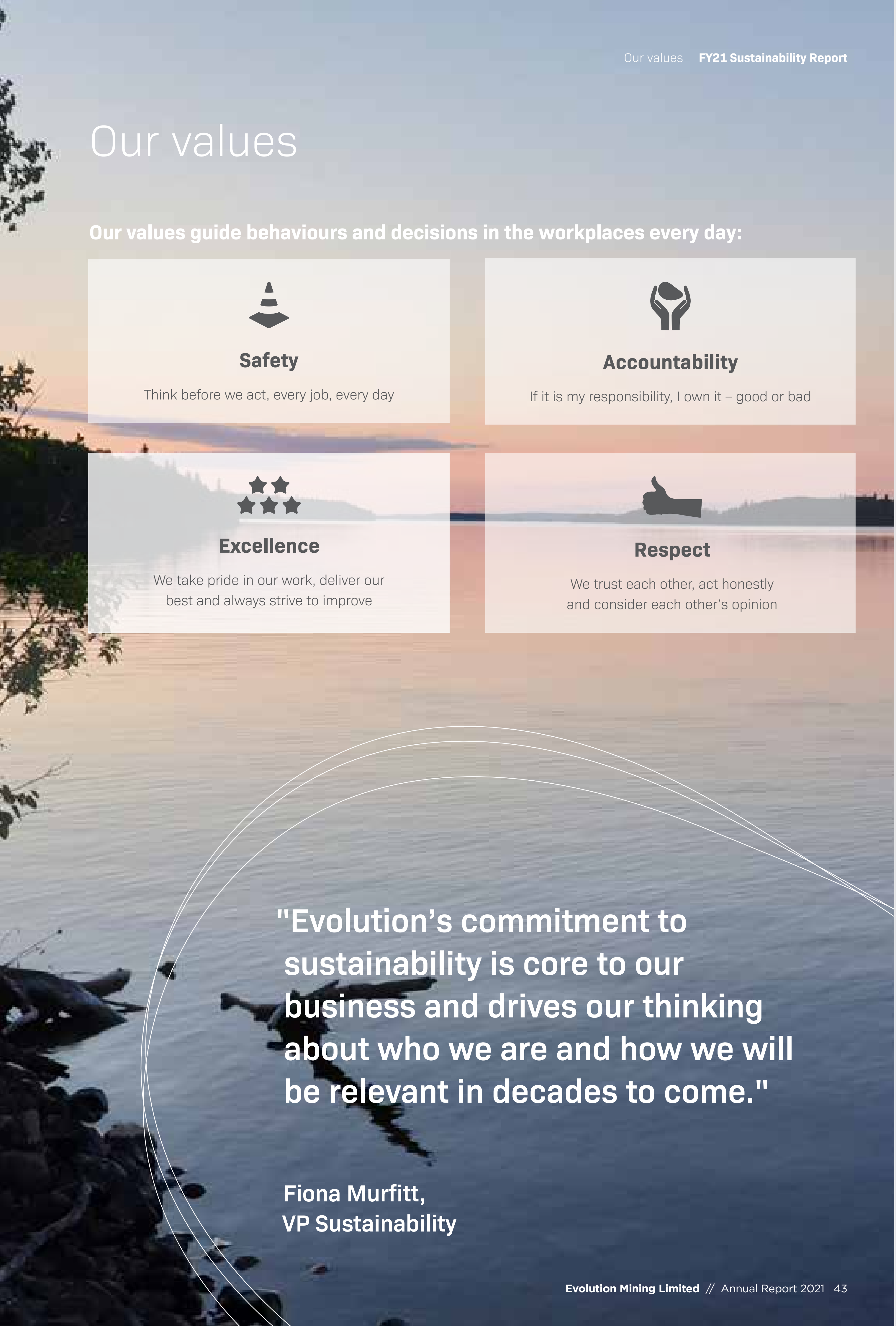
[4] The use by Evolution Mining of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Evolution Mining by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI

[5] Partnered with Wiradjuri Condobolin Corporation to undertake a study on the feasibility of the Galari Project

Our sustainability vision is to deliver long-term stakeholder value through safe, low cost gold production in an environmentally and socially responsible way.



Our values

Our values guide behaviours and decisions in the workplaces every day:

Safety

Think before we act, every job, every day

Accountability

If it is my responsibility, I own it – good or bad

Excellence

We take pride in our work, deliver our best and always strive to improve

Respect

We trust each other, act honestly and consider each other's opinion

> "Evolution's commitment to sustainability is core to our business and drives our thinking about who we are and how we will be relevant in decades to come."
>
> **Fiona Murfitt,**
> **VP Sustainability**

The Executive Chairman on Sustainability at Evolution

On behalf of the Evolution team, I am pleased to present our FY21 Sustainability Report which describes the progress we are making on delivering long-term stakeholder value through safe, low-cost gold production in an environmentally and socially responsible way.

The COVID-19 pandemic has had a profound impact around the globe. Through strong collective leadership and management, Evolution has continued to operate safely through COVID-19 with no material impact on operations. Since the pandemic began, we have contributed over A$2.5 million to provide direct and indirect support to our local communities impacted by the pandemic.

During the year, we focussed on building a learning culture so that our people have greater understanding of the controls in place to keep them safe and healthy. We remain committed to continuing efforts to improve health and safety performance with a heavy focus on robust controls, increased field leadership and high-quality safety interactions. The focus on understanding and supporting holistic wellbeing was also accelerated due to the changing demands of the pandemic.

We strengthened our evaluation and disclosure of climate change risks and opportunities for our business with increased alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) and a commitment to a Net Zero future by reducing greenhouse gas emissions by 30% by 2030, and Net Zero emissions by 2050, aligned with the climate change goals of the Paris Agreement. We will focus on reducing emissions across our operations, as we partner with others to use renewable energy and develop new technology solutions. Detailed planning of emission reductions pathways, actions and project assessment modelling is underway to address climate risks in the medium and long term.

The ongoing management of Tailings Storage Facilities (TSFs) is also material. In FY21, the management, governance and assurance practices for TSFs were strengthened. Sustainability has been fully integrated into life-of-mine planning as demonstrated by the improved planning, training and review processes, supported by the rigour of the TSF Committee.

Respect is one of our values at Evolution. Building an increasingly inclusive culture where everyone can bring their true self to work has been enhanced by a dedicated Inclusion and Diversity measure and target in FY22. This has been developed to support positive inclusion outcomes to help deliver the long-term goal of making people's time at Evolution a highlight of their career.

The recent destruction of culturally sensitive land in Australia challenged the industry to review protocols, standards, and processes. In FY21, Cultural Heritage risks associated with our current and future activities were re-assessed to ensure that our management is thorough and transparent. This management continues to be underpinned by close engagement with our First Nation Partners and Indigenous Peoples.

Significant social contributions through our activities included a A$1.80 billion contribution to the Australian and Canadian economies, with a A$129.8 million contribution to the local and regional businesses and organisations in which we operate. Examples of Shared Value Projects and partnerships are highlighted in this report and include breakthrough cancer and COVID-19 research with the University of Queensland, Red Lake fire recovery support, the revival of the West Wyalong Advocate newspaper and partnership with Rural Aid that facilitated the installation of SOURCE hydro panel arrays at two schools in the Whitsunday region in North Queensland.

At Evolution, we want our team members to 'Act Like an Owner' (ALO) by treating our business as their own. In FY21, the ALO program continued to grow and drive continuous improvements to deliver significant value through innovation across sustainability and other business-critical areas. 231 ALO initiatives across the business were implemented.

An increased level of transparency, due diligence and reporting has continued as evidenced via our Modern Slavery Statement and Supplier Code of Conduct being published. In this area in FY22 we intend to focus on improving the breadth and depth of our human rights risk assessments. Our high levels of transparency have been recognised by key ratings agencies including the Dow Jones Sustainability Index Australia and resulted in an upgrade to an 'AA' rating from MSCI. We also became a signatory to the United Nations Global Compact in FY21 and are pleased to include our first "Communication on Progress' within this report.

Sustainability is at the heart of our purpose and we are committed to continually improving our sustainability performance in FY22. I would like to acknowledge and thank all our staff, contractors, partners and our local communities in which we operate, for their dedication and ongoing contribution to our sustainability efforts which are making a measurable impact.

Yours faithfully

JAKE KLEIN
EXECUTIVE CHAIRMAN

Our Approach to Sustainability

Boundary and Scope

Evolution's FY21 Sustainability Report marks the fourth year of annual reporting on the sustainability topics that are most material to our business and stakeholders. This Report is for the period from 1 July 2020 to 30 June 2021 and is approved for release by our Board of Directors.

The Sustainability Report covers operations at our 100%-owned gold mines in Australia and Canada: Cowal in New South Wales, Mt Carlton and Mt Rawdon in Queensland, Mungari in Western Australia, Red Lake in Ontario and our exploration activities in Australia and Canada. In addition to these assets, we hold an economic interest in the Ernest Henry copper-gold mine in Queensland, a large-scale, long-life asset operated by Glencore. More information on Ernest Henry's sustainability performance is available on the Glencore website.

This Report is aligned with the principles of GRI, TCFD, the United Nations Global Compact (UNGC) and the United Nations Sustainable Development Goals (SDGs). To aid the cross-referencing of this Report's information on Evolution's material aspects to elements of the GRI Sustainability Reporting Standards and other ESG frameworks, a separate ESG Performance Data document has been prepared and links with this report. It is available online at https://evolutionmining.com.au/sustainability/

Management Approach Information

Management approach information related to each material topic is available in this Report and on the Evolution Mining website at https://evolutionmining.com.au/sustainability/

Information Integrity and Report Audit

In the preparation of Evolution's Sustainability Report, quality and relevant information is gathered, recorded, analysed and disclosed to prepare the Report in a way that is readily available for examination. Assurance reporting is undertaken on National Pollutant Inventory (NPI) and greenhouse gas (GHG) emissions as part of the submission to National Greenhouse and Energy Reporting Act 2007 (NGER Act). Technical experts have also been engaged to complete a range of internal audit processes.

Contact

We welcome feedback and invite readers to send any comments or enquiries about this report to us at esgreporting@evolutionmining.com

Governance

Governance

FY21 Highlights

Alignment of disclosures with GRI, TCFD and ASX *Corporate Governance Recommendation* 7.4[6]

Strong collective leadership to navigate COVID-19 safely with no material impact

No material environmental non-conformances

Representation with Industry Working Groups in all jurisdictions addressing transition risk to a lower carbon economy

Strategic uplift in the integration of Sustainability Principles, Policies and Standards

100%

of all assets internally and externally audited and verified with oversight from the Board Risk and Sustainability Committee

Tailings Storage Facility (TSF) Governance Committee providing effective oversight of TSF management

Published

2020

Modern Slavery Statement, Supplier Code of Conduct and Procurement Statement

98%

compliance on Cyber Awareness Training

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[6] ASX Corporate Governance Principles and Recommendations

Our Sustainability Principles

Sustainability is integrated into every aspect of the business to ensure we deliver long-term stakeholder value through safe, reliable, low-cost gold production in an environmentally and socially responsible way. Our approach is guided by nine Sustainability Principles which align with the UNSDGs.

1

Be an employer of choice attracting the most talented people and foster a safe, diverse and inclusive workplace

2

Demonstrate robust risk management and safety leadership

3

Contribute positively to local, regional and national sustainability efforts by achieving an outstanding level of environmental stewardship

4

Actively manage climate related risks and opportunities including improving energy efficiency and the responsible management of water

5

Protect and enhance our reputation as a trusted partner and provide community benefits that endure beyond the life of our mines

6

Advance the outcomes for indigenous peoples and protect their Cultural Heritage

7

Respect the human rights of all our stakeholders

8

Be transparent at all levels of Corporate Governance, comply with applicable laws and regulations and operate at the highest standards of financial and ethical behaviour

9

Relentlessly drive for operational excellence through an innovative culture and inspired people delivering to plan

Sustainability: Integrated Into Everything We Do

Our sustainability strategy focuses on value creation to advance our sustainability performance through:

- Unlocking potential through leadership to develop proactive behaviours
- Disciplined, consistent and reliable risk management – the right way every time
- A commitment to reduction in environmental footprint
- Our Net Zero future
- Further enhancing our social licence to operate through targeted community plans
- Protecting Cultural Heritage and First Nation Partner relationships
- Strengthening reputation through shared stories supported by a strong reporting culture. Resilient to change improved disclosures
- Assurance to promote ongoing improvement

Sustainability Policy and Strategic Planning Policy

The Sustainability Policy[7] and Strategic Planning Policy[8] outline how sustainability is integrated into the business and are designed to be read together. These policies focus on the holistic management of risks in:

- Health and safety
- Environment
- Cultural Heritage
- Human Rights
- Risk-based decision making
- Reporting, learning excellence, innovation, and continuous improvement
- Crisis and emergency management and corporate governance
- Accountabilities for Risk, Sustainability and Strategic Planning

Sustainability Performance Standards and Strategic Planning Standards

The Sustainability Performance Standards[9] and Strategic Planning Standards support the Sustainability Policy and Strategic Planning Policy in providing the minimum risk and sustainability requirements to be met or exceeded in all areas of our business, including our operations, exploration and Group activities.

In FY21 an internal audit of each asset for compliance was completed against these standards. While we identified areas for improvement, we did not identify any material risks or issues. These findings were independently verified by third-party auditors.

Sustainability Materiality Assessment

An independent materiality assessment was conducted in FY21 to identify the most important environmental, social and governance issues for key external and internal stakeholders. We use this input to help prioritise sustainability actions, inform our sustainability strategy and ensure we report on the issues that are most important to our stakeholders.

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[7] Sustainability Policy

[8] Strategic Planning Policy

[9] Sustainability Performance Standards

Four step process for Materiality

1 Identify Material sustainability issues are identified by considering both internal and external factors, including a review of current and emerging sustainability topics in the media impacting the industry, risk assessments, internal policy, peer benchmarking and regular internal and external stakeholder engagement

2 Prioritise Topics are ranked based on their importance to the business and external stakeholders using a range of inputs, before being classified as high, medium or low

3 Validate The classification of topics is validated by our Leadership Team and the Board's Risk & Sustainability Committee

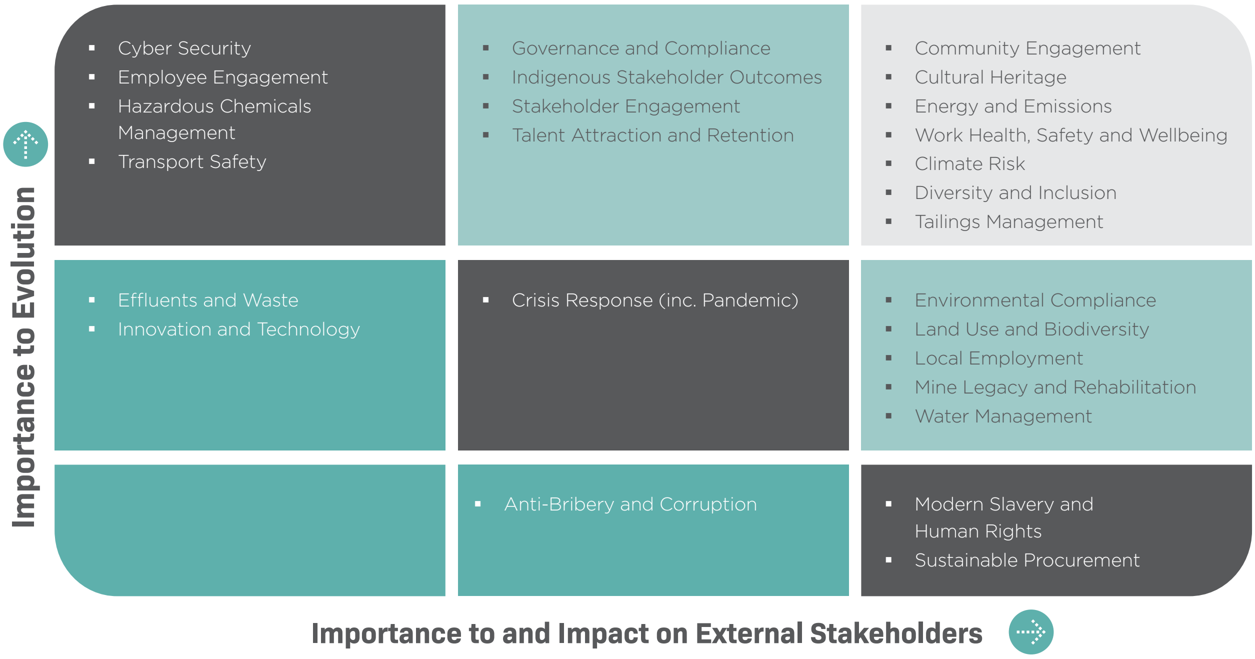
4 Report and Review Additional sustainability topics have also been included in this Report to meet expectations of stakeholders and other reporting requirements. Material topics will be reviewed internally on an annual basis and continue the full external refresh cycle every three years

A broad range of sustainability issues were considered that are common to both local and global mining operations using peer and industry benchmarking of topics. These were analysed against international standards and guidelines, such as the GRI topic-specific disclosures and the SDGs. Results from ESG Surveys (i.e. CSA SAM, MSCI) were considered to incorporate investor input into the assessment.

The materiality matrix identifying our material issues, and their alignment with our Sustainability Principles and relevant SDGs are described below.

Evolution's FY21 Sustainability Materiality Matrix

All topics in the matrix have been identified as important to Evolution and its stakeholders Issues are listed in alphabetical order



Cyber Security Employee Engagement Hazardous Chemicals Management Transport Safety	Governance and Compliance Indigenous Stakeholder Outcomes Stakeholder Engagement Talent Attraction and Retention	Community Engagement Cultural Heritage Energy and Emissions Work Health, Safety and Wellbeing Climate Risk Diversity and Inclusion Tailings Management
Effluents and Waste Innovation and Technology	Crisis Response (inc. Pandemic)	Environmental Compliance Land Use and Biodiversity Local Employment Mine Legacy and Rehabilitation Water Management
	Anti-Bribery and Corruption	Modern Slavery and Human Rights Sustainable Procurement

○ Priority 1 ◍ Priority 2 ● Priority 3 ● Priority 4

Material Topics mapped against the SDGs and Evolution Sustainability Principles

	EVN material issues	EVN Sustainability Principles Alignment	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Environmental	Climate risk	4											■	■	■				■
	Effluents and Waste	3						■					■	■					■
	Energy and emissions	4							■					■	■				■
	Environmental Compliance	3											■			■	■		■
	Land Use and Biodiversity	3												■		■	■		■
	Mine Closure: Rehabilitation	3														■	■		■
	Tailings Management	3														■	■		■
	Water Management	4						■											■
Governance	Anti-Bribery and Corruption	8																■	■
	Cyber Security	2																	■
	Governance and Compliance	8																■	■
	Hazardous Chemicals Management	2								■						■	■		■
	Innovation and Technology	9							■		■			■					■
	Stakeholder Engagement	8																	■
	Sustainable procurement	8							■					■					■
	Transport Safety	2								■									■
Social	Community Engagement	5	■	■	■							■	■					■	■
	Crisis response (inc. Pandemic)	1			■														■
	Cultural Heritage	6										■						■	■
	Diversity and Inclusion	1					■			■		■							■
	Employee Engagement	1				■	■			■									■
	Indigenous Stakeholder Outcomes	6	■	■								■						■	■
	Local Employment	1	■	■		■				■		■							■
	Mine Closure: Legacy	5	■	■								■							■
	Modern Slavery and Human Rights	7								■		■							■
	Talent Attraction and Retention	1				■	■			■									■
	Work Health, Safety and Wellbeing	1			■					■									■

Performance (Progress against key targets)

In FY21, a number of measures and targets were used to quantify Evolution's progress toward key strategic and sustainability objectives set for FY21. Our performance against these measures and targets are aligned with our sustainability principles and FY21 Balanced Business Plan (BBP). The BBP is designed to be a balanced scorecard which has five key business pillars: Zero Harm and Sustainability, People, Operations, Growth and Financial Outcomes.

We are pleased to report that by the end of FY21, nearly all of our targets and measures were met or exceeded against these relevant business pillars and all supporting projects objectives. Notably, the environmental target of reduction in fresh water used by operations was significantly improved in addition to delivering agreed actions against our community (including First Nation Partners) plans, and our 'Choose to Stay' (employee retention) rate. The target of energy and emissions per tonne mined was also within range. This is discussed in more detail in the 'Environment' section.

The factors that contributed to significant reduction in fresh water use included record return volumes for the Tailings Integrated Waste Landform (IWL) Cell at Cowal and successful reuse and harvesting strategies across all sites. The reduction in the baseline was approximately a 26% improvement in FY21.

While we did not achieve the Total Recordable Injury Frequency (TRIF) target, each of our operations was actively involved in implementing robust initiatives to help reduce the risk of incidents and to minimise the risk of injuries and illnesses. Improvements were seen in leading safety metric improvements such as increased proactive reporting, training compliance, field interactions, action close out and participation in weekly learning calls.

There was variable performance across the sites from world class, to needing improvement. Mt Rawdon set an Evolution record of 463 days without a recordable injury and Mt Carlton exceeded 100 days since their last recordable injury as at 30 June 2021.

There was a reduction in the severity of injuries and in those incidents that could have been significantly higher potential injuries. There has been ongoing commitment to the review of material actions to ensure these are addressed and closed out on time (100% for FY21). These actions are reviewed on a weekly basis and reported on monthly, demonstrating a high level of confidence in reporting.

The table below provides a snapshot of Evolution's sustainability performance against key FY21 targets, mapped against select material topics.

Material Topic	FY21 Target	FY21 Performance
Water Management	0.54KL raw water drawn per dry tonne milled	0.40KL raw water drawn per dry tonne milled
Energy and Emissions	0.012t CO2-e/t material mined (Scope 1 and 2)	0.0129
Environmental Compliance	Zero material environmental incidents	Zero material environmental incidents
Work Health, Safety and Wellbeing	Total recordable injury frequency rate (TRIF) - per million work hours at or below 5.25	9.62
Cultural Heritage	0 Material Cultural Heritage Incidents.	0 Material Cultural Heritage Incidents
Community Engagement	Complete 100% of actions in Community Relations Plans. 0 Material Community Impact Incidents	100% of Actions in Community Relations Plans have been completed 0 Material Community Impact Incidents
Talent Attraction and Retention	87% Choose to Stay (employee retention rate)	87%

Stakeholder Engagement (material topic)

Definition: Reporting and engagement with investors, customers, Traditional Owners, regulators, local authorities etc.

Our Approach

A stakeholder engagement approach based on clear communication, transparency and trust, helps us to understand the interests and concerns of our stakeholders and emerging issues and risks to our operations.

The Stakeholder Engagement Performance Standard ensures a consistent approach to engaging with communities, employees and other stakeholders. Each of our sites use a systematic and recurring stakeholder mapping process (eg social impact assessment) to identify and prioritise stakeholders from direct and indirect influence areas, and those interested in, or potentially affected by site activities.

As site or social activities change (eg mine expansion projects, post-mine land use reviews, Black Lives Matter movement and Juukan Gorge), the level of interest of different stakeholder groups and the nature of their interests and concerns can also change. Special consideration is also given to identifying potentially vulnerable groups (either within the socio-economic or the political context) whose voices and perspectives may not otherwise be heard.

The table below provides an overview of stakeholder groups engaged in FY21, key interests and concerns, and how we generally respond to them. Updates on stakeholder engagement are provided to the Board Risk and Sustainability Committee on a quarterly basis.

Stakeholder type	How we listen	What matters	How we respond
Employees and Contractors	▪ Regular feedback sessions, performance reviews and personal development plans ▪ Regular Employee surveys (Teamgage) ▪ Group and site townhalls and team meetings ▪ Communities of practice	▪ Feeling engaged and a sense of belonging, and being enabled to do their job ▪ Regular performance feedback ▪ Career and development opportunities ▪ Fostering a values-led organisational culture that optimises performance ▪ Health and safety including mental health and wellbeing ▪ Mine life	▪ Communication ▪ Promote our values ▪ Ongoing safety, health and wellbeing initiatives ▪ Weekly staff meeting with the Executive Chairman and Leadership Team ▪ Site prestart meetings ▪ Site Townhalls and updates ▪ GM updates ▪ Weekly business updates from the Executive Chairman
Investors and Analysts	▪ Regular meetings with investor representatives and financiers	▪ Consistent financial returns ▪ Management of financial and non-financial risks ▪ High-quality corporate governance ▪ Sustainability and Climate change risk management ▪ Health and safety performance ▪ Cultural Heritage management	▪ Investor briefings ▪ Full-year and half-year results briefings ▪ Annual General Meeting ▪ ASX announcements ▪ Commitment to global best-practice ESG reporting frameworks ▪ Targeted specific meetings
First Nation Partners and Indigenous Peoples	▪ Regular community and Cultural Heritage meetings ▪ Stakeholder perception surveys ▪ Community grievance mechanism ▪ Community events and information sessions ▪ Local social media channels	▪ Local employment and contracting opportunities ▪ Economic benefits ▪ Cultural Heritage management ▪ Cost of living and potential impacts on local services ▪ Cultural safety ▪ Mine life	▪ Regular community consultations and communication ▪ Targeted community investment programs, Shared Value Projects etc. ▪ Deliver on Cultural heritage and Native Title agreements ▪ Regular participation at cultural events

Stakeholder type	How we listen	What matters	How we respond
Government and Regulators	▪ Ongoing dialogue with regulators, government agencies and broad range of political stakeholders	▪ Economic benefits ▪ Environmental, Cultural Heritage, social and financial performance ▪ Climate change and greenhouse gas emissions ▪ Regulatory compliance ▪ Transparency ▪ Cultural Heritage	▪ Regular engagement with all levels of government ▪ Direct submissions to state and federal governments' consultation processes ▪ Contribute to industry and business associations
Non-Government Organisations	▪ Input into social and environmental impact assessments ▪ Regular participation in industry forums and associations	▪ Climate change and greenhouse gas emissions ▪ Cultural Heritage ▪ Environmental impacts ▪ Transparency ▪ Human rights	▪ Engagement on Shared Value Projects ▪ Commitment to international climate initiatives and reporting frameworks ▪ Partnerships for environmental research ▪ Engaged in the United Nations Global Compact
Suppliers and Contractors	▪ Supplier networking events ▪ Workshops with local business networks ▪ Regular reciprocal supplier performance reviews ▪ Embedded supplier relationship management with our Tier 1 suppliers ▪ Supplier feedback survey	▪ Supply opportunities for projects ▪ Health and safety ▪ Supporting Indigenous and local contractors ▪ Technology and innovation ▪ Capable and effective employees	▪ Collaborate to deliver tangible safety improvements ▪ Collaborate to improve Indigenous engagement outcomes ▪ Support programs to develop local business capacity and capability

Case study: Rural Aid collaborations at Mt Rawdon and Mt Carlton

Rural Aid provides critical support to drought-affected rural towns and farmers, strives to build stronger futures, and enhances economic sustainability and wellbeing in regional areas. In line with our vision and values, Evolution strengthened its ongoing partnership with Rural Aid to create more sustainable and resilient rural communities where we operate. Over the past year, Evolution and Rural Aid have partnered in the following initiatives:

Monto Our Towns renewal project

The Rural Aid Our Towns initiative provides rural or regional towns with volunteer and financial support to undertake projects that rejuvenate and revive parts of their town, focusing on renewal projects for the long-term future and sustainability. Evolution contributed both financial and volunteer support to the Rural Aid Our Towns makeover project in Monto. The town, situated near our Mt Rawdon mine, involved more than 50 volunteers that upgraded local amenities and public spaces. The project was recognised through the North Burnett Regional Council Australia Day awards and named the Monto Community Event of the Year.

Hydro Panels

Mt Carlton and Rural Aid leveraged their existing partnership to facilitate the installation of 30 SOURCE Hydro Panels across Collinsville State High School and Merinda State School. This relatively new technology provides an opportunity to strengthen their water security, access, and reliability. The panels act as renewable drinking water systems for the approximately 150 students and teachers as they use sunlight and air to make, store and dispense clean, mineralised drinking water and utilise cloud technology to enable effective monitoring and optimisation for every climate. Over a 15-year lifespan, just one Hydro Panel can eliminate the need for up to 54,750 single-use plastic water bottles and avoids the extraction of groundwater. It provides a unique, one-of-a-kind renewable water technology for our communities that enables clean, safe, off-grid potable drinking water, reduced bottle waste, and opportunities for STEM education.

Industry Associations

Involvement with memberships and industry associations enables us to keep current regarding matters of public policy, emerging sector and sustainability trends, regulatory updates, stakeholder interests and the sharing of industry best practices. We may not align with every element of an association's public position, but where we believe there is a benefit in constructive dialogue or advocacy, we will maintain our membership.

In FY21, Evolution was a member of, or participant in, associations listed below:

Organisation	Board Representation	Health, Environment and Community Representation
New South Wales Minerals Council	Yes	Yes
Queensland Resources Council	Yes	Yes
Chamber of Minerals and Energy of Western Australia	No	Yes
Gold Industry Group (Australia)	Yes	Yes
Lake Cowal Foundation (Australia)	Yes	Yes
Ontario Mining Association (Canada)	No	Yes
West Wyalong Advocate	Yes	N/A
NSW Government Sustainability Advantage	N/A	Yes
United Nations Global Compact	No	Yes

Commitments and Recognition

We participate in external third-party performance benchmarking initiatives and sustainability related assessments, including environment, social and governance (ESG) ratings agencies, proxy advisor questionnaires and data collection tools. Results of these assessments inform our planning for continuous improvement.

During FY21, we continued to respond to individual requests for information on our sustainability approach and performance from investors and other stakeholders and responded to, or participated in:

- ISS Governance, Environmental and Social Disclosure Quality Score
- MSCI
- S&P Global
- Sustainalytics

Recognition

United Nations Global Compact

Evolution was proud to become a signatory of the UNGC in FY21, joining the global business community in a commitment to sustainable business practices, aligning our strategies with the UNGC's Ten Principles on human rights, labour, the environment and anti-corruption, the United Nations SDGs and related 2030 SDG targets. Our Sustainability Principles all align with the UNGC Principles and SDGs.

Australian Council of Superannuation Investors

In FY21 the Australian Council of Superannuation Investors assessed Evolution's level of sustainability disclosure as being at a 'Detailed' level within the mining sector. We are pleased with this rating and aim to improve from a 'Detailed' to a 'Leading' rating in the near future.

MSCI

A high rating of AA (on a scale of AAA-CCC) was achieved in FY21 in the MSCI Ratings assessment, scoring 5.7 compared to the industry average of 4.4, an 18% improvement compared to 2020. We were placed among the top five industry leaders for Health and Safety, Labor Management and Corruption and Instability.

S&P Global CSA SAM

In August 2021, a score of 51 was achieved, a 19% increase from 2020 (industry average of 39). Evolution is one of only two gold companies on the Dow Jones Sustainability Index - Australia.

ISS

A significant improvement in our ISS score in the 'Social' category from '8' to '4' was achieved (scale from 10-1 with "1" being the highest possible rating). This was supported by the publication of our Modern Slavery Statement and Supplier Code of Conduct.

Governance and Compliance (material topic)

Definition: Ethical business conduct, robust policy, transparent reporting.

Our Approach

Evolution is committed to maintaining high standards of ethics, corporate governance, honesty and accountability. These are aligned with our values, in all aspects of our business by enacting robust corporate governance processes and ensuring our employees understand, and consistently meet, the standards formalised in our Corporate Governance Statement[12].

As per Recommendation 7.4, the Sustainability Report provides detailed information on the management of our material environmental and social risks, with a specific focus on climate risks, in alignment with the TCFD.

Board of Directors

The Board is the governing body of Evolution and its role is to represent and serve the interests of shareholders by overseeing and appraising Evolution's values, strategies, policies and performance. The Board operates a Risk and Sustainability Committee[13] as a Sub Committee of the Board. The role of the Risk and Sustainability Committee is to advise and support the Board of Directors on all matters pertaining to the Risk and Sustainability of the Company including the appropriate management of risk arising from the Company's activities.

As of 30 June 2021, the Evolution Board has eight members (75% male and 25% female), with six Independent and two Executive Directors. The Board is supported by the following committees:

- Audit Committee
- Risk and Sustainability Committee
- Nomination and Remuneration Committee

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[12] 2021 Governance Statement

[13] Risk and Sustainability Committee Charter

The Board is structured to ensure that the Directors' skills and experience align with the Company's goals and strategic direction. The functions and responsibilities for the Board and each Committee is set out in the respective Charters. Information on Board members and Charters are available on our website.

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[14] A TSF Governance Committee was established in FY18 to provide effective governance and oversight of our policies, standards and practices with respect to tailings management. This Committee reports through to the Leadership Team

Policies

The material changes to policies in FY21 were the introduction of the Modern Slavery Statement[15], Procurement Statement[16] and Supplier Code of Conduct[17]. Policies are available to view in the Corporate Governance section of our website. The following policies were reviewed:

- Anti-Bribery and Corruption Policy
- Continuous Disclosure Policy
- Diversity and Inclusion Policy
- External Communications Policy
- Shareholder Communication Policy
- Sustainability Policy (Safety, Health and Wellbeing, Environment, Tailings Storage Facility (TSF), Social Responsibility and Cultural Heritage)
- Strategic Planning Policy
- Climate Risk Position Statement
- Code of Conduct
- Climate Risk Position Statement

Assurance and Audit

An assurance plan is endorsed annually by the Leadership Team and is submitted to the Risk and Sustainability Committee for ratification. Outcomes of the FY21 assurance plan was audited by a third party. Areas for improvement included health and safety, environment, social responsibility and Cultural Heritage. No material findings were identified. A leading indicator on ensuring all material and critical actions has been integrated into the Company scorecard and is linked to the remuneration strategy. This reinforces the importance of tracking and reporting and closure of findings that may arise from audit, incident review or internal/external incidents. In FY21 there were no overdue critical or material actions.

Risk Mitigation and Management

Risk management is fundamental to maximising the value of our business and informing its strategic direction. Effective risk management enables us to make informed decisions aligned to legislative obligations' and within the various regulatory frameworks we operate and in line with social expectations. Informed and intelligent decision making will ensure Evolution is able to identify priorities, allocate resources, create advantage or value, demonstrate due diligence in discharging legal and regulatory obligations and meet the standards and expectations of our stakeholders.

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[15] Modern Slavery Statement

[16] Procurement Statement

[17] Supplier Code of Conduct

Our risk-based decision approach is underpinned by the Sustainability and Strategic Planning Policies, Standards, Integrated Risk Management Framework, supported by site processes and procedures that also align to the principles of the Australian and international standards and guidance. The Group risk reporting and assurance control mechanisms are designed to ensure strategic, operational, legal, financial, reputational and other risks are identified, assessed and appropriately managed. Matters relating to sustainability are recorded in a database and communicated widely across the organisation on daily, weekly, monthly, quarterly and annual timelines dependent on the issue. These are reviewed by our Board Risk and Sustainability Committee throughout the year, supported by regular reviews by the Leadership Team, site leadership teams and subject matter experts such as the TSF Governance Committee. Further, an integrated three level Line of Defence (LOD) assurance program has been implemented, supported by subject matter experts and internal and external audit.

The financial reporting and control mechanisms are reviewed during the year by management, the internal audit process, the Audit Committee and external auditors.

The Group has policies in place to manage risk in the area of sustainability, with individual annual Risk and Governance Assurance confirmation letters submitted at the end of each financial year by the asset's General Manager to the Chief Operating Officer with confirmation to the Board Risk and Sustainability Committee. The Board delegated committees and Leadership Team regularly review the risk portfolio of the business and the effectiveness of the management of those risks.

With the impact of COVID-19, our current risk management focus is on keeping our people safe and well, maintaining safe and reliable operations and supporting our communities, all of which are critical to protecting the future of our business.

The precautionary principle is integrated into our risk management process whereby, to protect the environment, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

Regulatory Compliance

We are committed to complying with the laws, regulations and authorisations that apply to the many facets of our business. We acknowledge the importance of meeting compliance obligations to maintaining our social licence to operate. We routinely conduct targeted audits of compliance against applicable regulatory standards and report the outcomes to our Audit and Risk and Sustainability Committees.

Crisis Response (including Pandemic) (material topic)

Definition: Business resilience to COVID-19, bushfire, and other health and environmental emergencies. Business preparedness and continuity.

Each operation is geographically unique and regionally located adjacent to landholders and small communities. In a crisis, Evolution people are often first responders and available to assist neighbours, community and neighbouring mines. Through a TCFD alignment review conducted in 2019, extreme weather was identified as one of three material climate-related risks. Short, medium and long-term risks were then identified including cyclones, flood, long-term drought, bush and forest fires, late snow cover, food and water borne illness.

Operations prepare thorough mitigation strategies including: cyclone, rain and wind proof infrastructure and shelter; certified water storage and drainage networks; secured buildings and infrastructure; telemetry weather including lightning detection systems; and emergency response equipment including the provision of fire trucks, ambulances, and personnel who are trained in emergency response including scenario exercises and industry emergency response competitions.

Operations response plans are recorded in Trigger Action Response Plans (TARPS), Emergency Response Plans and Business Continuity Plans. Robust and proactive strategic planning remain integral to ensuring business continuity and the health and safety of our communities.

Many communities were affected by the drought, bushfires and flooding experienced in Australia and Canada in FY21. Evolution contributed over A$600,000 in donations to bushfire and drought relief and offered in-kind flood relief through our Community Investment program.

Our Cowal Operation responded to a call for help from local shires due to flash flooding which threatened the homes and safety of West Wyalong and Ungarie residents. Our people worked tirelessly with local councils and emergency services to coordinate the community during the flooding and provide aid in sand-bagging efforts.

In response to the Perth Hills bushfires, the Chamber of Minerals and Energy coordinated a Bushfire Community Support Initiative and invited all member companies to contribute. Evolution contributed A$50,000 to this initiative recognising that a broader industry response would have a more direct impact where it was needed most and directly supported response, relief and recovery efforts for those impacted by the Perth Hills fire.

Case study: Boost to emergency services at Red Lake

Forest fires occur seasonally within the Red Lake region. To support the Balmertown Fire Department, Evolution provided a capability uplift to local emergency services which included the delivery of a modern, fit-for-purpose fire truck with increased capacity for critical firefighting equipment, personnel, and water. More than A$525,000 was also donated to support local businesses and the Municipality of Red Lake for community recovery and resilience management. Evolution employees provided further assistance to the community through participation in the volunteer fire services which responded to the FY21 fires in the region.

By enhancing the local community's ability to act as the first responder to local fires, our communities and our production are safeguarded.

COVID-19 Management

Through strong collective leadership Evolution continues to navigate the ongoing COVID-19 pandemic safely with no material impact to operations. There was one positive case of COVID-19 (at Red Lake) that was managed carefully with the site, community and local health department.

We operate under protocols developed to minimise risks to our people and the communities where we operate to support safe production during this challenging period. These plans include activation of our crisis management protocols, restricting international and domestic travel, detailed risk assessments across all operations including our Greenfield exploration projects, enacting strict social distancing protocols including reducing face-to-face interactions, increasing flexible working arrangements, ensuring best practice health management maintenance and regular COVID-19 communication with the entire workforce. Specialist medical experts were also engaged to deliver up to date specialist advice given the complexity of the pandemic.

We work closely with our communities and with regulators and industry groups to ensure all our operations are complying with agreed protocols and remain responsive to changing needs.

Vaccinations are encouraged to reduce COVID-19 risks. Employees may attend vaccination appointments during work hours (as appropriate) and additional leave in the event of any side effects following vaccination is provided. Externally facilitated medical information and awareness sessions are held to provide appropriately qualified information to our teams on the risks and benefits of vaccination.

Case study: COVID-19 Response focused on generating wellbeing and financial boosts where we operate

Our focus on protecting the safety and wellbeing of our people during COVID-19 extends to the towns and regions our people call home.

Since the pandemic began, Evolution has contributed over A$2.5 million in direct and indirect support to our communities. Support includes the donation of masks to struggling health care clinics in the Cowal region. Our Mungari operation provided finances to the local Women's Shelter to provide refuge to women and children at risk of domestic violence.

To help mitigate the mental and physical health impacts that lockdowns and periods of isolation may cause, communication lines have been strengthened across the business and the use of our Employee Assistance Program (EAP) has been encouraged. Our sites have deployed technologies such as contact tracing cards at Cowal, QR codes in the Sydney Office and site access protocols have been strengthened at each site.

Business Ethics

Our Code of Conduct[18] sets the standard for our people to act ethically, responsibly and lawfully. It applies to Directors, employees, contractors and consultants employed to undertake work on behalf of, or for Evolution and its subsidiaries. It guides us in meeting our ethical standards and legal requirements, and all Evolution employees complete a training program to understand its requirements. We encourage employees to report known or suspected breaches of the Code and any other policies and directives, and to raise any other serious concerns they may have. Any such report is responded to immediately and investigated accordingly.

100% of our employees completed Code of Conduct Training.

Economic Performance

At Evolution, we continuously monitor our performance and objectives, conduct opportunity and risk assessments and integrate these findings into our economic strategy.[19]

Anti-Bribery and Corruption (material topic)

Definition: Commitment to integrity.

Evolution views any bribery or corruption behaviour as unacceptable. Evolution has an Anti-Bribery and Corruption Policy[20] which extends across all our businesses and activities, and applies to Directors, employees, contractors and consultants employed to undertake work on behalf of, or for Evolution and its subsidiaries. Anti-bribery and corruption training is provided to all employees. All reported incidents of non-compliance or potential non-compliance are taken seriously, reviewed, and investigated. In FY21, there were no reported incidents of corruption.

Whistleblower Policy

A framework has been established for individuals to raise concerns that relate to unacceptable conduct. Details of this framework including the defined elements of independent reporting and investigation procedures, disclosure protection and the role of the Whistleblower Protection Officer, along with the associated corporate governance, are included in the Whistleblower Policy[21] and Standard[22]. The process is managed by an external third party in conjunction with our People and Culture department. Whistleblowing events and any actions are reported to the Audit Committee and the Risk and Sustainability Committee.

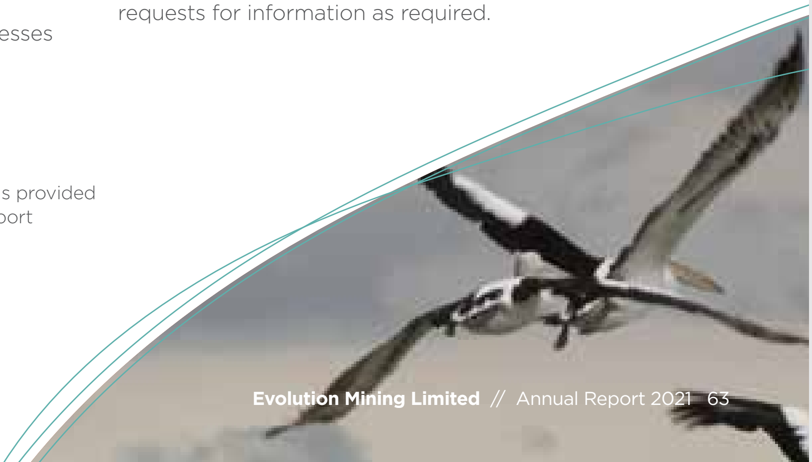
There were zero whistle blower cases reported via our FairCall (KPMG) service in Australia for our currently owned assets, or via People and Culture Management for our Red Lake operations during the reporting period. One claim in relation to Cracow, a divested asset and outside of the scope of this report, was investigated and closed in September 2020.

Political Parties and Public Organisations

Evolution does not undertake any political activity or sponsor any political parties, movements or public non-governmental organisations, nor does it make any contributions to support any such parties, movements or organisations. In FY21, no donations or payments were made to political organisations.

Transparency and Disclosure

We are committed to open and transparent dealings with all our stakeholders. Information is published on our operational, financial and sustainability performance in a timely manner through several communication channels, including media releases, stock exchange announcements, social media, newsletters and community and investor meetings. We respond to stakeholder enquiries and requests for information as required.



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[18] Employee Code of Conduct

[19] Information on Evolution's FY21 economic performance is provided in the Annual Financial Report section of this Annual Report

[20] Anti-Bribery and Corruption Policy

[21] Whistleblower Policy

[22] Whistleblower Standards

Tax Transparency Code

Evolution supports transparency in our payments to governments and takes into consideration relevant transparency standards in ensuring relevant information is provided to our stakeholders.

At a minimum, Evolution complies with the Australian Government's Voluntary Tax Transparency Code. Payments to government, including taxes and royalties, is provided separately in our 2020 Tax Governance Statement available at our website[23].

Cyber Security (material topic)

Definition: Equipment failure, Equipment misuse, Fraudulent Transaction / Impersonation.

Like many businesses and organisations, Evolution faces constant and evolving cyber threats. The operating and control systems at our mines increasingly use digital platforms and high-tech solutions. As such, the security of these systems is crucial for operating our mines safely and efficiently, making cyber security one of our material business risks.

A risk-based approach is applied to manage cyber-related security risks applying good practice across standard processes. Evolution leverages leading frameworks such as National Institute of Standards and Technology (NIST) and guidance from Australian Government's Cyber Security Centre. There are a range of measures implemented to manage cyber risk including:

- A cybersecurity policy applicable to all employees
- A cybersecurity strategy program as part of Evolution's overall IT strategy
- Clear responsibilities with a centralised IT function and dedicated capability
- Cyber awareness training (98% compliance) supported by ongoing awareness alerts and education
- Defined Disaster Recovery scenarios with Disaster Recovery testing on six-monthly cycles
- Governance reporting and regular assurance including external audits, Incident Response exercises, penetration testing, and assessment against standards and leading guidance

Cybersecurity is a standing item on the Risk and Sustainability Board Sub Committee agenda.

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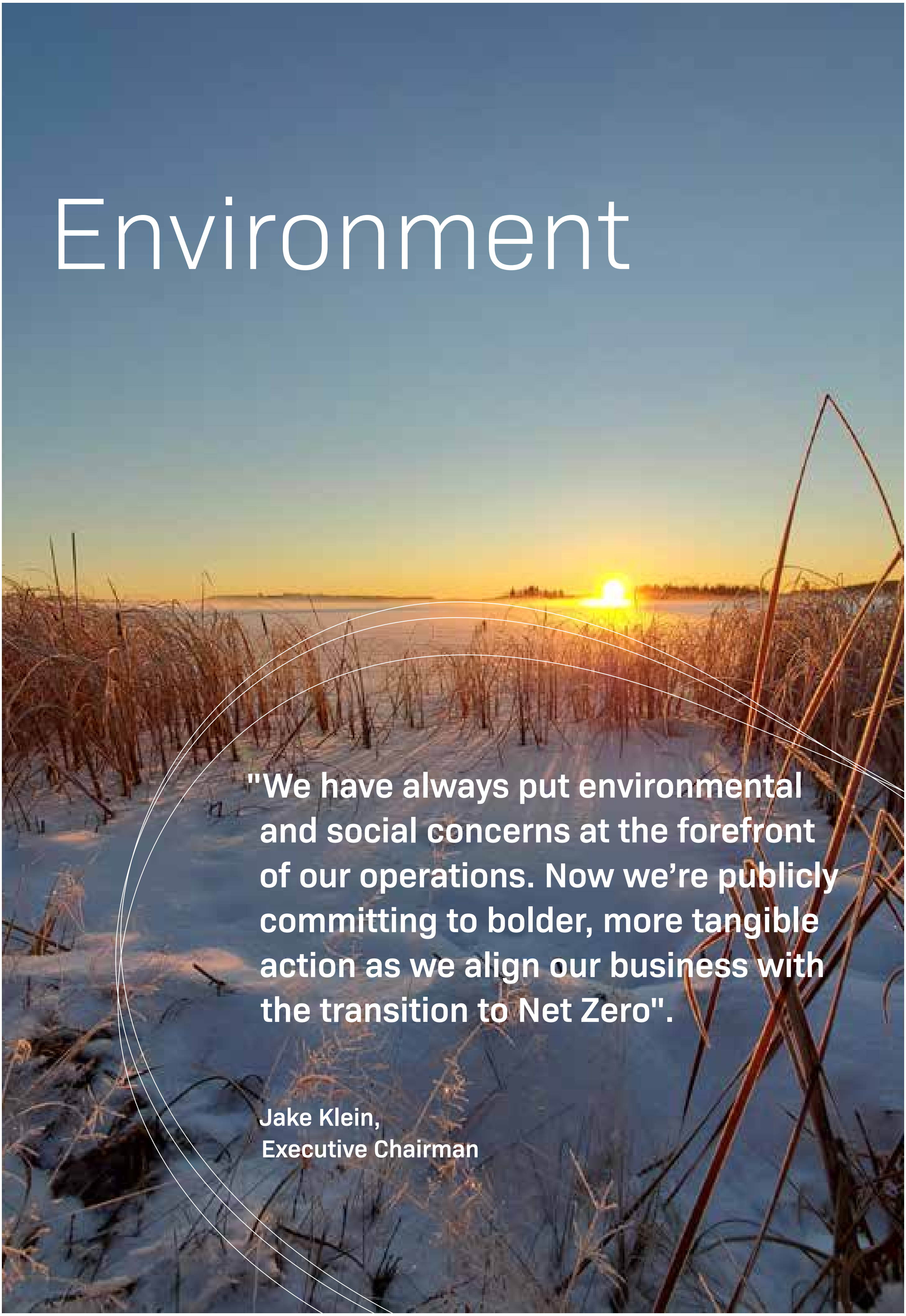
[23] Tax Governance Statement



Environment

"We have always put environmental and social concerns at the forefront of our operations. Now we're publicly committing to bolder, more tangible action as we align our business with the transition to Net Zero".

Jake Klein,
Executive Chairman

Environment

FY21 Highlights

Commitment to Net Zero greenhouse gas emissions by 2050* and 30% reduction by 2030* – aligned with the Paris Agreement (FY20 baseline for Scope 1 and 2)

* FY20 baseline for Scope 1 and 2 emissions only

Aligned our climate strategy and related disclosures with the recommendations of the TCFD

No catastrophic or major (material) environmental incidents (including tailings)

Over

70%

of energy at Red Lake coming from renewable sources[24]

Improved water security with 25% increase in water reuse compared to FY20

323 hectares of land was rehabilitated

Over

A$200,000

contributed to improve or enhance environmental outcomes

Enhanced environmental stewardship through governance and assurance practices including tailings

4,460

hectares of land within the current mining footprint all with biodiversity management plans

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[24] Renewable electricity purchased from grid

Our Approach

Our approach to environmental stewardship is based on understanding and managing the potential risks and impacts of our operations on the environment. We focus on extracting resources sustainably and achieving positive post-mining outcomes.

In accordance with our Sustainability and Strategic Planning policies and standards, we incorporate environmental management into all areas of operations to manage the risks and potential impacts through all cycles of the business. We operate beyond legal compliance through application of the precautionary principle to deliver against our social licence obligations and strive for leading practice to meet community expectations.

During FY21, we continued to:

- Embed the Evolution Sustainability Performance Standards and Strategic Planning Standards
- Address water security risk to reduce raw water demand and increase water reuse
- Plan for and manage extreme weather events such as flooding and cyclones in alignment with our strategic planning and TARPS
- Drive resource efficiency and carbon reduction initiatives
- Enhance monitoring though increased telemetry monitoring of weather, surface and groundwater, vibration and air emissions
- Consult with stakeholders on mine planning and expansion and post mine land use

In FY21, we enhanced our alignment with the recommendations of the Financial Stability Board's (FSB) TCFD. Our work in this space is maturing, and we look forward to continually improving by strengthening our disclosures in FY22 by stress testing our scenarios to identify climate-related financial risks and opportunities. Further quantifying these risks will inform our business planning and decision making to ensure our business is resilient to changes in climate.

Throughout FY22 we also plan to refresh site-specific emissions reduction plans to guide our emissions reduction activities and build off the work undertaken in FY21 that helped shape the Net Zero strategy.

Climate Risk (material topic)

Definition: Ability of the organisation to adapt and respond to the impacts of climate change. Includes physical risks such as extreme weather events and transitional risks.

Our Approach

Evolution recognises climate change as a strategic risk with potential financial implications for our business, our supply chain, our people and communities and our investors. It is one of the most pressing global issues facing our society and is a priority issue for our stakeholders. Our goal is to consider climate-related risks and opportunities and their short- and long-term implications in the evaluation of all parts of our operations.

Milestone commitments in addressing global issue of climate change for Evolution include:

Pre-FY19

recognition of extreme weather, water security and well-being in the risk register

FY20

conceptual adoption of the TCFD framework including extreme weather, water security and energy and emission as physical risks and acknowledgment of transition risk and pandemic

FY20

release of Climate Risk Position Statement

FY21

release of Net Zero Commitment; joining UN Global Compact, reissue of climate risk position statement, alignment with ESG reporting frameworks, independent materiality assessment

FY22

focused commitment through emission reduction planning, strategic group approach to renewable energy sources, financial modelling for Emissions reduction fund potential

Task Force on Climate-Related Financial Disclosures

Evolution recognises the recommendations of the TCFD, and importantly that our investments may be susceptible to future changes in climate. In FY21, we have aligned with the TCFD and our disclosures are presented with consideration to the interests of our stakeholders.

In FY22, we plan to fully align our approach with the recommendations of the TCFD framework including stress testing climate scenarios for our business and advance understanding and disclosures of climate-related financial impacts to the business. Clarifying the impact of climate-related issues on our operations and taking measures against it will help make our business more sustainable and, through dialogues with investors, enhance our corporate value.

Refer to our ESG Performance Summary Data document for our TCFD index and detailed disclosures.

Governance

We integrate climate change considerations into our business strategy through strong governance and risk management that is supported by our Climate Risk Position Statement[25]. We support the framework established by the Paris Agreement to avoid climate change and recognise our activities either directly or indirectly generate greenhouse gas (GHG) emissions.

Climate-related risks are actively reported, supported by FY21 targets established to reduce emissions and improve water security, prepare for extreme weather and health events (including pandemic, smoke impacts from fires and COVID-19 implications) and adopt responsible water management practices. Our Board is informed, via the Risk and Sustainability Committee, on progress against our climate risk targets on a quarterly basis. The Board approved our approach towards a Net Zero future.

Strengthening the link between Executive Remuneration and our Climate Targets

The Balanced Business Plan (BBP) is updated annually to define key goals, measures and targets for the year to deliver against agreed strategic objectives. The remuneration strategy for our short-term incentive payments (STIP) link to ESG elements that include safety, sustainability, risk and people. Performance against our Net Zero future approach has been included in the FY22 STIP program, linked with the new 2030 and 2050 targets. The inclusion of ESG factors within the remuneration strategy reinforces the importance and focus on delivery against ESG by Evolution.

Strategy and Risk Management

In alignment with the TCFD framework Strategy and Risk Management pillars, Evolution considers short, medium, and long-term risks as noted below[26]:

- Short-term: risks which may materialise in the current annual reporting period
- Medium-term: risks that may materialise over a 2-5-year timeframe
- Long-term: risks which may fundamentally impact the viability of our long-term business strategy and our legacy extending 5-10-20 years

To deliver long term value to stakeholders, climate-related risk resilience has been built into our operational environment and communities through sound risk management practices across all areas in our business.

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[25] Climate Risk Position Statement

[26] All time horizons (ie short, medium and long term) were considered for each risk eg for extreme weather events, we looked at cyclone (short term), droughts (medium term) and climate change (long term).

Strategy

The climate-related physical risks and mitigation identified as applicable to our business are presented in the following table.

Climate-related risk	Risk	Mitigation
Water security	Reduced water availability with the potential for water security implications to the business plan.	▪ Reduce raw water demand and competition for fresh water to support communities and agriculture ▪ Increase reuse of mine affected water through design, construction and operation of IWL ▪ Reduce total water demand ▪ Investigate water saving technologies such as dry stacking of tailings and reduced residence time in processing ▪ Increase use of hypersaline and low-quality water not suitable for other industries and communities
Extreme weather events	Material damage to the receiving environment, assets and infrastructure; disruptions to operations and supply chains.	▪ Real time dust, weather and stability monitoring including pit and tailings and nearby sensitive receptors/neighbours ▪ Innovative dust suppression e.g. engineered tailings cover pre-snow fall at Red Lake ▪ Engineered design, construction and operation of all significant infrastructure including ▪ Trigger Action Response Plans for incoming threat of cyclone/fire/flood/dust/storm etc
Energy and emissions	Footprint/demand creep Developing energy regulation, market demand for sustainably produced commodities and supplier surety.	▪ Measures, targets – quantify scope 1, 2, 3 carbon emissions ▪ Energy audits ▪ Emission reduction planning ▪ Partnering with industry for accelerated energy efficiency ▪ Internal carbon pricing modelling ▪ Technology and innovation pathways
Extreme health events	Food, water and viral borne illness which could be confined to site, the community or global.	▪ Health and wellbeing programs and practice ▪ Fatigue management and onsite medical care ▪ Food and water standards and process ▪ Pandemic response plans including protection of communities and First Nation Partners ▪ Personal proximity devices for close contact tracing ▪ Specialist support and advice

The above mentioned risks and uncertainties outlined reflect risks that could materially affect our performance, future prospects or reputation. Where risks are material to the Group, they are escalated to the Board Risk and Sustainability Committee and, as appropriate, to the Board.

Climate-related opportunities to support local communities have also been identified. We have historically assisted neighbours, local government, emergency services and communities during flood, drought and wildfire events.

Climate-related risks and opportunities have been included in our strategic planning integrated across our business. The potential likelihood, severity, and materiality of these risks and opportunities to our operations and communities have been proactively assessed and forecasted. They have informed the reporting requirements and targets outlined in:

- Site water and emergency management plans
- Inclement Weather and Cyclone Management Plan at Mt Carlton
- Severe Weather Management Plan at Mt Rawdon
- Detailed design of the Integrated Waste Landform at Cowal

Regular monitoring of water level depths during extreme weather conditions and the dissemination of cyclone awareness training at Mt Carlton are examples of Evolution's resilience methods to managing extreme weather events (or extreme climate-related natural hazards).

Risk Management

Climate-related risks and opportunities have been included in our strategic planning integrated across our business. We manage our physical climate risks through the Evolution risk management framework and in alignment with our Strategic Planning Policy[27] and TCFD. The potential likelihood, severity, and materiality of these risks and opportunities to our operations and communities have been proactively assessed and forecasted.

All material risks and actions, including those related to climate change, are documented and kept current for managing and reporting purposes. Our risk assessment process is firmly founded in site-specific exposures, including those related to climate change such as wildfires, cyclones, floods, and landslides at a more regional level.

With respect to physical risks, our operations are located in very different climate regions. Evolution is actively managing these risks and opportunities, improving energy efficiency, responsibly managing water use and preparing and managing for extreme weather and health events.

Climate Risk Management Process

- **Risk management framework**
  - Clear roles, responsibilities and accountabilities
  - Sustainability Policy and Performance Standards
  - Strategic Planning Policy
  - Climate Risk Position Statement
  - Risk Management Guidelines (ISO 31000) for effective and integrated risk management
- **Risk analysis and management**
  - Consideration of climate-related risks are assessed using the same approach as all other risks assessed by the business
- **Reporting oversight**
  - Management's oversight of climate risk is supported by proactive reporting and effective escalation (eg: quarterly to Board Risk and Sustainability Committee)
  - Decision-making is supported by connected and insightful climate risk analysis
- **Risk audit**
  - Audit (internal and external) for Board to provide confidence around management of climate (both physical and transition) risks
  - Critical controls for climate risk are being managed effectively
  - Learning and continuous improvement

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27 Strategic Planning Policy

Carbon Price

Whilst Evolution operations are currently not subject to mandatory carbon pricing for Scope 1 emissions, we acknowledge global and national carbon price trends. Our operations are also subject to an environmental levy payment for Scope 2 emissions.

To understand the potential financial risks, a robust direct (Scope 1) and indirect (Scope 2) accounting program has been developed, including setting an emissions baseline. Using the baseline, we have conducted a CO_2 abatement cost review focussing on marginal abatement cost curves (MACC). Although our exposure to carbon price is lower than others in the industry due to our lower emissions intensity, we are working on short and long-term plans to decarbonise our operations by 2050. These includes plans to migrate to renewable energy sources and the consideration of renewable fuel, electric fleet and hydrogen fuel adoption.

One of the ways we respond to transition risk such as the potential impact of climate change policies on our business is by considering an internal price on carbon and the impacts of climate risk are evaluated as part of life of mine planning. In FY21, we tested distinct price forecasts for Australia and Canada as part of our decarbonisation modelling.

Metrics and Targets

Specific targets have been captured in our annual Balanced Business Scorecard, including:

- 30% reduction in CO2-e by 2030 and Net Zero by 2050
- Year-on-year reduction in CO2-e per tonne material mined (FY20 as a baseline)
- Year-on-year reduction in freshwater demand (FY20 as a baseline)
- All operations complete 100% actions in emission reduction plans

Net Zero Commitment

For our planet and our future there is growing commitment amongst world nations and businesses towards a Net Zero future. There is also an increasing expectation from all stakeholders, that action with a positive impact on achieving a Net Zero future, is implemented. This is a future state where there "is no incremental addition of greenhouse gases into the atmosphere" (Net Zero definition - Intergovernmental Panel on Climate Change, IPCC).

Evolution supports the Paris Agreement and in FY21 announced a commitment to be Net Zero by 2050 (Scope 1 and 2 emissions only) and an interim target of reducing our emissions by 30% by 2030 (against a FY20 baseline). In the development of Net Zero targets, it is recognised that the current asset portfolio may change over time. However, our commitment to sustainability will continue throughout the life of the Company, making Net Zero relevant, including for the communities in which we operate.

Evolution's mid to long-term carbon reduction pathways will include:

- Migration to renewable energy sources
- Partnerships with industry, government and supply chains to maximise use of low-emission solutions
- Technology roadmaps to support process and efficiency improvements
- Integration of carbon reduction plans within our business planning framework
- Improved transparency in reporting progress and performance

Our Targets

30%

reduction by

2030

Net Zero

emissions by

2050

for Scope 1 and 2

Why Net Zero?

Context

To ensure long term stakeholder value is delivered, Evolution is building climate related risk resilience in our operations and our communities.

The current asset portfolio at Evolution may change over time. However, Evolution's commitment to sustainability will continue throughout the life of the company, making "Net Zero" relevant.

Scope 2 emissions was the most significant portion of Evolution's emissions. Therefore, focusing on renewable energy sources will deliver the greatest impact on emissions reduction over the short to mid-term.

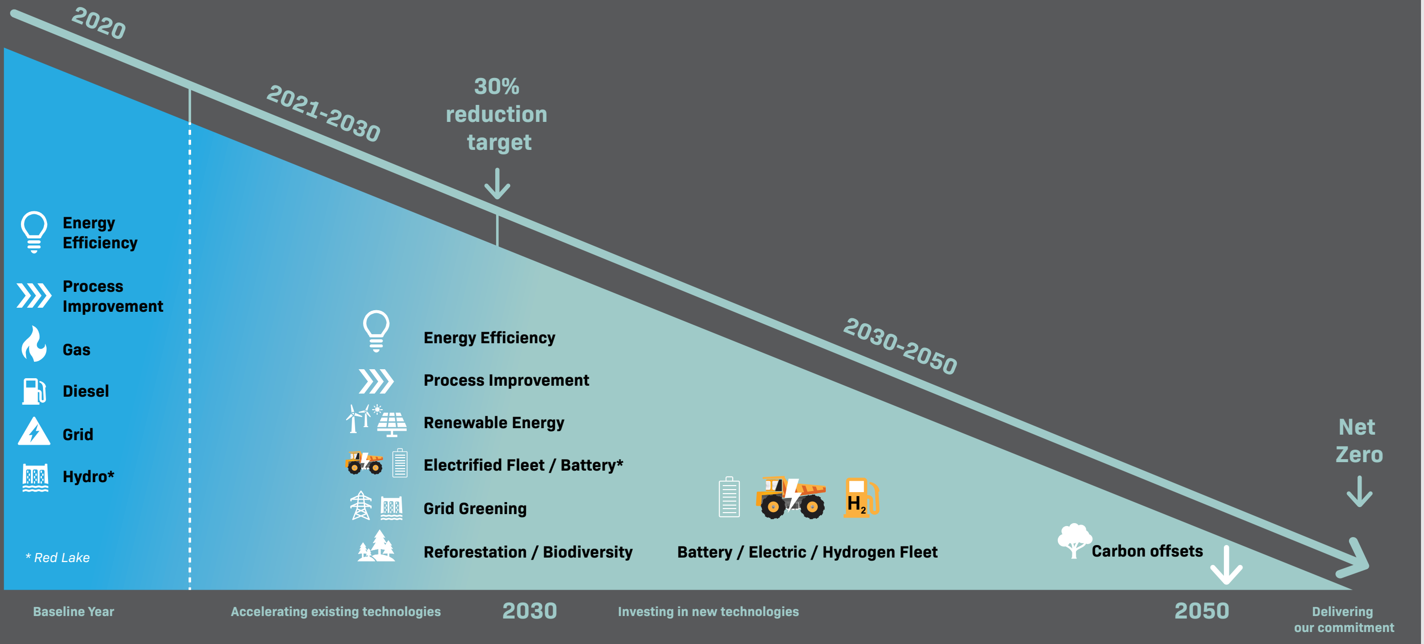
Technology transition and mobile fleet replacement pose key barriers to more significant reductions in Scope 1 and planning for the long-term transitional change has commenced.

Methodology

Paris-aligned; GHG Protocol's location-based or market-based emission factors should be used to measure annual energy use.

Note: In specific circumstances we may apply appropriate adjustments to the FY20 baseline data. This includes acquisitions and divestments. Specific reporting guidelines will apply aligned with recognised protocols.

Net Zero Decarbonisation Approach by 2050



Key Net Zero levers

Scope 1 and 2:

~50%
Renewables

~20%
Process improvement, energy efficiency, technology

~20%
Fleet replacement, future fuels

~10%
carbon offsets, reforestation/biodiversity

Our Actions

1. Footprint - Understanding, managing and reducing emissions (Scope 1 and 2)

Specific opportunities include:

- Planning process – integrating emissions reduction opportunities and projects into Provincial Plan, Life of Mine Plan (LOM)
- Climate scenarios – stress testing climate scenarios through workshops with external consultant
- LOM forecasting – developing credible estimates of Scope 1 and Scope 2 GHG emissions
- Projected emissions intensity built into planning (per unit of production) (transition risk)
- Energy efficiency – conduct energy audits to identify process improvement opportunities
- Sustainable procurement strategy – development of a strategy that includes emissions reduction opportunities including renewable energy

Note: Inclusion of understanding and managing Scope 3 is acknowledged.

2. Partnerships - Industry, government and supply chain collaboration for higher use of low-emissions solutions i.e. Sustainability Advantage, Electric Mine Consortium

Specific opportunities include:

- Renewable energy – active management with energy suppliers to deliver renewable energy sources for grid connected operations
- Sustainability Advantage – participating in the Net Zero Emissions Leadership Accelerator Pilot
- Electric Mine Consortium – Battery Electric Vehicles, Energy Storage and Electrical infrastructure, Underground and Open Cut efficiency
- Funding and grants – partner with industry peers and representatives to secure grant funding for emissions reduction opportunities
- Mine Expansion, independent peer review – refine RA process for energy efficiency
- Planning for long-term transition risk – Continue membership and climate policy advocacy with Ontario Mining Association, New South Wales Minerals Council, The Chamber of Minerals and Energy of Western Australia, Queensland Resources Council, and Minerals Council of Australia for an orderly transition to a low emission economy
- Northern Industrial Electricity Rate Program (NIER) (Canada)

3. Technology Pathways - Utilising technology to improve resource use efficiency

Specific opportunities include:

- Technology Roadmap – develop business-wide roadmap focusing on innovation, adaptation, technology
    - Multiple projects already in the pipeline – automation, tailings efficiency, renewable energy, future fuels etc
- Pumped Hydrogen Project – Mt Rawdon (Shared Value Project)
- Emission reduction plans at each operation and Group
- Sustainable Procurement Strategy – Internal Carbon pricing
- Red Lake Battery Storage Project
- Battery Electric Vehicles

4. Capital - Allocating capital to prioritise and support deployment of seed funding to trial reduced emissions solutions

Specific opportunities include:

- Review of how technology and R&D can be funded, including offset mechanisms

5. Transparency - Transparent reporting on our progress and performance i.e. NGERs and TCFD

Specific opportunities include:

- Full alignment with TCFD reporting
- Potential external assurance on TCFD disclosures in the near future
- NGERs compliance

Case study: Net Zero Emissions Leadership Accelerator Pilot

Since 2020, Evolution has been a member of Sustainability Advantage (SA), part of the Department of Planning, Industry and Environment (DPIE). SA works with medium and large organisations to accelerate the adoption of sustainable practices and nurturing leaders committed to securing a sustainable NSW.

SA recently launched a new initiative, Net Zero Emissions Leadership Accelerator Pilot, aimed at helping organisations build technical and leadership knowledge and capabilities to implement Net Zero emission strategies, build business resilience and accelerate Net Zero success.

The Pilot has taken a select cohort of Sustainability Advantage's influential members through a six-month program that will accelerate the shift to Net Zero emissions. Evolution is one of approximately 20 organisations selected to participate in the Pilot. Our participation will further assist us in our Net Zero strategy and emissions reduction pathways work.

Case study: Electric Mine Consortium

Evolution has partnered with 14 other companies in the mining industry to form the Electric Mine Consortium with the ambition of accelerating progress towards the fully electrified zero CO_2 and zero particulates mine.

Electrification of mine sites, powered by clean energy, offers our industry the option to operate mines in line with our commitments to decarbonise. It also reduces occupational health exposures for our employees by significantly reducing emissions in our underground mines. Our shareholders will benefit from the potential for significantly improved economics on offer from simplified, interoperable, electric-drive equipment with lower mining and energy costs.

Working groups addressing:

- Surface and long haulage
- Underground Haulage, Light and Utility BEV and Electrical Infrastructure
- Electrification value model

Case study: Battery Electric Vehicles at Red Lake

Our Red Lake Operation audited their mobile fleet and replaced multiple pieces of equipment with newer and cleaner technology. The site has commenced the purchasing program and have committed to purchasing up to eight Rokion battery electrical vehicles (BEVs) and has allocated over A$13 million worth of capital to trialling and utilising the equipment in the coming years. These BEVs mitigate risks associated with diesel equipment like ventilation restrictions and noise emissions and will reduce diesel emissions underground and improve employee health and wellbeing. We are excited to assess their benefits and apply BEVs at our other operations based on learning. These efforts contribute to our efforts to manage climate risk and reveal opportunities for new partnerships and exploration of innovative markets.

Energy and Emissions (material topic)

Definition: Monitoring, management and reduction of carbon emissions including aspects such as fuel types, energy efficiency, renewable technologies.

Our Approach

Managing energy consumption and greenhouse gas (GHG) emissions is a high priority for Evolution as we continue to focus on our climate-related risks and opportunities. We monitor transition risk in relation to energy and emissions regulations through climate policy advocacy with a proactive approach to resource efficiency and energy planning.

When measuring our emissions performance Evolution applies a location-based method[28], which reflects the average emissions intensity of grids on which energy consumption occurs. Detailed monthly capture and analysis of our energy and emissions performance is conducted in alignment with the Evolution Sustainability Performance Standards[29].

Our Net Zero commitment was based on the baseline data derived from an aggregate of all Evolution assets' emissions profile in FY20. The baseline has since been recalculated due to the divestment of Cracow and acquisition of Red Lake. This adjustment is reflected below in our emissions performance.

Operations are proactively engaged in achieving our medium term and long-term emissions targets through understanding their carbon footprint, developing industry partnerships and investigating technology pathways as outlined in the 'Climate Risk' section.

We take a long-term view of emissions reduction with the first milestone commitment of 30% reduction in CO2-e by 2030 (FY20 baseline). With this understanding Evolution acknowledges that our journey will require sustainable operations focussing on periods of development and construction paired with wholesale change in the process introduced though the technology pathway program.

Our Performance

Our FY21 emissions performance compared to FY20 is as per below:

GHG Emissions	FY21	FY20 (actual baseline)	% change	FY20 (adjusted baseline)*	% change
Greenhouse gas emissions Scope 1 (t CO2-e)	178,395	157,857	13%	173,898	3%
Greenhouse gas emissions Scope 2 (t CO2-e)	371,089	398,187	-7%	371,089	2%
Total of Scope 1 and Scope 2 (t CO2-e)	549,484	556,044	-1%	536,827	2%

** Adjusted FY20 emissions baseline to include current assets and exclude divested asset (Cracow).*

In FY21, Evolution's direct emissions (Scope 1) and indirect emissions (Scope 2) were 549,484 tonnes of CO2-e with Scope 2 emissions accounting for 68% of the total emissions during the year.

Compared to FY20, Scope 2 emissions reduced by 7% as total renewable energy purchased increased by 148 million kWh compared to the previous year. This is attributed to Red Lake where over 70% of their energy comes from renewable sources.

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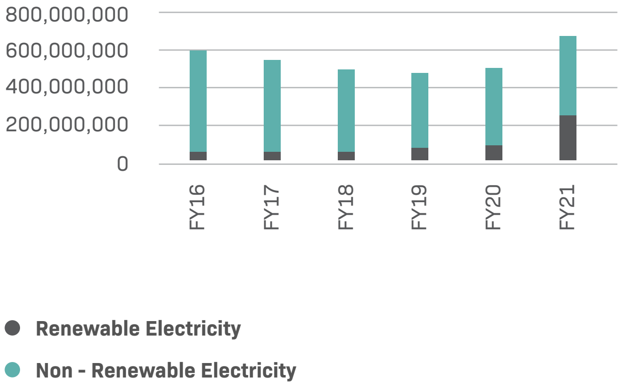
[28] Greenhouse Gas Protocol

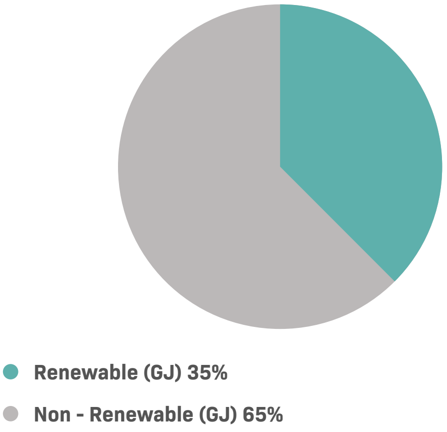
[29] Sustainability Performance Standards

As part of our Net Zero commitment to utilising clean energy sources, we plan to investigate the potential to introduce renewable energy sources including solar and hydrogen fuel cell at our operations in the future.

Renewable vs Non Renewable Energy FY16-FY21



Renewable Energy Consumption

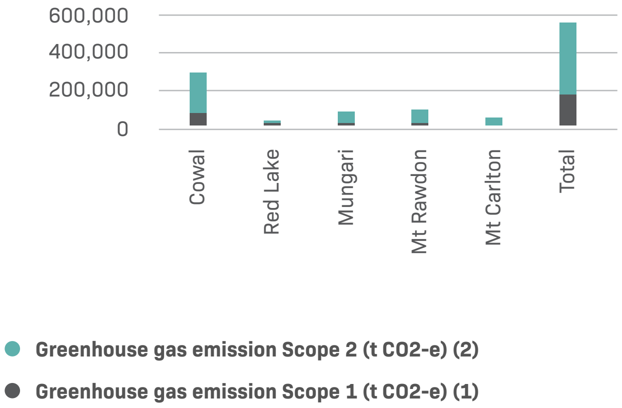


Scope 2 emissions reflect two thirds of emissions, with our Cowal operations in NSW contributing almost half of all emissions. There will be an increased focus in FY22 on efficiencies improvement plans, looking to integrate solutions where they will have the most impact.

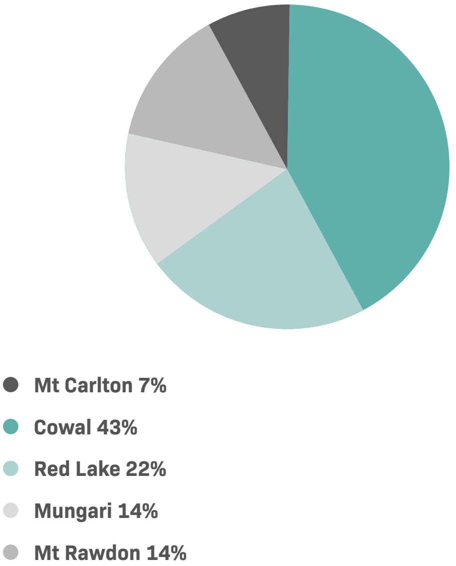
Whilst there has been an increase in Scope 1 emissions of 21% due to increased trucking, haulage and diesel consumption, efficiencies were delivered with a decrease in Scope 2 emissions (electricity) of 4%.

There was a 10% increase in utilisation of truck fleet between FY20 and FY21, in addition to four additional haul trucks (new hires) added to the fleet in January / February 2021. The number of truck cycles increased 31%, with average haul distance increasing from 9.7km to 12.1km with Stage 2 IWL works. This contributed to an increase in ore and waste mined (29% and 5% respectively). This equated to a 65% increase in haulage distance for the truck fleet between FY20 and FY21 due to the development of the underground decline.

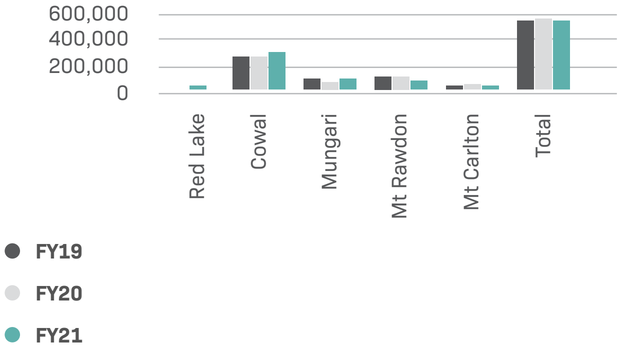
Scope 1 and Scope 2 GHG Emissions, by Operation FY21



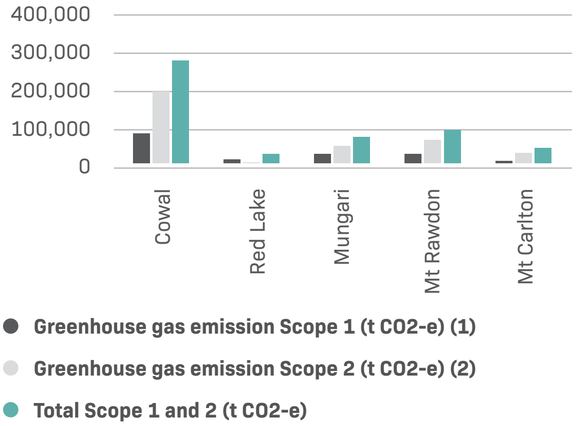
Total Energy Consumption by Site (GJ)



Scope 1 and 2 emissions FY19-FY21 by Operation (t CO2-e)



Scope 1 and 2 emissions breakdown by Operation (t CO2-e)



Emissions Intensity

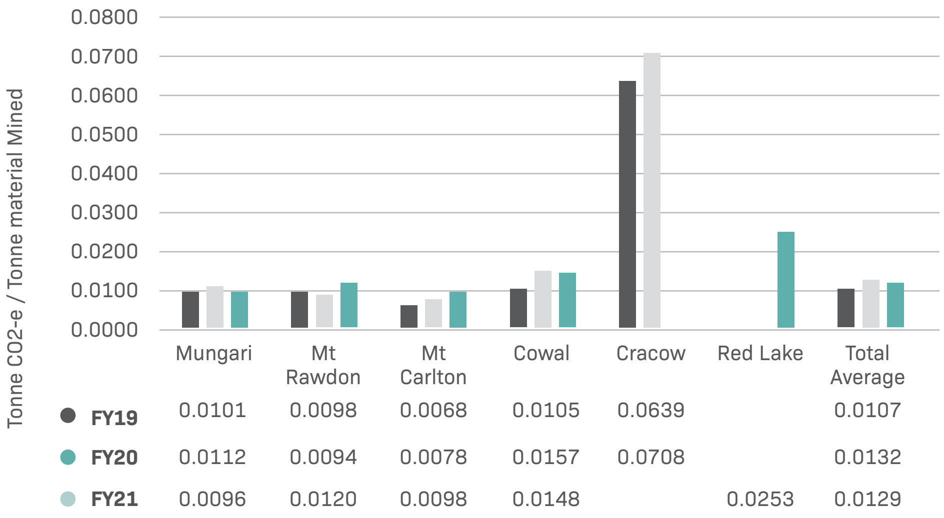
Our FY21 emissions intensity performance compared to FY20 is presented below.

Emissions Intensity (CO2-e)	FY21	FY20 (actual baseline)	% change	FY20 – (adjusted baseline)*	% change
Emissions intensity per tonne material mined (t Scope 1 and Scope 2 CO2-e/tonne)	**0.0129**	0.0132	-2%	0.0126	2%
Emissions intensity per tonne ore processed (t Scope 1 and Scope 2 CO2-e/tonne)	**0.0353**	0.0369	-4%	0.0355	-1%
Emissions intensity by gold produced (t Scope 1 and Scope 2 CO2-e/ounce)	**0.9339**	0.8909	5%	0.7954	17%

** Adjusted FY20 emissions baseline to include current assets and exclude divested asset (Cracow).*

A FY21 target was to establish a stronger baseline target for an emission intensity per tonne of material mined. The target of 0.012t CO2-e was established. The performance of 0.0129 CO2-e was within the target range.

GHG Emissions Intensity FY19-FY21



	Mungari	Mt Rawdon	Mt Carlton	Cowal	Cracow	Red Lake	Total Average
● **FY19**	0.0101	0.0098	0.0068	0.0105	0.0639		0.0107
● **FY20**	0.0112	0.0094	0.0078	0.0157	0.0708		0.0132
● **FY21**	0.0096	0.0120	0.0098	0.0148		0.0253	0.0129

GHG Emissions intensity: Scope 1 + Scope 2 (location based) GHG emissions per tonne material mined.
Cracow Operations: FY19-FY20 Red Lake Operations: FY21

Emissions intensity of 5% increase per gold produced was due to the processing of lower grade ore. Evolution processed 1% more tonnes in FY21 to produce 14% fewer ounces. This was predominantly due to the processing of low-grade stockpiles whilst mine development continued ensuring the sustainability of all operations.

Effluents and Waste (material topic)

Definition: Waste rock, industrial waste, organic and inorganic waste.

Our Approach

We ensure that our waste and product materials generated from mining and processing are handled, stored and disposed of appropriately. The most substantial waste stream is mineral waste.

Mineral waste is defined as excess material removed from the mine void in order to reach the ore body and remaining materials after the extraction of mineral from ore during processing. All mineral wastes are handled in accordance with the Evolution Sustainability Performance Standards and licence conditions.

Operations manage waste in accordance with a site-specific Waste Management Plan. Non-hazardous waste streams such as cardboard, glass and plastic are recycled, and general household waste is diverted to landfill.

Each operation is unique in terms of potential for acid mine drainage (AMD), neutral mine drainage (NMD) and saline drainage (SD) impact on the surrounding environment. Where Potentially Acid Forming (PAF) waste rock is suspected or known to occur, the operation implements progressive rehabilitation activities to ensure the receiving environment is not impacted by leachate or potential failure.

Our Performance

In FY21, the operations produced 32.69 million tonnes of waste rock to extract 9.9 million tonnes of ore. This represented a 3.3 ratio of waste to ore and an increase from the 2.9 FY20 ratio[30]. Stripping ratio increased due to 'first cut' development activities at:

Mungari – Cutters Ridge open pit development

Mt Rawdon - Mine development

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[30] Adjusted FY20 figure to include current assets and exclude divested asset (Cracow).

Future Focus

Evolution have partnered with external organisations to address:

- Non-road diesel emissions
- Energy
- Water security – reuse of water
- Tyre recycling
- Unlocking the value of waste rock and tailings

Non-Mineral Waste

Responsible management of non-mineral waste at our operations is formalised through the implementation of comprehensive waste management plans. These plans specify how the different types of waste produced by our activities are to be managed, including identification of opportunities for waste minimisation, recycling and reuse.

During FY21, approximately 24,900 tonnes of non-mineral waste was generated, of which 63% was classified as non-hazardous waste. All waste generated was stored and recycled or disposed of following applicable waste regulations and the site waste management plans.

Case study: University of Queensland Sustainable Transformational Reuse and Economic Alternatives for Mine Waste Project (STREAM) at Cowal

There is a growing need within the mining industry for more integrated holistic approaches to managing mine waste and reduce related environmental footprints. To address this challenge, Evolution has entered into a three-year partnership with the University of Queensland through the Sustainable Transformational Reuse and Economic Alternatives for Mine Waste Project (UQ STREAM). National and international partnerships, and bespoke PhDs, will be provided at our Cowal Operation to identify reuse options for tailings and waste rock in a circular economy model, and unlock value streams within their mine waste.

The partnership will help to challenge the perception of mine waste being a zero-value product and enable increased efficiency, innovation, research, and knowledge sharing. It will equip the next generation of leaders and researchers with new skills, expertise, technologies, and techniques to demonstrate best practice Environmental Management Systems for waste management. Overall, UQ STREAM can prove that innovative problem-solving is business as usual at Evolution, positioning us at the forefront of sustainability research in the mining industry.

Tailings Management (material topic)

Definition: Most significant mining waste stream.

Our Approach

Evolution's tailings management approach is open and transparent with detailed information, including a full list of our tailings facilities (provided in our Church of England Tailing Disclosure[31]).

The tailings facilities are planned, designed, constructed and operated in accordance with leading industry practices and guidelines. In alignment with the Global Industry on Tailings Management Standard[32], tailings management further integrates climate scenario considerations, stakeholder engagement, our communities, water security, the safety of the facility and closure/reclamation.

Tailings risk assurance is achieved through routine inspections and monitoring and independent audit process. Risk reduction is our highest priority and we are working toward this through increased repurpose of tailings in FY21 compared to FY20, improving our water security through innovative controlled seepage systems in new TSF construction at Cowal (Integrated Waste Landform) and Mungari.

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[31] Church of England Tailing Disclosure

[32] Global Industry on Tailings Management Standard

Nine tailings facilities globally

8.5Mt

ore mined from open pit

25%

tailings reuse at Red Lake for paste fill – 134kt

42%

tailings reuse at Mungari for paste fill – 845kt

15.6Mt

ore processed

1.4Mt

ore mined from underground

Tailings risk was controlled and further reduced in FY21 by:

- Introduction of real time monitoring and alert system (K2Fly)
- Introduction of an improvement orientated Tailings Working Group
- Improved seepage recovery systems in new construction at Cowal and Mungari
- Internal and external training from Operator to Board level
- Continuation of quarterly Tailings Governance meetings at site and Group and oversight by the Risk and Sustainability Committee
- Biennial governance audit for all operations and Independent Tailings Review Board for Red Lake
- Recertification for Cowal and Red Lake to the International Cyanide Management Code
- Tailings capping trials planning at Cowal and Mt Rawdon
- Studies – dry stacking, enhanced thickening, reprocessing of tailings, in-pit deposition
- Board and leadership TSF specific training
- Increased rigour at the TSF Committee

Environmental Compliance (material topic)

Definition: Regulated incidents and impacts including: ie Noise, environmental discharges, air emissions and cyanide.

Our Approach

Our social licence to operate is supported through permit and licence approval and provides minimum requirements to ensure the health and safety of our communities and the protection of our environment. Operating under relevant licence conditions, all operations are required to provide annual compliance reports to demonstrate conformity with current legal and other obligations supported by assurance activity.

The environmental laws and regulations that cover each site, combined with our policies and standards, address the potential impact of the Group's activities in relation to water and air quality, noise, land, waste, tailings management, and the potential impact upon sensitive receptors and flora and fauna.

The Group has a uniform internal reporting system across all sites. All environmental incidents, including breaches of any regulation or law are assessed according to their actual or potential environmental consequence. Given levels of environmental incidents are tracked based on factors such as spill volume, incident location (onsite or offsite) potential or actual environmental impacts and legal obligation. These levels include: I (insignificant), II (minor), III (moderate), IV (major), V (catastrophic).

Our Performance

In FY21, there were no significant fines paid (> US$10,000) related to environmental impacts. There were no material environmental incidents in FY21 (major or catastrophic) and four reportable events (classified at a moderate level) were notified to the relevant government authority and the relevant agreed action was taken.

We adopt cyanide destruction systems to reduce the concentration of cyanide discharged to our facilities and Cowal and Red Lake have been recertified against the International Cyanide Management Code.

Air Quality

Our Approach

The management and minimisation of air emissions by mining operations is required to protect sensitive receptors in the vicinity of our operations. Air quality is managed according to the Sustainability Performance Standards.

Dust generated by mining activity is controlled through mine design, haulage planning, and dust suppression to ensure emissions are within compliance limits. Additional controls are in place to manage and mitigate emission of particulates (GHG and dust) within and beyond our operation boundaries. This includes associated monitoring to allow the effectiveness of controls to be routinely assessed, validated and adjusted if required.

Our Performance

In FY21, all operations were in full compliance with regulated limits for particulate emissions. Monitoring of depositional dust at our operations met licence conditions. Refer to our ESG Performance Summary Data document for our performance around our air emissions related to GHG emissions.

Water Management (material topic)

Definition: Security of supply, quality, efficiency of water use, reuse and recycling opportunities. Potential impacts on community and environment.

Our Approach

Water is integral to our operations, and water stewardship is a key part of our ongoing social licence to operate. We recognise the need to manage our water requirements with the shared needs and demands of the environment, local communities and other stakeholders in water catchments. Consideration of the impact that climate change may have on water availability and quality is integral to effective management.

Each operation maintains water management plans and site-wide water balances to guide responsible water use throughout the mine lifecycle and in the context of the local catchment. Water-related activities are regulated by relevant legislation in each jurisdiction and are subject to set quality and quantity thresholds.

Our Performance

Total water withdrawn increased in FY21. The increase in water withdrawn was due to the inclusion of Red Lake and an increase in water withdrawn at the Mt Rawdon and Mt Carlton operations. Mt Rawdon experienced an unseasonably dry FY21 and had to supplement with raw water.

Our aim is to maximise the reuse of mine affected water (MAW) to reduce the demand for external raw water supply which reduces competition for agricultural and other industries and communities. No Evolution operations are in high to extremely high baseline water stress areas according to definitions set in the WBC SD Global Water Tool, WRI Aqueduct Global Water Tool or Water Footprint Network.

Total water reuse increased by 25% between FY20 and FY21. Notable increases in water reuse were recorded at Cowal (30%) and Mt Carlton (>200%), demonstrating the increased focus and planning associated with water reuse at our operations. With the commissioning of the IWL during FY21, descaling of pipework and upgrade of pumps, Cowal was able to increase daily return of water from the IWL from a previous average of 8-12ML to >17ML to meet the daily demand of ~24ML.

Case study: Integrated Waste Landform at Cowal

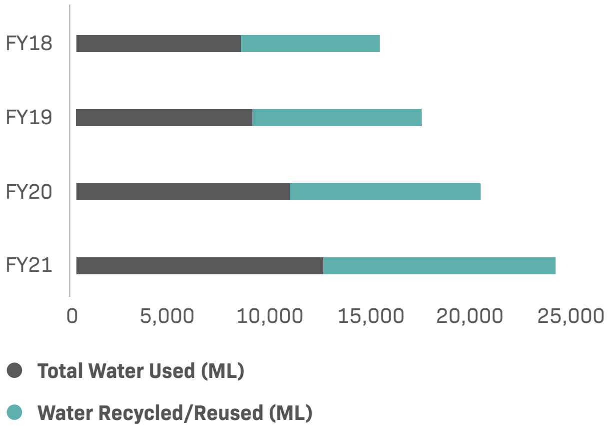
In 2019 the Cowal operation was in a drought declared area. The site was, however, well advanced on a multi solution response to ensure external users such as agriculture and communities had adequate water supply.

Construction of the IWL Stage 1 was in progress which included controlled seepage recovery design and surface decant water return planning to optimise return of water from the tailings storage facility. This would lead to significant reduction in fresh water required from external sources due to the increase in availability of harvested rainwater on site and increased availability of water from the IWL.

During FY21, for a period of four months, no water was drawn from the Wyangala dam source (Wyangala Dam is Cowal's fresh surface water source). Water was still withdrawn from fresh bores close to the mining lease, however, this demand was reduced by 65% (4.6M kL in FY20 to 1.3M kL in FY21).

Water reuse increased from 4M kL in FY20 to 5M kL in FY21 attributed to the improved efficiency of mine affected water return from the IWL.

Water Reuse FY18-FY21

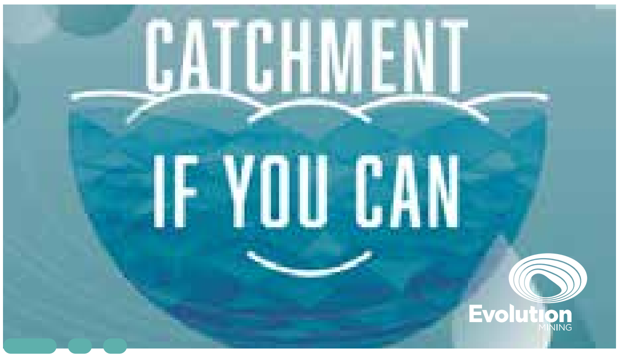


In FY21, the water withdrawn intensity per tonne of ore processed increased by 11% which is attributed to the inclusion of Red Lake in the water intensity measure (excluding Red Lake, the intensity figure would have decreased by 20%). This is a whole of site water demand measured as per dry tonne milled. Red Lake has a relatively high-water intensity of 5.15 kL/tonne, noting that this is the only Evolution site to operate an Autoclave and be undertaking extensive reclamation activities in the treatment of legacy Arsenic Trioxide materials from underground workings.

Our future efforts in water management will include continued focus on water security – mitigation of the effects of extreme weather events (drought and flood) through a reduction of total water demand, increase in water reuse, water storage and stormwater, sediment and erosion control best practice.

Case study: Catchment if You Can Challenge at Mt Carlton

Mt Carlton initiated an innovative crowdsourcing event called "Catchment if You Can Challenge." The objective was to find solutions to deliver water reduction and reuse goals. The operation set themselves a challenge to significantly reduce the volume of water already on site and to determine the appropriate way to treat and recycle large values of low pH water to be used in and around their operation. The challenge attracted submissions from over 130 participants from 26 countries. Following proposal reviews and investigations, two companies have progressed to the design and costing phase with solutions that include the use of an enhanced evaporation towers utilising recycled HDPE to tackle water inventory issues, and electrodialysis to treat acid mine drainage. The innovation demonstrated that Mt Carlton can safeguard the water essential for the work, health, and wellbeing of our employees and communities, and address emerging climate risks of water insecurity.



Hazardous Chemicals Management (material topic)

Definition: Use, storage, handling, transport and disposal of hazardous chemicals including explosives and other dangerous goods.

Our Approach

Hazardous chemicals including the use of explosives, cyanide and other dangerous goods are essential to our mining and processing activities. We recognise the need to ensure hazardous chemicals are managed through their lifecycle in accordance with risk management principles to avoid risk to human health and our ecosystems.

Each operation manages the hazardous chemicals lifecycle in accordance with the minimum standards outlined in our Sustainability Policy and Standards. The use of hazardous chemicals is regulated by relevant legislation in each jurisdiction and is subject to specific licenses, approvals and is inspected routinely by the regulator.

The sustainability assurance program also completes audits at each site to ensure minimum standards are being met and to identify best practice learnings are shared across the business.

Our Performance

- Cyanide Code compliance at Red Lake and Cowal
- Permit and or licence compliance for all explosives, dangerous goods, poisons and radiation devices
- Use of Chemalert for management of all chemicals
- Chemical approval required prior to entering operations including risk assessment
- Emergency response spill scenario training at all operations
- Internal Audit and review validated by external auditors

Land Use and Biodiversity (material topic)

Definition: Biodiversity and ecosystems protection and restoration. Audited, mapped and management plans in place. Fire, pest and weed strategies.

Our Approach

Biodiversity may be affected by the impacts of mining activities on water, land and ecosystems. Our local stakeholders are valuable sources of knowledge concerning biodiversity, and we work closely with our local communities to identify sensitive areas and monitor any potential impacts. We incorporate all stakeholder concerns into our environmental stewardship approach.

Our biodiversity strategy is linked to the stage of development of our projects. As an example, at all operations including exploration biodiversity risks are actively mitigated through ongoing field mapping of fauna and flora, as well as land disturbance permit process at all operations. Sensitive flora and fauna are only impacted where the internal and external permitting process have been met and no other alternative is available.

Biodiversity Management Plans which meet the requirements of the Sustainability Performance Standard are in place at all sites and are regularly reviewed. All activities are monitored in accordance with obligations.

Our Performance

- Disturbance permitting process embedded at all mine and exploration projects
- Annual review of biodiversity management plans
- At the beginning of FY21 Evolution was managing 90,222 hectares of land (owned, leased or occupied)
- At the close of FY21, Evolution was managing 130,505 hectares
- 4,460 hectares of land are currently managed under biodiversity management plans related directly to mining
- Receiving environment protection through sediment and erosion control including the Cowal Lake Protection Bund

Refer to ESG Performance Data document for more information.

Case study: Northern Queensland Dry Tropics Beach Scrub Rehabilitation Project at Mt Carlton

There is an invasive weeds biodiversity challenge in the region of where Mt Carlton is located. Mt Carlton has partnered with the Gudjuda Reference Group and collaborated with NQ Dry Tropics and the Bindal Traditional Owners to clear a six-hectare patch of beach scrub, located on traditional Bindal land, by removing lantana and other threatening weeds.

As a project sponsor, Mt Carlton provided A$200,000 to support the training of bushrangers in safe chemical handling, mapping and assessing the health and condition of beach scrub vegetation using the Biological Condition Assessment Tool (BioCAT). Four young Gudjuda trainees have been provided extensive training, received project-relevant skill certifications and made significant inroads on the lantana threatening to overwhelm healthy beach scrub biodiversity.

Case study: Great Barrier Reef Yellow Zone Project

The Great Barrier Reef is a vast and vital ecosystem supporting much of Australia's rich marine biodiversity and is upheld in importance with the United Nation's 2021-2030 International Decade of Ocean Science for Sustainable Development. Since 2020, in partnership with James Cook University (JCU) and the Great Barrier Reef Marine Park Authority (GBRMPA), Evolution has contributed A$218,000 of funding and intellectual collaboration towards the Great Barrier Reef Yellow Zone Project. This research project delves into partially protected marine areas (yellow zones) with regards to questions of marine life, reef habitat health, and cyclone and bleaching impacts on reefs. These areas have rarely been the focus of research, but 2021 studies related to this project have affirmed yellow zones, in combination with no-take green zones, as effective marine biodiversity management tools. Evolution's funding has enabled the research area to be expanded. The partnership conserves the reef and supports local fishing communities through increased awareness of the conservation benefits of yellow zones.

Case study: Lake Cowal Foundation

Evolution has a strong, long-standing partnership with the Lake Cowal Foundation (LCF) and Lake Cowal Conservation Centre (LCCC) which aim to educate the community in natural resource management issues and encourage the adoption of sustainable land, water and biodiversity management practices. LCF has initiated and implemented a range of projects in collaboration with individual landholders, local community groups including Landcare, local First Nation Partners, local and State government organisations. Evolution has also contributed to these diverse projects, seeing increases in biodiversity evidenced by significant concentration of waterbirds at the ephemeral inland wetland system due to increased rainfall and ongoing environmental management of Lake Cowal.

Mine Closure: Rehabilitation (material topic)

Definition: Restoring land to natural state or suitable for future uses such as conservation, agriculture, clean energy industry.

Our Approach

How we rehabilitate and transition mines to a post mine land use is wholly integrated to our life of mine planning process. Land management and rehabilitation efforts are aligned with leading practice and are undertaken in a socially and environmentally responsible manner, with an integrated approach to planning the rehabilitation and closure of our mines that commences at the feasibility phase and continues throughout the life of the asset. Physical and transition risks are mitigated through internal and external networking, working groups and assurance activities undertaken at the LOD1, 2 and 3 levels. Our Mine Closure and Rehabilitation Standard[33] guides our approach to ensure consistency across the business. This requires every site to have a set of land outcome documents including a plan for closure, mapped disturbance and a rehabilitation cost model with an annual budget for progressive mine rehabilitation.

Progressive rehabilitation is a focus during the operations phase of the mine lifecycle to minimise the mining footprint, assist with understanding and evaluating closure risks, identify knowledge gaps and inform research and development programs, and refine closure provision estimates.

Our Performance

- Enhanced stakeholder engagement in the planning phase considered business as usual
- 4,460 hectares of land disturbed by mining activity
- 323 hectares of land rehabilitated
- Site Closure Plans – 100% of all operational sites
- 2 Line of Defence 3 audits complete in FY21 to validate closure cost models, plans and disturbance
- Ongoing Wetlands trial at Mt Rawdon
- Planning for Tailings cover trials at Mt Rawdon and Cowal
- A$268.4 million rehabilitation liability (refer to table below)

Operation	**Cowal**	**Mt Carlton**	**Mungari**	**Mt Rawdon**	**Red Lake**
Type	Surety bond	Levy System	Levy System	Surety bond	Surety bond
Financial Assurance	A$64,902,072	A$31,877,954	A$20,900,994	A$49,952,091	CA$63,386,000

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[33] Sustainability Performance Standards

Case study: Pumped Hydro Project at Mt Rawdon

The Mt Rawdon operation is currently planned to close in 2028. Evolution is pursuing construction of a leading-edge low-cost, renewable energy storage managed in partnership with Infrastructure Capital Australia Partners (ICA Partners), known as the Pumped Hydro Project. Preliminary feasibility studies support the project's potential to deliver a cost-efficient renewable energy power source in Queensland that would contribute to the state-wide target of 50% renewables by 2030. It would also generate significant economic and social benefits to the local community and National Electricity Market (NEM). Planning with decision-makers and experienced partners is ongoing. The initiative showcases Evolution's capability to lead sustainable solutions in line with our values and support our local communities beyond the life of mine, with planned positive legacy solutions.

Case study: Opening of Ben Prior Park

In the Goldfields region of Western Australia, as with all of the communities where we operate, local economic development and community resilience rely on partnerships between industry, community groups, and local decision-makers. To enhance the liveability of Coolgardie, Evolution, along with the Shire of Coolgardie, Kambalda Men's Shed, Coolgardie Men's Shed, and others collaborated to restore and refurbish Coolgardie's Ben Prior Park. Evolution donated approximately A$177,000 to the restoration. Upgrading Coolgardie's community assets and aesthetics with the open-air mining museum promotes local tourism and economic stimulus, retains community support, attracts employees, and promotes and educates on mining's rich history in the Goldfields. The facilities refurbished at Ben Prior Park enable a deeper understanding of the role of mining in the region and provides educational and sensory tools for school group visits.


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SafeBoarder
(618) 9399 8844

Health, Safety and Wellbeing

> "Imagine if we could create an environment where we went home even better than when we arrived. That is our aspiration in keeping people healthy and safe".

Fiona Murfitt,
VP Sustainability

Health, Safety and Wellbeing

FY21 Highlights

Leading safety metric improvements – proactive reporting, training compliance, field interactions, action close out

Active learning and sharing culture supported by weekly storytelling sessions

100%

of material and critical actions closed

Training compliance goal of

85%

achieved (22% improvement in FY21 compared to FY20)

Implemented and monitored controls to keep our people safe during COVID-19 and no interruption to operations

Strong hazard reporting culture

Increased services to meet demand for mental health and wellbeing support during COVID-19

100%

of significant incidents reviewed with senior management and front-line leaders to promote learning across the business

All Performance Standards audited at assets with no material findings identified

Zero fatalities

prevention through safety in design principles

Health, Safety and Wellbeing

Work Health, Safety and Wellbeing (material topic)

Definition: Physical and mental health. Employee and contractor safety, occupational hygiene.

Our Approach

Evolution is committed to providing workplaces where our people including contractors and business partners are physically and psychologically safe, healthy, and well. We apply risk management principles with a focus on eliminating hazards, and where that is not possible, ensuring that risk is managed within agreed tolerability levels. This is achieved through the ongoing review and improvement of risk including bowtie risk assessments for material and critical safety risks and the identification and active management of critical controls associated with these.

Our workforce is expected to comply with health and safety requirements that are supported by our systems and processes, including our Sustainability Policy, and Sustainability Performance and Strategic Performance Standards. We measure our health and safety performance using a combination of leading indicators, lagging indicators and performance targets established during the annual business planning process. Our primary lagging indicator for measuring health and safety performance, and for benchmarking against peers, is the Total Recordable Injury Frequency (TRIF). Other lagging indicators are Lost Time Injury Frequency (LTIF). All frequencies are calculated based on a 1,000,000 work-hours formula using OSHA principles. Leading indicators are also measured and reported on a monthly basis including proactive reporting ratios, training compliance rates, field interactions, investigations closed on time and an action close out on time calculation.

Success Through Collaboration

To achieve our objectives, we depend on the commitment, leadership, teamwork, engagement, and involvement of everyone in our workforce – employees and contractors alike. Our workforce is actively involved in health and safety through participation in working groups, project teams, business improvement initiatives and health and safety committees, or by way of designated health and safety representatives.

All significant incident investigations are presented to the COO, Vice President Sustainability and site representatives in weekly report, review and share meetings and other more detailed reviews as required. Findings and key learnings are discussed and then shared across the business with the aim of preventing a recurrence.

Consolidated health and safety performance data is frequently evaluated to identify trends and develop focused incident and injury prevention strategies. Statistics, incident details and summary investigation findings are readily available and accessible to employees, contractors and visitors and a monthly report is published across the business. This is available on the Intranet for access by all. Health and safety performance results are reported to the Leadership Team and shared across our operations monthly, then reviewed quarterly with the Board Risk and Sustainability Committee.

Our Performance

In FY21 we focussed on building a learning and proactive culture so that people fully understand the controls in place relating to our material and critical risks that keep them safe in the workplace.

Each operation implemented sound initiatives to help reduce the risk of incidents and to minimise the risk of injuries and illnesses. Performance was variable across the sites ranging from "excellence" to "requiring improvement" (at two operations where the majority of injuries occurred). Tailored programs and plans have been designed to address the specific needs of each site and are being measured and tracked which focus on leadership, courageous conversations, behaviours and “seeing” hazards. There has been ongoing commitment to the review of material actions to ensure these are addressed and 100% closed out. This is reviewed on a weekly basis, reported on monthly and independently verified.

There were 54 recordable injuries during FY21, with 14 being lost-time injuries, resulting in a TRIF of 9.62. The TRIF did not meet the 5.25 target. Whilst this was disappointing, the types of recordable injuries experienced shifted to injuries of a lower order, demonstrating a reduction in higher order or those where a more severe injury could have occurred. This was further supported with improvement in leading indicators such as reporting and communication of serious incidents and their casual factors, proactive significant incident reporting, training compliance rates, field interactions and closure of investigations and actions on time. This trend supports an improved culture of reporting and is evidence that controls are operating to prevent the most serious consequence.

The focus on risk management was also supported by audits at all sites, with no significant findings identified. These findings were also verified through external review and audit. We are continually learning, improving and sharing how we create safe and healthy workplaces with an emphasis on preventing serious outcomes, with an increased use of technology and data driven insights to reduce risk.

Safety Performance Comparison[1]	FY21	FY20	FY19
Number of safety interactions	49,107	54,287	32,588
Number of hazards reported	13,337	13,415	13,040
Significant Incidents reviewed with senior management (%)	100%	100%	100%
Proactive Significant incidents	38	34	n/a
TRIF[2]	9.62	6.76	8.31
TRIF Target	5.25	5.50	4.95
LTIF[3]	2.49	2.07	1.75
Fatalities	0	0	0
Total Hours Worked	5,612,323	5,323,912	4,570,433

1 Our safety performance includes both employees and contractors.

2 Total Recordable Injury Frequency (TRIF) is calculated as (total number of recordable injuries [including fatalities, lost time injuries, restricted work and medical treatment injuries] x 1,000,000) / total hours worked.

3 Lost Time Injury Frequency (LTIF) is calculated as (total lost time injuries x 1,000,000) / total hours worked.

Note: the safety interactions and hazards information for FY21 (excludes data from Cracow (divested late FY20) and interactions from the Red Lake operations. The intervention programme for Red Lake has commenced and is focused on leadership, courageous conversations, behaviours and "seeing" hazards. This data commenced in late Q3 FY21 and will be reflected in FY22 data.

Wellbeing

Workplaces that promote mental and physical health and psychological safety are vital to building trust and respect. By investing in mental health and wellbeing programs, we aim to improve health, safety, and business outcomes. Our FY21 plan to enhance awareness, understanding and support for holistic wellbeing was accelerated by the COVID-19 pandemic, and we continue to adjust our protocols and measures put in place on the advice from the relevant government and health specialists, particularly to ensure the safety and wellbeing of our people.

We engaged and supported our people using onsite health practitioners. This was complemented by a wellbeing framework, a mental health support framework and mental health first aid training across operations, which equips people and their families with knowledge to proactively manage their own wellbeing and provides access to tools and support for early intervention and recovery.

Other initiatives at our operations to support a mentally healthy workplace included R U OK Day initiatives, mental health first aid training and fatigue management training for employees and supervisors, and the Blue Tree Project. There were 296 people who had proactive treatment for pre-existing conditions.

In FY22 the wellbeing framework is being enhanced to develop an organisation-wide focus on psychological safety supported by the development of leading indicators to monitor and track wellbeing across the workforce.

Case study: Blue Tree Project and Wellbeing Initiative at Cowal and Mungari

The nationwide movement of the Blue Tree Project has left its mark at the Cowal and Mungari Operations. At each operation, a tree has been painted blue with support from local stakeholders to support the project raising awareness around mental health and sparking difficult conversations. Increasing visibility that "It's OK to have a blue day" encourages our people to reflect on the wellbeing and health of themselves and others, break down stigmas surrounding mental health, and foster community connections and engagement. These blue trees serve as a reminder that our people and their health are our most important assets and align with our sustainability approach of creating planned positive legacies. Already more than 600 trees have been painted and registered across Australia to help raise awareness of mental health and suicide prevention.

Occupational Hygiene

All sites have risk-based Health and Hygiene Management Plans that includes identification and quantification of risk from actual and potential exposure to airborne contaminants, hazardous atmospheres, flammable substances, noise, hazardous manual tasks and environments where personnel are exposed to hazardous materials. Health risk assessments are conducted, and monitoring programs are implemented for similar exposure groups (SEGs). The monitoring programs are reviewed on a regular basis. Corrective and remedial actions are implemented where the results of monitoring have identified an increased threat to workers' health.

Contractor Health and Safety

We communicate our minimum expectations regarding contractor health and safety requirements as a component of the procurement process for our sites and projects. These expectations form an integral part of the signed agreements with each contractor or business partner. Communication is critical and includes the provision of information on site specific risks and we collaboratively review the way tasks are designed and undertaken. We ensure we are clear in communicating the requirements and accountability for supervision to ensure work is being carried out safely and in line with Evolution's standards.

Evolution operates a 'one team' approach and reports and reviews all incidents including near misses from all contractors. Like all employees, contractors are required to follow safe work practices, report all incidents and to stop work if they are unable to control the hazards of the task or implement robust controls to safely perform the task. Where a contractor does not follow safe practices, we require them to cease work until remedial actions have been taken. This may include implementing written procedures for high-risk tasks within the contractor's scope; documenting training for all personnel; conducting fit-for-purpose audits of machinery, materials, PPE and emergency equipment used by the contractor; and re-inducting their employees to Evolution's site-safety requirements.

Emergency Preparedness

Emergency response programs are in place at all our operations and are rigorously reviewed and assessed to ensure the business is well prepared to respond to an incident and/or an emergency. Our emergency response teams comprise of employees with additional training in emergency protocols, procedures and equipment. The emergency response programs include extensive emergency drills and training, such as mine rescue scenarios / training, fire drills, CPR first-aid training, and training in the use of hazardous materials suits and other safety equipment.

Emergency Response and Crisis Management

Emergency Response Action: to commence immediately to prevent loss of life, damage to the environment or property and to minimise harm

Level 1 Response: Operations Emergency Response Team (ERT) action at a site level

Level 2 Response: Incident Management Team (IMT) action from site and local external involvement

Level 2.5 Response: Customised grouping of Leadership Team (CMT sub-team), if required in support of a site, operations or exploration IMT level 2 activation

Level 3 Response: Crisis Management Team (CMT) Leadership Support and Management

The framework above outlines how Evolution responds to an emergency or crisis. This framework is supported by the Crisis Management Plan that outlines the roles, responsibilities and processes to be followed by the corporate Crisis Management Team in the event of a crisis, both at a site and at a Group level.

FY21 has been a year where there has been an ongoing and active CMT and IMTs established for COVID-19. These teams continue to meet on a regular basis to address the ongoing COVID-19 issue. Additional examples where IMTs have been established with support from a CMT include cyclones at Mt Carlton, floods at Cowal and forest fires at Red Lake.

We continue to build the capability of 173 members in our Emergency Response Team (ERT) to support our operations and to assist our communities through significant incidents or threatening situations. Our emergency response teams maintain close working relationships with community-based emergency responders and provide additional support and resources to local responders in the event of a serious off-site incident. In cases of disaster and irregular weather events such as floods and forest fires, our emergency responders are ready and prepared to assist community-based response teams to protect our workers, assets and neighbours.


Red Lake ice rescue simulation


Cowal road crash rescue


Mouna Momo stabilises her patient at the multi-casualty First Aid event, Mungari emergency response competition


Chris McIntosh (EVN Mungari Captain) directing team during fire event

Case study: Kalgoorlie Surface Mine Emergency Response Competition 2021 at Mungari

In April and May 2021, our Mungari Operation hosted the Kalgoorlie Surface Mine Emergency Response Competition which was run by the Chamber of Minerals and Energy Western Australia. The multiday event provided scenario-based training for nine teams, comprising approximately 200 people across the mining industry, on mine safety and enhancing education in industry-leading emergency approaches. Skills were tested across scenarios in firefighting, hazardous chemicals, first aid, team skills, vehicle extrication, rope rescue, incident management, confined space rescue, and theory exams. Evolution claimed second place in Rope Rescue and several third places including Individual Theory and Best Captain.

Case study: TRIF Safety Record – Leaders in the Community and at Work at Mt Rawdon

In January 2021, the Mt Rawdon Operation achieved 365 days without a recordable injury, enabling the lowest TRIF ever at Evolution of 0.00 and efficient production. The incredible milestone was attributed to mature risk management procedures, leadership, and peer on peer interactions at the operation and across Group. For example, the site committed to ongoing visible leadership through an interactions program, held safety toolbox sessions on resetting risk and controls examinations and rolled out a 5S Lean manufacturing standard (Sort, Set in Order, Shine, Standardise and Sustain) and shared learning broadly across the site and at other operations. In addition, the Site Leadership Team continue to raise standards in reporting and incident investigations. This commitment to safety has encompassed not only the workforce but also in the communities through a Community First Aid Training Day held for 20 local residents.

Transport Safety (material topic)

Definition: Road and aviation accidents. Road dust from transportation to and within the mining sites.

Our Approach

Evolution is committed to ensuring the safety of our employees, contractors, and our communities as we undertake crucial road and aviation activities on our sites and within the areas in which we operate. These activities include the movement of people, delivery of products or transporting goods and equipment.

The risk related to transport safety varies based on the activities of our operations, the location of our assets and the local environments in which we operate.

Minimum standards have been developed to define key requirements related to transport safety outlined within the Sustainability Performance Standards including; Aviation and Travel and Fixed and Mobile Equipment standards. Vehicle Interaction and Aviation have been identified as Material risks at a Group level which requires bowtie risk assessments and critical control plans to be in place with verification activities undertaken to verify controls are effective and functioning as designed in controlling the risk.

The sustainability assurance program incorporates verification against the two Standards and the material risk program across all operations and the wider business. If any deviation is identified, an action plan is developed and the nonconformance is escalated to the Leadership Team.

Aviation Safety

The Evolution Group Sustainability Team takes a lead role in managing the risks and ensuring effective control of risks associated with the Aviation and Travel Standard providing travel related security, emergency recovery and management across the business. Aviation services are reviewed and approved by Group in consultation with key industry and regulatory bodies.

International SOS have been engaged to support the safety of our people as they travel internationally and domestically. Travel is registered, people are briefed prior to departing on any medium to high risk travel and support is also provided in ensuring the safety of our people during the COVID-19 global pandemic.

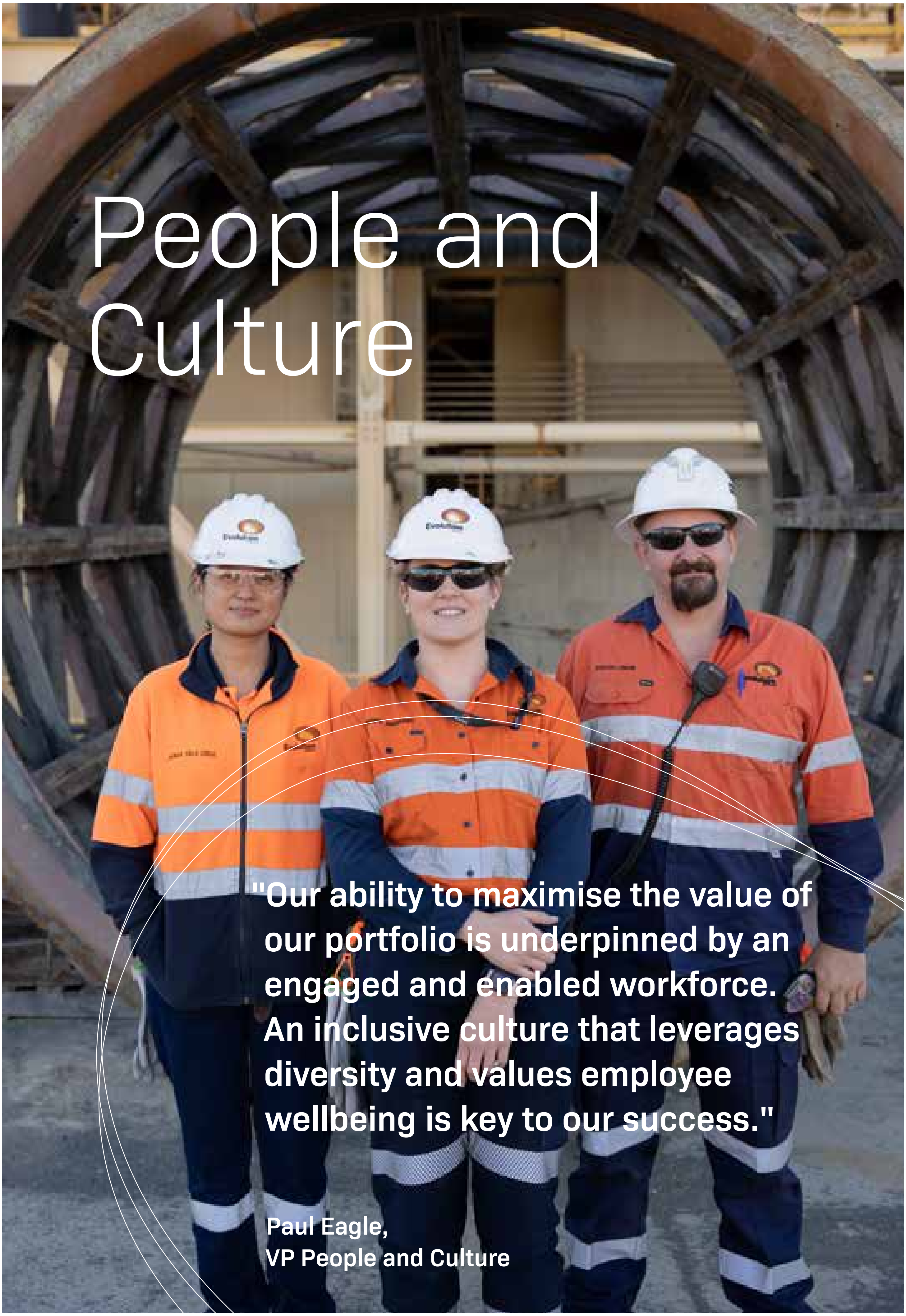
Vehicle Safety

Our road safety approach focuses on vehicle design and condition, road design and maintenance, traffic management rules as well as driver skills and behaviour. We recently formed an Evolution Community of Practice to champion a program of activities aimed at reducing vehicle incident and near misses across the business. We are focused on reducing risk through both driver behaviour and targeting technological solutions to improve the safety outcomes of vehicle operations.

Our Performance

100% of charter airlines in use through FY21 have undergone the required third-party audit, confirming compliance to regulatory and Evolution minimum standards. There were no aviation related events in FY21.

Vehicle safety was a key element of the FY21 assurance audits with all sites meeting the minimum requirement of the standard. Whilst there were some improvements required these have been assigned actions and will be tracked through to close out. A vehicle safety community of practice has been established to drive ongoing focus and improvement in vehicle safety across the business.



People and Culture

"Our ability to maximise the value of our portfolio is underpinned by an engaged and enabled workforce. An inclusive culture that leverages diversity and values employee wellbeing is key to our success."

Paul Eagle,
VP People and Culture

People and Culture

FY21 Highlights

21%

increase in female workforce participation compared to FY20

42%

of jobs filled internally (2% increase compared to FY20)

Employees choosing to stay at 87%, against a target of 87%

231

'Act Like an Owner' recognition program nominations (17% increase compared to FY20)

Improved our approach to performance management, with an increased focus on regular feedback, coaching, and development supported by a simplified People and Culture system

Built cultural awareness through training and collaboration with our local Indigenous communities

Our Approach

Evolution has a values-based culture with clear expectations around behaviours, that aims to create an environment where our people are informed, engaged and have strong working relationships with their Leaders and work colleagues.

Aligned to this, we believe that developing our people is vital to our success as a business and to ensuring our people's time at Evolution is a highlight of their career.

As part of our people strategy we focus on growing outstanding leaders, building capability across the business and driving an inclusive culture that leverages our diversity and optimises workforce performance. We aim to create safe work environments that promote dignity, respect and wellbeing, in which the contributions of all employees are recognised and valued.

We ensure our approach to remuneration is competitive and supportive of delivering quality outcomes, whilst recognising the significant efforts of our people.

Our Performance

As of 30 June 2021, Evolution employed 1,977 Permanent, Fixed Term and Casual employees, compared to 1,448 in FY20. The acquisition of the Red Lake operation and Battle North Gold added 753 employees to our workforce. 87% of our employees chose to stay with Evolution which is a strong result given a competitive market.

Gender Mix Participation

Female representation in the workforce increased from 16.5% in FY20 to 20% in FY21. In addition, 44% of the Graduate Development Program hires in FY21 were females.

Indigenous Participation

The focus remains on growing a pipeline of Indigenous candidates, and proactively identifying experienced external talent with the skillsets needed by the organisation. Our directly employed Indigenous workforce increased from 127 to 139 people, representing 7% of our workforce.

Inclusion and Diversity (material topic)

Definition: All forms of diversity and inclusive design of workplaces. Gender strategy aligned with WGEA: 'female participation in mining'. Cultural awareness training.

Evolution is passionate about creating a workplace that's inclusive and supportive; a place where everyone can truly be themselves. A diverse and inclusive company is a stronger, more successful company. Improved diversity yields many benefits, including positive impacts on organisational culture and reputation, employee attraction and retention, as well as enhanced stakeholder relationships and business outcomes.

We continue to support a flexible and inclusive working environment that assists employees to balance their responsibilities between work and home. In FY21, we formed an Inclusion Awareness Project which will focus on delivering Inclusion Awareness education, supporting leaders to have meaningful conversations with their teams, as well as identifying and acting on improvement opportunities throughout FY22.

We report annually on the gender mix within our workforce via our Workplace Gender Equality Public Report.[34]

Case study: Cultural Awareness Training at Connor's Arc

Eight members of the Evolution Connor's Arc Greenfields exploration team met with the Barada Barna peoples in Moranbah, in April, to participate in a cultural awareness training session. The training covered the history of the Barada Barna people and their journey to Native Title Determination, the difference between a Welcome to Country and Acknowledgement of Country, their language, and artefacts. The session also covered how the Barada Barna Aboriginal Corporation are working towards a sustainable future for their people and their countrymen by expanding their business and sharing their business acumen with other traditional owner groups to help them succeed.

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[34] Workplace Gender Equality Public Report

Case study: Rainbow Crosswalk Sign of acceptance for LGBTQ2S+ community at Red Lake

Respect is a key value at Evolution. The Red Lake Operation demonstrated this value by showing support and celebrating their diverse and inclusive LGBTQ2S+ community during Pride Month in June. Red Lake employees painted a rainbow crosswalk with permission of the Municipality of Red Lake, adding not just a pop of colour, but also a dash of hope and acceptance into the community. This community encompasses straight and cisgender allies supporting and advocating for LGBTQ2S+ community members, as well as those within the LGBTQ2S+ community who support each other.

Mayor Fred Mota commends Evolution: "We are very pleased to have this opportunity to partner with Evolution on this project. Red Lake is a community that is supportive of inclusion and diversity. This rainbow crosswalk will serve as a visual reminder of this sentiment for years to come."

Case study: Sponsoring the 1770 Cultural Connections Immersion Festival at Mt Rawdon

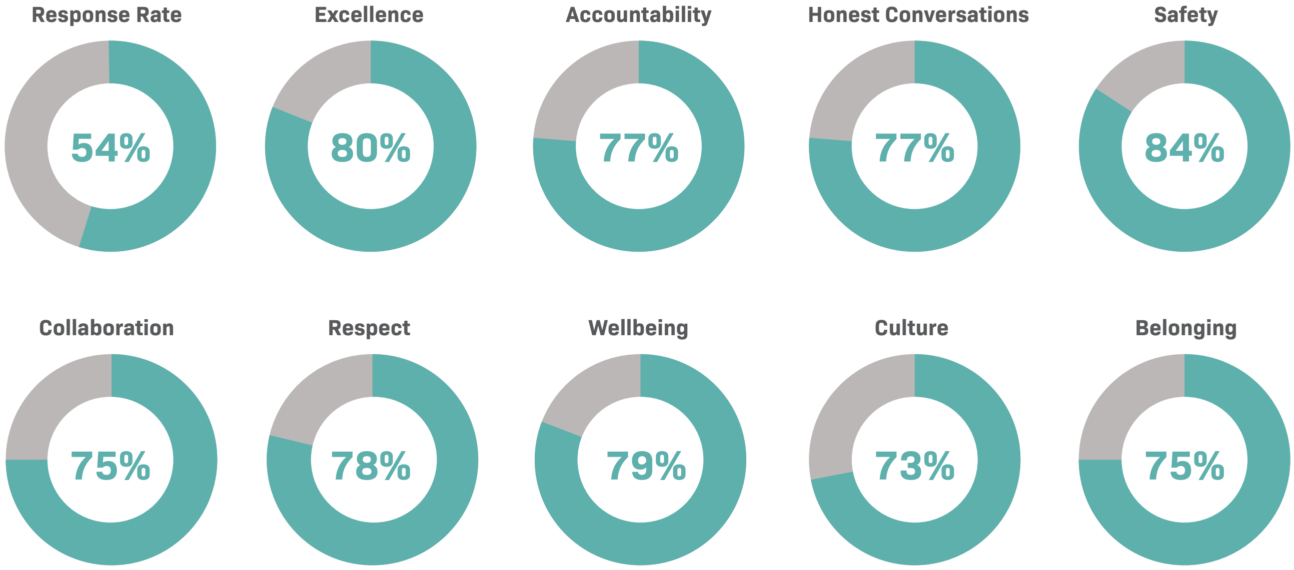
The 1770 Cultural Connections Immersion Festival is a cultural event in the Burnett region driving reconciliation through cultural education and engagement. 'Reconciliation through Celebration' is the key objective of the festival which features food, cultural performances, guest speakers, lessons in biodiversity, and storytelling around the cultural values and history of First Nation Partners and Indigenous Peoples. Despite COVID-19, the inaugural festival in 2020 attracted over 1,600 people. Evolution is proud to offer its ongoing support as the festival's major sponsor for the next three years, along with the Burnett Mary Regional Group and event organisers, the Gidarjil Development Corporation. Formalising this joint partnership with these regional change-makers enables effective forward planning, increases the national profile of the event, fosters the progression of Mt Rawdon's related biodiversity regeneration projects, and aligns with our sustainability commitments to enhance cultural and environmental outcomes in our local communities. Through this collaboration, our partners envisage the 1770 Cultural Connections Immersion Festival will become one of the most significant festivals for First Nation Partners and Indigenous Peoples in Australia.

Employee Engagement (material topic)

Monthly voluntary employee engagement surveys are conducted, providing people with an opportunity to let their leaders and team members know what is important to them.

During FY21, an average of 54% of our team members responded to the survey (compared to 53% in FY20). The results demonstrated that we successfully sustained or improved over the period against our key culture measures, which are aligned to our values.

We received a combined staff engagement score of 78, which is a strong result, consistent with FY20. In FY21 questions were added on wellbeing (physical, social and psychological), culture (supportive workplace culture) and belonging (sense of belonging as part of their workplace). These questions scored consistently in the 73 - 79 range. We were pleased that engagement was consistently high despite the COVID-19 crisis.



Combined Score Average: 78

Talent Attraction and Retention (material topic)

Definition: Appealing to new and experienced talent, targeted training, career growth and development.

Talented people are core to our business, and we are always keen to identify, attract and retain people who are highly skilled, with strong alignment to our values. In FY21, some enhancements included: streamlining the recruitment process; implementing new sourcing and selection tools; and consolidating the reporting of recruitment statistics through enhanced recruitment dashboards. Social media channels, eg LinkedIn and Facebook, are used to showcase diversity through employee story sharing, community initiatives and local activities. Our partnerships with Work180, JT Academy, Gold Industry Group and other local and community associations help us deliver targeted talent attraction messaging to our candidate market.

As highlighted above, strong levels of retention have been maintained across our workforce. This is a reflection of the targeted work undertaken to attract quality people to the business and the provision of an environment where they want to stay, thrive and do their best work.

As part of our commitment to a diverse workforce, we increased our engagement with, and employment pathways for, Indigenous People across Australia and Canada.

Evolution strives to continue to develop and grow our employees by engaging and investing in their futures through a variety of internal and external offerings. We encourage our people to take up opportunities for development that complement their individual needs, short and long-term career goals and business requirements. We focus on developing people both personally and professionally, which enables the Company to build organisational capability and capacity.

Recognising and Rewarding our People

We have built a culture where our team members 'Act Like an Owner' (ALO) by treating Evolution as if it is their own business. In FY21, 231 ALO initiatives were generated that delivered significant value for our business through change, improved safety, innovation, cost reductions and efficiency gains.

In addition to this, Evolution is in its seventh year of offering all eligible Australian based employees A$1,000 worth of Evolution shares, through the employee share offering program. Therefore, they can truly be owners of our business.

Evolution undertakes an annual pay review and bonus process, aimed at recognising and rewarding employee outcomes aligned to organisational goals as well as the efforts of our people throughout the year.

The strategic importance of sustainability performance is also recognised and linked to Management's short-term incentive process. This process evaluates Evolution's performance against established targets including health and safety, people, environment, climate risks (water and emissions), social responsibility and innovation, as well as ALO contributions.

Case study: Mill Feed at Cowal

The processing team on site identified that the mobile crushers could crush ore to an appropriate size to feed via the soft oxide bin to compensate for the Coarse Ore Stockpile (COS) feeders being out of action. Luke White was instrumental in this process, promptly leading the team to minimise disruption to the mill feed. He coordinated the safe removal of the contaminated material in the COS, allowing for a cost saving of A$640,000.

Case study: Act Like an Owner – Crusher Jaw Liner at Mt Carlton

Mt Carlton ore is extremely abrasive and may be very hard. This causes rapid rates of wear for ground engaging tools, in this case, the crusher jaw liners. Rapid wear rates require high frequency of maintenance work to change out, with resultant risk exposure. Glenn Jarvis provided ore specifications to a new supplier (Brisbane based manufacturer) who designed and supplied jaw liners (24% manganese) specifically for Mt Carlton ore characteristics. This resulted in a ~30% decrease in the required frequency of maintenance work to change out worn liners, with resultant decrease in risk exposure and increase in effective run time. Consumable costs decreased by 30% as a result of the longer utilisation time (A$106,000), supply lead times and supply risk with previous supplier in China also decreased.

Training and Education

Extensive training is provided to increase or improve skills that mitigate the risk of health and safety incidents, meet compliance requirements, and increase employees' understanding of their responsibilities towards the environment. All staff participate in annual performance and career development reviews covering their on-the-job performance, our values and training and development goals.

In FY21 our continued focus on development, leadership and retention was measured through:

- 82% of people fulfilling their stated development goals
- Improved continuity in our leadership pipeline effectively retaining and attracting top talent in our management group
- Enrolment and participation of 283 of our leaders in development programs despite COVID-19
- 42% of our vacant roles appointed through succession and internal candidates
- Growth in our pool of employees identified as "ready now succession" to 31% against a target of 20%
- Delivery of a total of 116,092 training hours in FY21: an average of 59 hours per employee

The rollout of our refreshed Leadership Development suite of programs underpinned by our Leadership Behaviours commenced in FY21. The leadership suite includes Leadership Essentials; practical bite-sized learning for all leaders, delivered on site; and Introduction to Leadership, which is aimed at supporting new and emerging leaders around the fundamentals of being an effective leader. The GOLD mid-senior development program was also refreshed, focusing on building leaders who are values driven, resilient and agile, commercially minded, inclusive and delivery focused.

Graduate Program

Evolution's Graduate Program has been running since 2013. We are delivering diversity and equality in our graduate talent pipeline supported by a robust and engaging recruitment and selection process. A sixth cohort of new graduates were welcomed to the business in January 2021. Across their two-year journey, the graduates are supported and encouraged to flourish in both their personal and professional development through formal workshops and webinars, customised development assessments and learning, mentoring, exposure to the Senior Leadership Team, and a dedicated development guide.

Case study: Meet Gizella Szekely, one of our Graduates

Gizella knew she wanted to be a part of Evolution from a young age and began her time with the business as a vacation student. She was successful as an applicant in Evolution's Graduate Program as a geologist in 2021, a role that incorporates what she is passionate about: exploring the great outdoors and mineralogy. What stood out to Gizella about Evolution is the clear focus on people and experiencing that no matter what role people are in, the business will always support them.

In her time with Evolution, Gizella has been provided with several learning opportunities and the opportunity to immerse herself within different departments, allowing her to experience many aspects of the geology function. Her career highlight so far has been working on the Cowal Underground Feasibility Study which involved logging core to understand the GRE46 deposit.

Case study: JT Academy

The JT Academy has been a valuable partner in addressing talent attraction and retention challenges in the mining industry. Since 2019, Evolution's operations have actively engaged in the academy's various programs, such as JT Community, JT Youth, JT Leadership, and Lead Like a Girl. These programs have supported the attraction and retention of local, indigenous, and female candidates into the mining industry, and have enhanced Evolution's talent attraction, brand promotion, and community education programs. They have also led to the delivery of thousands of educational workbooks across our local communities, workshops on self-confidence, JT Leadership sessions, as well as school and site visits by Johnathan Thurston (NRL football legend) which have generated cultures of positivity, self-belief, and cohesion in our communities. So far, by leveraging the Academy's resources, Evolution has increased the number of job applicants identified as Aboriginal and/or Torres Strait Islander to 12% in FY21. This partnership is part of enabling sustainable positive legacies in our communities, particularly with equal access to employment, training, and capacity building.

Community

"We are deeply connected to the local communities where we operate. Partnering with our First Nation Partners and Indigenous Peoples, neighbours, local and regional governments and suppliers allows us to improve outcomes in health, community infrastructure and services and education, including providing traineeships and creating pathways for employment. By working together, we can create long-lasting, inclusive and sustainable value beyond the life of our mines."

Bob Fulker,
Chief Operating Officer

Community

FY21 Highlights

Active engagement with First Nation Partners and Local Communities

0 Material Cultural Heritage Incidents

0 Material Community Impact Incidents

100%

of Actions in Community Relations Plans completed

A$3.30 million

in direct community investment in FY21

7 new Shared Value Projects in FY21

A$100 million

local spend (27% increase compared to FY20)

Our Approach

Evolution relies on the relationships we have with our stakeholders to ensure that the opportunities created by our operations produce socially inclusive and sustainable development for the communities in which we work.

The communities near our sites experience the most direct social, environmental and economic impacts of our business. By providing competitive wages and benefits, prioritising local procurement, contributing our fair share of taxes and royalties, and investing in community programs and infrastructure, we work hard to support the development goals of our host communities and governments.

Providing clear and transparent benefits to local communities is an integral part of our strategy for gaining support. Our approach is to:

- Build engaged and lasting relationships with the communities in which we operate
- Uphold fundamental human rights
- Protect cultural heritage and First Nation partnerships
- Invest in meaningful community projects and sustainable development
- Respect cultures, customs and values while engaging in open and inclusive dialogue

Indigenous Stakeholder Outcomes (material topic)

Definition: Economic and education opportunities, community and health outcomes for Indigenous stakeholders.

Our Approach

Evolution is committed to respecting and enhancing the rights, interests, concerns, traditional land uses and cultural activities of our First Nation Partners and Indigenous Peoples within the communities in which we operate. For operations whose activities can directly or indirectly affect Indigenous Peoples, our Social Responsibility Performance Standards require the establishment of formal procedures and processes related to Indigenous Community engagement, economic inclusion and Cultural Heritage conservation, while ensuring we meet applicable legislative requirements.

Our Stakeholder Engagement Standard and Guidance guide our relationships with Indigenous Communities by outlining specific requirements around engagement, communication, integration of community input, monitoring and review.

Indigenous Peoples, including First Nation Partners in Canada, are often highly impacted by mining. In Canada, the mining industry is the single largest employer of First Nation peoples and contributes to the sustainable development of Indigenous communities across the country. As identified by the Truth and Reconciliation Commission of Canada, Canada's private sector has an important role to play in helping to reconcile historical injustices faced by Indigenous Peoples. As a mining company with a Canadian asset in operation, Evolution has a responsibility to meaningfully consult First Nation communities and provide equitable access to employment, training and educational opportunities.

Our Community Relations teams at all sites works with our First Nation Partners and Indigenous Peoples, contractors and educational institutions to provide training and employment opportunities to Indigenous peoples. The General Manager at each site is responsible for First Nation engagement at a local level.

Our Performance

In FY21, there were no disputes relating to land use, customary rights of local communities and Indigenous Peoples, or incidents of violations involving rights of Indigenous Peoples.

Refer to the ESG Performance Data document for activities that take place in or near areas where Indigenous Peoples are located.

Case study: Yalga-binbi Training Centre at Mt Rawdon

The Yalga-binbi Institute for Community Development (YBI) now comprises a new and improved Environmental Marine Training Centre with an Alternative School for the delivery of high-quality training and community development opportunities for at-risk youth in a secure, self-contained environment. YBI has been working within the community for over 20 years to develop programs and training opportunities that promote positive social transformation and help empower the Indigenous community to build better, healthier, and stronger communities. Since 2018 an estimated 400 people have enrolled in their courses covering Conservation and Land Management, Marine Compliance, Construction, Hospitality, Retail, and Office Administration on site, and an outreach training program is being run for local prison inmates to retrain ahead of release. We are honoured to have built upon our partnership with YBI to fund these developments and are eager to support the outcomes for youth to learn and prosper in the long-term.

Case study: Wiradjuri Condobolin Corporation Galari Agricultural Company Business at Cowal

Evolution and the Wiradjuri Condobolin Corporation have come together to form the Galari Agricultural Company (GAC) which has a meaning of connections to the Lachlan River. The employment and training initiative and horticultural and livestock enterprise will focus on the production of beef cattle, lamb, and wool on 1,600 acres of Evolution land. The project will start with training in shearing and animal husbandry for eight trainees. Longer-term goals are to establish GAC as a Registered Training Organisation to support 80 youths annually to build careers in agriculture, livestock, mining, commercial cleaning, catering, and land management. This collaboration will enhance the employability and skill development of Indigenous youth in the region and establish an ongoing work readiness pathway program.

Cultural Heritage (material topic)

Definition: Working with Indigenous communities to protect places and items of cultural significance. Indigenous engagement.

Our Approach

Evolution acknowledges the special connection to country that Indigenous people have, and we work together to build constructive and respectful relationships.

As the short-term custodians of the land in which we operate, we respect the role of our First Nation Partners, Traditional Owners and Custodians of the land and consider environmental and Cultural Heritage as both an honour and a responsibility. We value the partnerships we have built and are committed to working together to protect their Cultural Heritage and advance outcomes for First Nation Partners and Indigenous Peoples. Our relationships are integrated into our values driven approach, reflected in our Sustainability Principles and supported by our Sustainability Performance Standards and ongoing practical implementation of these standards.

We believe that Cultural Heritage management should be based in agreement making and collaboration, with Traditional Owners and Custodians given a central role and voice. With input from Traditional Owners and Custodians, we have developed and implemented comprehensive Cultural Heritage management plans to monitor and manage our environmental impacts on Cultural Heritage. This is especially important when our projects are located on land traditionally owned, adjacent to, or under customary use by Indigenous peoples. In these instances, specific engagement is undertaken.

In 2021, to further support this commitment, management created a new Group role to drive the development and implementation of a comprehensive cultural heritage, community and Indigenous relations strategy, framework and risk management.

Cultural Heritage Management Review

The destruction of culturally sensitive land in Australia made many of us in the industry challenge and re-validate our own standards, protocols and processes. We reaffirmed the importance of the protection of Cultural Heritage at all levels of the business.

In response to the incident resulting in the destruction of the culturally significant heritage site, Juukan Gorge, Evolution took the following steps:

- Each of our assets reached out to our Traditional Custodians to reaffirm our commitment to protecting Cultural Heritage and also checked if there were any concerns
- Renewed focus on education across the business, including progressing the planning of Cultural Competency sessions for leadership teams in the first instance
- Reviewed our existing Cultural Heritage standards and related audit findings to evaluate if we had the correct processes and systems to support our ongoing commitment to the protection of Cultural Heritage and as trusted partners
- Reaffirmed our commitment through increased communications at all locations
- Delivered a brief outlining the impact of the destruction of Juukan Gorge and key findings from the 'Juukan Gorge Interim Report'[35] to Evolution's Board, Management and site management; the brief included

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[35] Juukan Gorge - Interim Report – Parliament of Australia (aph.gov.au)

an overview of the next steps to ensure learnings from this interim report are integrated into planning and management

- Conducted specific discussions with the Site General Managers and teams to reinforce our values and expectations
- Developed specific First Nation Engagement Plans that considered Cultural Awareness across the business
- Added Cultural Heritage to our Quarterly Environmental Assurance audits as an added layer of governance

Evolution's nine Sustainability Principles are closely aligned with the UN Sustainable Development Goals with one Principle focusing on 'Advancing the outcomes for Indigenous Peoples and protect their Cultural Heritage'.

We have developed a set of Social Responsibility Performance Standards that sit within the Sustainability Performance Standards. Sections 5.1 and 5.2 of the Social Responsibility Performance Standards outline performance requirements related to planning, performance and review of Cultural Heritage management and Traditional Custodians and First Nation engagement. Each of our projects and assets undergo regular sustainability audit and assurance programs that assess performance against these standards and identify opportunities for improvement. Sustainability audits conducted in FY21, highlighted good alignment across all our assets in understanding and implementation of the Social Responsibility Performance Standards. The results of our audits for all operations provide Evolution with greater assurance that current governance practices are adequate to ensure the protection of Cultural Heritage, relationships and values.

Our Performance

As outlined in the Social Responsibility Performance Standards, each of our operations has a dedicated Community Relations team that liaises with our Traditional Custodians and First Nation Partners and oversee the relationship agreements in place. Our Australian and Canadian operations and exploration projects operate under Collaboration Agreements, Native Title Agreements, Cultural Heritage Agreements and/or Exploration Agreements with our First Nation Partners. These agreements are negotiated in good faith, fairly and equitably and ensure we work in partnership with Traditional Custodians and First Nation Partners to support opportunities that promote and support self-determination including:

- Enabling them to maintain, control, protect and develop their Cultural Heritage, traditional knowledge and cultural expressions. These can include Cultural Heritage Management Plans which prescribes steps to be taken when undertaking operational or exploration activity that has the potential to uncover or disturb Cultural Heritage. Heritage Agreements may also have provisions to promote Cultural Awareness Training across sites
- Supporting the improvement and sustainability of their social and economic conditions including negotiated royalties or consideration to employment and training opportunities and awareness of business opportunities that may arise within the operational footprint

Each asset is required to maintain documentary evidence of the status of actions, implementation and achievement against an agreed commitment. Any Cultural Heritage near misses or incidents must be immediately reported to enable a review of any incident or near miss to ensure we understand, learn and widely communicate findings from the frontline, with our stakeholders and to the Board.

The Board Risk and Sustainability Committee meet and review our Environment, Social and Safety performance on a quarterly basis. Cultural Heritage impact or material changes are included in the Board update and open for discussion and review.

During FY21, there were no material Cultural Heritage Incidents.

Case study: Identification of Stone Artefacts at Drummond

Our Cultural Heritage obligations include reporting all artefacts or sites of potential cultural significance identified during the course of our exploration field work. Whilst geological mapping on Birriah country at the Drummond Greenfields Project, two Evolution employees identified several stone artefacts and after further detailed work located a possible knapping ("factory") site.

These locations were photographed and a report was forwarded to the Birriah Cultural Heritage Officer, who subsequently inspected the sites that we had identified. The Officer confirmed the sites were of importance and acknowledged our efforts for noting the site and bringing it to their attention so that it can be adequately studied and recorded for posterity.

Our Social Licence depends on the strength of our relationships with the communities within which we operate and the Native Title groups with whom we work. Our people's observations and follow-through have demonstrated our values and commitments to Cultural Heritage obligations.

Case study: Integrated Cultural Heritage Management at Mungari

Following the destruction of culturally significant land in Australia, Cultural Heritage management and protection have been reaffirmed as key enablers for the operation and future of the mining industry. Evolution is committed to strengthening our existing relationships with our Traditional Custodian and First Nation Partners and engaging in thorough due diligence. The Mungari Operation are leading Evolution's integrated approach to Cultural Heritage management through their enhanced monitoring and regional geographical mapping of registered sites, engagement in NAIDOC and Reconciliation Week, ongoing open and honest landowner negotiations, and improved cultural competencies.

The enhanced monitoring and mapping, particularly through new technologies such as tablets to access the QField application, enables greater efficiencies, allows us to assess the implications for future landowner negotiations and tenements, and boosts accuracy and visibility over tenements, disturbances, boundaries, pastoral reserves, and Cultural Heritage sites in the field.

Community Engagement (material topic)

Definition: Indigenous and non-Indigenous community engagement. Managing community expectations and grievances. Delivering on mutually beneficial agreements and investing in developing our local communities.

Our Approach

We understand the responsibility of being a major community employer and partner. Across Australia and Canada, we employ local people, use a mix of national and local suppliers, and support economies more broadly through taxes and other government payments. We aim to create sustainable partnerships and opportunities for our people to be involved in their community.

It is important that we are an integral part of our local communities and work to understand expectations, share information and resolve issues as they arise. We work to make a positive contribution to our communities, with management plans in place to ensure responsible operations, and we work collaboratively on issues and opportunities. Many of our major sites have established community consultation committees, providing a regular forum for open discussion between Evolution, community representatives and other stakeholders about the environmental management and performance of our operations.

Community Investment

Our Approach

Engaging with local stakeholders to understand our impacts as well as their goals for the sustainable development of their communities is essential to how we identify and implement community investment programs, including our Shared Value Projects and sponsorships and donations.

Our approach to community investment is site-specific, while maintaining the core guiding principles presented below. Each site is responsible for its own community investment initiatives. Community investment projects are first assessed and then implemented by our Community Relations teams at each of our sites. The site General Managers are responsible for overseeing community investment projects and their contributions to sustainable development.

Evolution's Community Investment program is underpinned by four guiding principles:

Attraction and Retention

- Raise awareness and strengthen reputation of Evolution / mining sector in broader community
- Attract younger generation to careers with Evolution / the mining sector
- Grow Evolution's brand as employer of choice

Build Community Advocacy

- Demonstrate industry relevance (now and future)
- Foster trust in mining/ gold sector
- Touch the hearts of our local, regional and national communities
- Grow understanding of modern mining practices

Enhance Outcomes for First Nation Groups and ATSI* people

- Demonstrate our respect and accountability for any disturbance
- Partnerships that build capacity for the future
- Develop/support actions to help close the gap:
  - Health
  - Education
  - Employment

Innovation and Industry Relevance

- Unlock value for Evolution / mining sector
- Support leading practice and new approaches in:
  - Environment
  - Safety
  - Discovery
  - Operations
  - Technology
  - Community outcomes

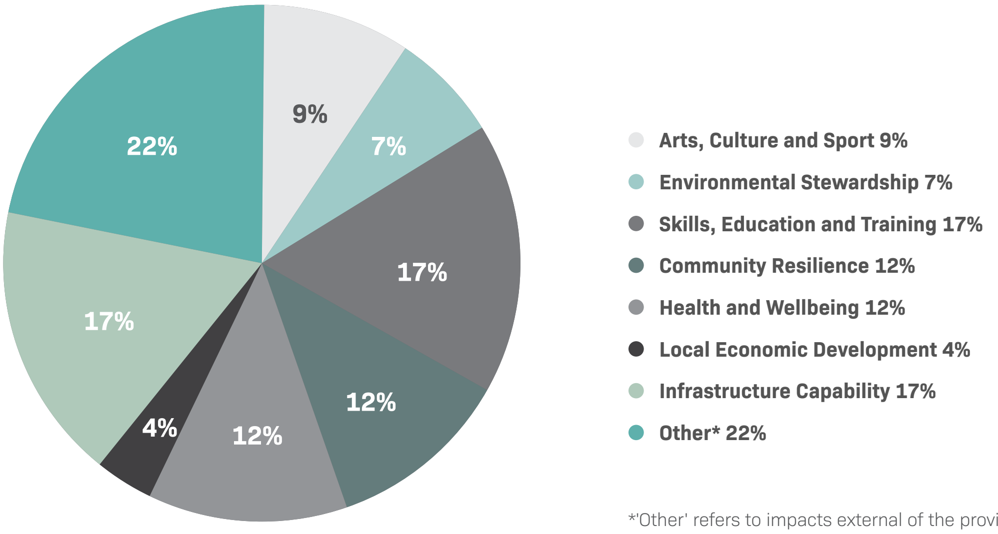
* Aboriginal or Torres Strait Islander

Our Performance

Direct Community Investment

Total direct community investment expenditures across our operations and Group office in FY21 were approximately A$3.30 million, and supported the following impact areas:

Community Investment Breakdown FY21 (%)



*'Other' refers to impacts external of the provided impact areas.

The following table highlights key Shared Value Projects at each of our sites:

Shared Value Project	Site	Purpose	Impact Area	Outcomes
University of Queensland's Research for Early Cancer Diagnosis Using Gold	Group	Partnership with UQ to support research into using gold nanoparticles to test for cancer, enabling early diagnosis of all cancer types	Health and Wellbeing	▪ Novel technology enabling early cancer diagnosis and survival rates up to 98% ▪ Several research papers published in renowned medical journals –advocating for the value of gold in biomedical technologies – with positive receptions ▪ Extension of partnership into researching long haul COVID-19 impacts
NQ Dry Tropics Beach Scrub Protection	Mt Carlton	To improve the condition and extent of threatened beach scrub ecological communities in the dry tropics in partnership with Traditional Custodians and NQ Dry Tropics	Environmental Stewardship and Skills, Education and Training	▪ Invasive lantana removed from beach scrub ecological communities near The Pocket outside of Ayr ▪ Four Gudjuda trainees trained and certified as bushrangers to undertake mapping, vegetation assessments, and to look after Country ▪ Enhanced skill transferability and employability of the local community

Shared Value Project	Site	Purpose	Impact Area	Outcomes
Somewhere Down the Lachlan	Cowal	Partnership with Forbes Arts Society to significantly enhance tourism in the region by installing a sculpture trail between shires	Arts, Culture and Sport, Community Resilience and Local Economic Development	▪ Installation of three Evolution-sponsored sculptures: a 22m long galvanised steel Goanna named 'Varganus', the thought-provoking 'Road Kill', and a 6m tall Indigenous warrior named 'Heart of Country' ▪ Linked the local shires together, encouraged tourism, and fostered the local economy with the associated Grazing Down the Lachlan ▪ Educational opportunities respecting and incorporating the traditional culture of Indigenous people ▪ Transition to independent management by the Forbes Art Society and community
Great Barrier Reef Yellow Zone Research Project	Mt Carlton	Partnership with James Cook University and Great Barrier Reef Marine Park Authority to research protected marine areas with aims of reef conservation and community support	Environmental Stewardship	▪ Research and data generated on yellow zone areas which are often overlooked in favour of no-take fishing areas ▪ Expansion of the spatial research area, enabling greater access and scope of local fishing communities
Red Lake Fire Recovery Support	Red Lake	To enhance emergency capabilities within the Red Lake region, namely with a new and higher capacity fire truck, following the bushfire disasters of August 2020	Community Resilience	▪ Provision of a modern fit-for-purpose fire truck ▪ Financial support to enable regional economic recovery following bushfire and evacuation costs ▪ Long-term community resilience to fire emergencies, safeguarding community safety and wellbeing ▪ Strengthened existing partnerships with the Balmertown Fire Department
Mt Perry Summit Walk	Mt Rawdon	A funding collaboration to provide visitors with a reason to stop and stay in Mt Perry and develop tourism and community infrastructure capabilities	Community Resilience and Local Economic Development	▪ Track upgraded to a Class 3 Standard hiking trail, including improved signage and amenities ▪ Several Gidarjil Trainees trained in mapping and land management to revitalise the track ▪ Increased patronage and tourism
Ben Prior Park	Mungari	Partnership with the Shire of Coolgardie, Kambalda and Coolgardie Men's Sheds to restore Coolgardie's Ben Prior Park into a functional open-air mining museum and tourism rest spot	Community Resilience and Skills, Education and Training	▪ Since March 2021, Coolgardie's community assets and the region's rich mining history enhanced and showcased in a revitalised open-air mining museum ▪ Mining and farming equipment, such as shaft winder wheels, provided from the collection of late local resident Ben Prior ▪ Increased tourism and economic stimulus, and sensory tools to educate the community ▪ Recognition from Gold Industry Group

Grievances

Our Approach

We believe that conducting business honestly and respectfully requires open communication between our sites and stakeholders. This is essential when managing disputes regarding our activities and relationships. When grievances are raised, we act and respond with due diligence, and effective grievance mechanisms play an important role in governing and remediating any impacts.

Our Performance

All operations have a grievance mechanism in place to ensure that stakeholders can voice concerns about Evolution activities and impacts and that these concerns are documented in a transparent, accountable manner and addressed in a timely fashion.

Refer to the ESG Performance Data document for the total number of grievances filed through grievance mechanisms at each of our operations in FY21.

Case study: Mt Perry Summit Walk at Mt Rawdon

The Mt Perry Community Development Board (MPCDB) works to support the Mt Perry community and give the region an identity and prosperous future beyond the life of mining. An element of this strategy is the promotion and delivery of the Mt Perry Summit Nature Walk. Evolution has partnered with the MPCDB, Gidarjil Development Corporation, North Burnett Regional Council, and QPWS, to improve the existing Mt Perry Summit Nature Walk and upgrade it to a safe and marketable Class 3 Standard hiking trail. The unmarked bush trail initially lacked signage and any local promotion. The upgrades have the potential to showcase Mt Perry's local ecosystems, foster local economic development through increased visitors and longer stays in town, and support the health and wellbeing of both visitors and employees. The project also enables collaboration with our Traditional Custodians, Gidarjil, and the Queensland State Government in providing employment and training opportunities to 15 local applicants while building the walking track. Even prior to the official opening on 6 August, the trail experienced increased patronage and usage.

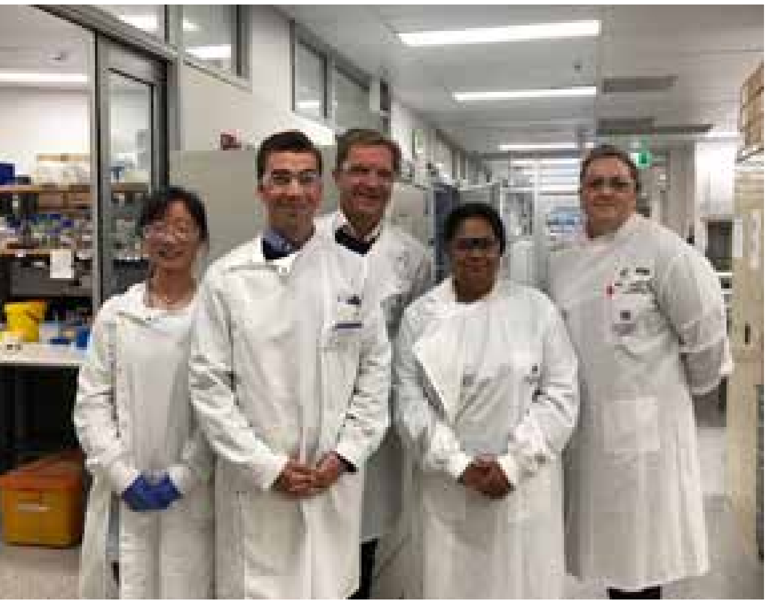
Case study: West Wyalong Advocate Revival at Cowal

Regional Australian newspapers are recognised as a key communication source for small communities, yet they have experienced recent widespread closures. In early 2021, the closure of the 126-year-old West Wyalong Advocate was announced to the disappointment of the communities surrounding our Cowal Operation. The team at Cowal saw the loss of the region's most trusted and vital resource as an opportunity to work closely with community representatives and the Bland Shire to revive the paper under the management of an external, independent body. This revival aimed to strengthen and sustain long-term community, employment, and business connections across the region beyond the life of mine in line with Cowal's community relations priorities. After a four-month hiatus, the Advocate successfully recommenced publication in May 2021 underpinned by strong long-term foundations of economic support from Evolution and an independent management committee. This success story featured as an entry in the 2021 NSW Mining HSEC Awards and was recognised for its positive community impact.

Case study: UQ research into DNA Nanostructures and COVID-19 immune responses using Gold

To aid in the research and development of rapid cancer tests, Evolution committed A$300,000 over a three-year partnership with the University of Queensland (UQ) in 2019. Researchers from UQ developed a breakthrough novel Immuno-Storm chip technology, using gold nanoparticles that can rapidly detect cancer cells in the human body with the potential to enable early diagnosis for all cancer types and improve survival rates up to 98%. It is considered a disruptive technology, and Evolution's support assists in commercialising it, generating intellectual property, and contributing to the growth of our Biotechnology industry.

We are exploring opportunities to continue our support, with research expanded to include long-term COVID-19 immune response. Following the successful initial clinical demonstration and advancement of the technology and research, Professor Trau, Director of the Centre for Personalised Medicine at UQ's Australian Institute for Bioengineering and Nanotechnology, and the UQ scientists who pioneered the technology, are focused on critical research in the application of the Immuno-Storm chip technology to long-term COVID-19 immune response. This innovative research offers an opportunity for Evolution to improve the health of people in our communities and globally, save lives, build the diversity of new gold-based products in medical diagnostics, and demonstrate the relevance of gold.



Local Employment (material topic)

Definition: Commitment to employ locals where possible, followed by a preference for relocation over FIFO.

Our Approach

Drawing our workforce from local communities where possible is a priority to ensure that the economic benefit of employment remains in our local communities. Benefits of local employment include skills development, increased income levels and economic diversification.

This strategy helps build strong working relationships with local communities. Hiring and training local employees may also result in operating efficiencies and lower long-term costs by having an educated and experienced workforce near our sites. This practice positively impacts local and national economies by providing well-paying jobs and generating government revenues that can be directed towards health care, education and infrastructure. Conversely, negative impacts can include inflated local prices for goods and services as well as income disparity between the mining and non-mining workforce.

Our Performance

67%

local employment across our operations

Case study: The Karlkurla Park Shed: Enhancing training and employment prospects for Goldfields prisoners at Mungari

In partnership with the Kalgoorlie-Boulder Urban Landcare Group, Evolution has supported a program to enhance skill development and training opportunities for local Goldfields prisoners. Through this program, 16 members of the correctional community constructed a storage shed as part of wider infrastructure upgrades to the local nursery. It has contributed to the members' rehabilitation into the community by boosting their employment opportunities and established a foundation for upgrades to the nursery which will provide a community space for recreation, connection, health, and wellbeing.

"Evolution continues to work in partnership with our supply chain to continuously improve our approach, develop sustainable practices and deliver value to our business and communities. We strive to work with suppliers and contractors who share our values and are driven to improve our supply chain’s social and ethical footprint."

Gary Ward,
Group Manager Supply

Sustainable Procurement

FY21 Highlights:

A$100 million

local spend (27% increase compared to FY20)

54%*

of medium and high-risk suppliers assessed for modern slavery and human rights risks in FY21

* 54% of questionnaires issued were returned in FY21

Modern Slavery Statement released

Supplier Code of Conduct released

Standard contract terms updated to consider modern slavery risks and expectations

Sustainabilty Procurement (material topic)

Definition: Purchase goods and services responsibly: human rights, environmental issues, Indigenous corporations, security, and supplier conduct.

Supply chains represent the people who do the work to supply the goods and services that we need to operate, the local communities whose needs and expectations must be understood and respected, and the environment that sustains our communities and provides the natural resources we need for our products. We choose to partner with suppliers who share our core values.

A Procurement Statement provides the framework under which Evolution procures goods and services and is aimed at ensuring the Company applies its adopted values (Safety, Excellence, Accountability and Respect) to procurement activities and that the outcomes reflect maximising value for the Company and our relationships with our suppliers.

Suppliers play a key role in helping to deliver on our corporate strategy. Our Supplier Code of Conduct outlines the expectations we have of our suppliers. Suppliers are required to be accountable for their actions and commit to ensuring they conduct their business in alignment with Evolution's values and behaviours.

A Sustainable Procurement Framework is being developed which aims to ensure that sustainable procurement practices are embedded in our business, ensuring ESG standards are maintained and continuously improved throughout the procurement lifecycle.

Local and Regional Procurement

Our Approach

Procuring goods and services from local and regional suppliers helps share the economic value in the communities in which we operate. Progress is monitored by tracking direct procurement spend (paid by Evolution) and indirect spend (paid by subcontractors to Evolution). Our approach is based on local economic procurement decisions and processes that have significant and positive impacts on local economies, with associated benefits to businesses and communities in the regions of our sites.

Our local and regional procurement practices focus on:

- Promoting an open and shared culture across all our workplaces
- Providing ongoing training and education
- Upholding equal opportunities, diversity and anti-discriminatory practices
- Hiring employees, contractors and suppliers from the local community

We engage with our local communities. This includes hosting information evenings with our key contractors and their communities to discuss subcontracting, supply and employment opportunities on various projects.

Our Performance

In FY21, we spent A$129 million directly with local and regional suppliers, including A$100 million with local suppliers, a 27% increase compared to FY20. Our increase in this spend is due to our efforts to more actively identify opportunities to include local, regional and Indigenous suppliers.

Case study: Tucker Dust and Diesel Partnership at Mungari

Mungari celebrated a local and Indigenous procurement partnership with Tucker Dust and Diesel, a 100% Aboriginal-owned company that takes pride in its local heritage and community, specialising in mobile plant and vehicle maintenance and mining support equipment. The Managing Director of Tucker Dust and Diesel is a strong believer in helping the local community and its people and has a long-term vision of creating professional employment opportunities for the next generation through apprenticeships and traineeships. Instilling quality workmanship into training regimes and providing quality service to clients is core to the Tucker Dust and Diesel working ethos. Our partnership aligns with our aspirations to enhance our sustainable procurement, provide for Indigenous stakeholder outcomes, and remove any potential barriers to doing so.

Modern Slavery and Human Rights (material topic)

Definition: Australian modern slavery legislation. Work hours, fair pay, supply chain transparency.

As a signatory to the UNGC, Evolution has committed to advancing all Ten Principles of the UNGC, including Principles One and Two: Human rights and respect for human rights, as outlined in the United Nations Universal Declaration of Human Rights.

One of Evolution's nine sustainability principles, Human Rights, underpins the Human Rights Performance Standard, as part of our Sustainability Performance Standards.

In FY21, our assets were internally audited and verified, including human rights risks, against our Human Rights Performance Standard. No violations of human rights, including the rights of Indigenous peoples, were recorded during the reporting period.

Our Modern Slavery Statement was approved in FY21, and a commitment within our statement is to undertake further questioning, review and assessment of suppliers considered to be at higher risk of modern slavery in their supply chains. We have collaborated with each of our sites to determine our medium to high risk suppliers and have issued 76 questionnaires on human rights and modern slavery risks to those identified suppliers. Our assessments to date have not identified any modern slavery practices in our operations or supply chain, however we recognise this is an ongoing process and we remain vigilant.

A Modern Slavery Business Guide has been developed which sets out our approach in our business activities to manage the potential risk of modern slavery occurring in vendor supply chains.

Glossary

Glossary	
"AA" rating	Rating credibility used in the MSCI review. The lowest rating of "CCC" to the highest rating of "AAA"
A$	Australian dollars
ALO	Act Like an Owner. An internal ongoing recognition program that rewards our employees for their supportive behaviour and good ideas
AMD	Acid mine drainage. When sulphide minerals (predominantly pyrite) are exposed to air, which allows them to oxidise and break down
B	Billion. The number equivalent to the product of a thousand and a million
BBP	Balanced Business Plan
BEV	Battery electrical vehicles. Fully-electric, meaning they are solely powered by electricity and do not have a petrol, diesel or LPG engine, fuel tank or exhaust pipe.
CMT	Crisis management team. The CMT provides support through management of crisis level issues
CN	Cyanide. A chemical compound used in the extraction of gold and silver
CO2-e	Carbon dioxide equivalent. A standard unit for measuring carbon footprints
COVID-19	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) is the strain of Novel coronavirus that causes coronavirus disease 2019. A mild to severe respiratory illness that is caused by a coronavirus and is transmitted chiefly by contact with infectious material (such as respiratory droplets) or with objects or surfaces contaminated by the causative virus
CSA	Corporate Sustainability Assessment. A scoring methodology that companies and investors can review on a company's ESG
CSIRO	Commonwealth Scientific and Industrial Research Organisation. An Australian government agency responsible for scientific research
Dewatering	The act of taking water from an operating mine
DJSI	Dow Jones Sustainability Indices. These are a family of indices evaluating the sustainability performance of thousands of companies globally
EAP	Employee assistance program. Program available to employees and their families to use to assist with their health and wellbeing
ERT	Emergency Response Team. Teams built at each operation to support both our operations and assist communities through significant incidents or threatening situations
ESG	Environmental, Social and Governance. The three key factors when evaluating the sustainability and ethical impact of an investment in a company or country
ESS	Employee Share Scheme. A scheme introduced by Evolution Mining 6 years ago which supports the issuing of shares to our full and part-time employees to ensure they share in Evolution's success
FSB	Financial Stability Board. An international body that monitors and makes recommendations about the global financial system
FNP	First Nation Partners
FY20 / FY21	FY meaning financial year. FY21 would then be the period from July 2020 to end of June 2021
GHG	Greenhouse Gas. Compound gases that trap heat or longwave radiation in the atmosphere
GRI	Global Reporting Initiative. Independent, international organisation that provides the world's most widely used standards for sustainability reporting
ICMM	International Council on Mining and Metals. An international organisation whose purpose bringing together a safe, fair and sustainable mining and metals industry
ISS ESG	Institutional Shareholder Services (ISS). ISS ESG is a business that provides corporate and company ESG research and ratings
IWL	Integrated waste landform. A simple definition is a tailings storage facility that is located inside waste rock storage
JT	Johnathan Thurston. He is an Australian former professional rugby league footballer who has established an academy to provide employment initiatives and training
kL	Kilolitre. Measurement equivalent to 1,000 litres

Glossary	
LCF	Lake Cowal Foundation. A not-for-profit Environmental Trust established in June 2000 to protect and enhance Lake Cowal, a nationally significant wetland located 45 km north of West Wyalong New South Wales
LCCC	Lake Cowal Conservation Centre. A community educational facility where school students, land managers and community members can learn about and experience a variety of issues associated with natural resource management
LGBTQ2S+ community	Loosely defined grouping of people who Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, Two-Spirit and other minorities
LOD	Line of Defence
LOM	Life of Mine
LoKal	Name given to a local community initiative in Kalgoorlie
M	Million. Number equivalent to the product of a thousand and a thousand
MillROC	Milling Remote Optimisation Consulting Coaching. Software produced by Orway IQ which is a cloud-based reporting of all plant data related to circuit performance and optimisation
ML	Megalitre. Equal to one million litres
MSA	Modern Slavery Act. The Commonwealth Modern Slavery Act 2018 (the Act) established Australia's national Modern Slavery Reporting Requirement (reporting requirement). The reporting requirement entered into force on 1 January 2019. The reporting requirement aims to support the Australian business community to identify and address their modern slavery risks and maintain responsible and transparent supply chains
MPCDB	Mt Perry Community Development Board. exists to promote and support all forms of community and economic development within the town of Mt Perry and the surrounding areas
MSCI	Morgan Stanley Capital International. It is an investment research firm
NGER	National Greenhouse and Energy Reporting. A national framework for reporting and disseminating company information and greenhouse gas emissions, energy production and energy consumption
NIST	National Institute of Standards and Technology. Founded in 1901, NIST is one of United States' oldest physical science laboratories; they released a cybersecurity framework that integrates industry standards and best practices to help organizations manage their cybersecurity risks
NIER	Northern Industrial Electricity Rate Program. Assists Northern Ontario's largest industrial electricity consumers to reduce energy costs, sustain jobs and maintain global competitiveness
NGOs	Non-governmental organisation. A non-profit, citizen-based group that functions independently of government
NMD	Neutral mine drainage. In some instances, the acidity produced by sulphide oxidation can be neutralised in the presence of carbonate minerals
NPI	National Pollutant Inventory. The NPI provides the community, industry and government with free information about substance emissions in Australia
PAF	Potentially Acid Forming. Classification of a rock when tested if it has the potential to generate acid as a result of a metal mining activity
PPE	Personal protective equipment. Anything used or worn on our employees to minimise risk to their health and safety
S&P Global	Company that provides data, research, news and analytics to customers including institutional investors and corporations
SAM	Title for the Corporate Sustainability Assessment. SAM refers to historic naming when the CSA was hosted by RobecoSAM AG. It is now transferred to S&P Global Switzerland SA and known as the SAM Corporate Sustainability Assessment
Scope 1	Category of greenhouse gas emissions. Scope 1 is sometimes referred to as direct emissions and refers to emissions released to the atmosphere as a direct result of an activity
Scope 2	Category of greenhouse gas emissions. Scope 2 refers to emissions released to the atmosphere from the indirect consumption of an energy commodity

Glossary	
SD	Saline drainage. This is saline and metal-rich drainage that has been produced by the oxidation of metal sulphides that do not generate net acidity
STIP	Short term incentive plan
t	tonnes
SA	Sustainability Advantage. NSW Government program encouraging and accelerating the sustainability of medium to large businesses
TARP	Trigger Action Response Plan. Consists of a set of documented and known work place hazards that need to be continuously checked for
TCFD	Task Force on Climate-related Financial Disclosures. An organisation that was established in December 2015 with the goal of developing a set of voluntary climate-related financial risk disclosures which may be adopted by companies
TRIF	Total Recordable Injury Frequency. Usually forms part of the acronym TRIFR and refers to the number of fatalities, lost time injuries, alternate work, and other injuries requiring medical treatment per million hours worked
TSF	Tailings storage facility. A facility designed to safely store left over mined minerals
UN SDGs	United Nations Sustainable Development Goals. These are global goals adopted by all United Nations Member States as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030
WORK 180	A recruitment site showing Australian employers who support women in the workplace. Criteria include flexible work, pay equity and parental leave

Chief Financial Officer's Review

In the 2021 financial year Evolution's quality asset portfolio delivered a record statutory net profit with shareholders continuing to be rewarded through our consistent dividend policy.

Evolution achieved a record statutory net profit after tax of A$345.3 million for FY21, a 14.5% increase on the prior year (30 June 2020: A$301.6 million). Underlying profit after tax was A$354.3 million (FY20: A$405.4 million).

Group gold production was 680,788 ounces at an AISC of A$1,215 per ounce (US$907/oz) which continues to place Evolution among the lowest cost producers in the world. In FY22, Evolution has guided production of 700,000 – 760,000 ounces at an AISC in the range of A$1,220 – A$1,280 per ounce.

Revenue for FY21 decreased by 4% to A$1,864.1 million (FY20: A$1,941.9 million). The higher achieved gold price of A$2,369 per ounce was partially offset by a decrease in production for the year to 680,788 ounces (FY20: 746,463oz). Revenue comprised of A$1,605.0 million of gold, A$236.9 million of copper and A$22.1 million of silver (FY20: A$1,738.1 million of gold, A$187.9 million of copper and A$15.8 million of silver revenue).

Total gold sold equalled 677,150 ounces which included deliveries into the Australian gold hedge book of 100,000 ounces at an average price of A$1,829 per ounce (FY20: 100,000 ounces, A$1,734/oz) and Canadian hedge book of 40,000 ounces at an average price of C$2,272 per ounce. The remaining 537,150 ounces were sold in the spot market comprising 456,001 ounces delivered at an average price of A$2,474 per ounce and 81,169 ounces delivered at an average price of C$2,361 per ounce (FY20: 664,655oz, A$2,320/oz). At 30 June 2021 gold delivery commitments totalled 200,000 ounces at a price of A$1,892 per ounce for the Australian operations and 80,000 ounces at C$2,272 per ounce for Red Lake with quarterly deliveries through to June 2023.

Copper revenue was a record with a 26% increase from the prior year to A$236.9 million (FY20: A$187.9 million), driven by a 33% increase in the copper price to A$11,172 per tonne which was partially offset by a 5% decrease in production to 21,361 tonnes.

Mine operating costs, excluding Red Lake (first full year of ownership) and Cracow (divested 1 July 2020), showed good cost control in the year with increases in costs largely driven by increased activity across the sites. Price increases over the year were only approximately 1% of the total operating cost or A$5.8 million. The increase was mainly due to a 3.5% rise in labour and contractor rates combined with increased maintenance consumables costs and water unit rates. Pleasingly, these cost increases were mostly offset by lower power costs linked to new contract rates, lower diesel costs due to lower oil prices and lower grinding media costs due to the benefits of new contract rates. Higher activities across the operations impacted operating costs by 3.5% or A$26.6 million driven by the full year of underground operations at Mt Carlton, additional headcount at Cowal and Mungari, and increased maintenance activities.

Red Lake operating costs were A$197.2 million for the first full-year in comparison to A$48.3 million incurred for the part-year of ownership in FY20. On a pro-rata basis costs at Red Lake in FY21 remained in line with FY20.

Inventory costs expensed were A$44.9 million lower driven by increased value of stockpile inventories predominantly at Cowal, partially offset by planned drawdown of stockpiles until access to Stage H ore is obtained in FY22.

Royalties were in line with FY20 driven by higher achieved metal prices offset by lower metal quantities sold. By-product revenue was up 28% due to higher metal prices, particularly copper.

Tax expense for FY21 of A$150.9 million is A$43.9 million higher than FY20 reflecting the higher profit achieved in the year.

Operating mine cash flow decreased by 16% to A$937.3 million (FY20: A$1,121.4 million). Total capital investment was A$379.8 million (FY20: A$371.0 million) which included A$105.7 million (FY20: A$83.4 million) of sustaining capital investment and A$274.1 million (FY20: A$287.6 million) of major capital investment.

On 20 May 2021 Evolution completed the acquisition of all the outstanding shares of Battle North Gold at a price of C$2.65 per common share in cash for a total consideration of approximately C$343.0 million. Battle North Gold's key asset was the Bateman mill which is located 10km from Evolution's existing Red Lake operations in Ontario, Canada. The additional processing capacity from the new Bateman mill will accelerate the ability to achieve in excess of 350,000 ounces of gold per annum from Red Lake.

Executive Chairman's Report | Operations | Discovery | Sustainability Report | Chief Financial Officer's Review | Annual Financial Report | Shareholder Information | Corporate Information

On 22 July 2021, Evolution announced that it had entered into an agreement with Northern Star Resources Limited to acquire:

- 100% interest in the Kundana Operations
- 51% interest in the East Kundana Joint Venture (EKJV)
- 100% interest in certain tenements comprising the Carbine Project
- 75% interest in the West Kundana Joint Venture (WKJV)

The transaction completed on 18 August 2021 with the acquired operating assets all situated within eight kilometres of Evolution's Mungari Operations, which represents an important strategic opportunity to consolidate the region, optimise the value of its existing Mungari infrastructure and capture significant operational synergies. Evolution has paid Northern Star A$400.0 million in cash to acquire the assets, which was funded by a A$400.0 million fully underwritten institutional placement and was accompanied by a non-underwritten share purchase plan which raised an additional A$68.0 million.

On 13 August 2021 Evolution announced that it had successfully priced a US$550 million placement in the United States private placement market. This was following receipt of an investment grade private credit rating from a major reputable rating agency. Funds from the placement will enable repayment of the existing term loan facility that funded the Red Lake acquisition (A$450 million) and extend the debt maturity profile from an average of 2.7 years to 7.1 years. The placement consisted of US$200 million maturing November 2028 with a fixed rate coupon of 2.83% and US$350 million maturing November 2031 with a fixed rate coupon of 3.17%. Evolution has entered into cross currency swaps to hedge the US dollar exposure. The completion of the placement is subject to standard closing conditions and is expected to be drawn in November 2021.

A record A$273.4 million (FY20: A$221.4 million) in fully franked dividends was paid during the year, a 23.5% increase on the prior year.

The Board declared a final FY21 fully franked dividend of 5 cents per share, totalling A$91.3 million. This results in an FY21 full year dividend of 12 cents per share fully franked. This dividend is based on the policy of whenever possible paying a dividend based on free cash flow generated during a year. The policy targets a payout ratio of 50% of cash flow. Free cash flow is defined as cash flow before debt and any acquisitions or divestments. The full year dividend equates to a payout rate of 64% of FY21 group cash flow.

In summary, the 2021 financial year was another great year for Evolution. As we look forward to 2022 and beyond, our strong cash position and robust balance sheet will allow us to invest in attractive organic growth opportunities to increase the production profiles at our high quality, long life cornerstone assets which is expected to continue to generate superior returns for our investors.

Yours faithfully

LAWRIE CONWAY
FINANCE DIRECTOR AND CHIEF FINANCIAL OFFICER

Financial	Units	FY21	FY20	Change
Statutory Profit before tax	A$M	496.2	408.6	21%
Underlying Profit after tax[1]	A$M	345.3	301.6	14%
Underlying Profit after tax[1]	A$M	354.3	405.4	(13%)
EBITDA	A$M	914.2	1,029.4	(11%)
EBITDA Margin	%	49%	53%	(8%)
AIC Margin	A$/oz	673	764	(12%)
Earnings Per Share	cps	20.2	17.7	(14%)
Mine Cash flow	A$M	554.9	736.0	(25%)
Group cash flow[2]	A$M	327.3	541.8	(40%)
Final Dividend (fully ranked)	**cps**	**5.0**	**9.0**	**(4.0)**

1. Main differences between Statutory and Underlying Profit after tax are A$11M in M&A costs (FY21) and A$101M for Mt Carlton impairment (FY20)
2. Cash flow before dividends, debt repayments and M&A costs

Board of Directors

The Board has implemented and is committed to the ASX Corporate Governance Council's Fourth Edition Corporate Governance Principles and Recommendations, and to maintaining a high standard of Corporate Governance which reflects the requirements of the market regulators and the expectations of the Company's security holders.

Jacob (Jake) Klein

BCom Hons, ACA

Executive Chairman

Mr Klein was appointed as Executive Chairman in October 2011, following the merger of Conquest Mining Limited and Catalpa Resources Limited. Previously he served as the Executive Chairman of Conquest Mining.

Prior to that, Mr Klein was President and CEO of Sino Gold Mining Limited, where he managed the development of that company into the largest foreign participant in the Chinese gold industry. Sino Gold was listed on the ASX in 2002 with a market capitalisation of $100 million and was purchased by Eldorado Gold Corporation in late 2009 for over $2 billion. It became an ASX/S&P 100 Company, operating two award-winning gold mines and engaging over 2,000 employees and contractors in China. Prior to joining Sino Gold (and its predecessor) in 1995, Mr Klein was employed at Macquarie Bank and PwC.

Lawrence (Lawrie) Conway

B Bus, CPA, GAICD

Finance Director and Chief Financial Officer

Mr Conway was appointed Finance Director and Chief Financial Officer of the Group with effect from 1 August 2014 (previously a Non-Executive Director).

Mr Conway has more than 30 years' experience in the resources sector across a diverse range of commercial, financial and operational activities. He has held a mix of corporate, operational and commercial roles within Australia, Papua New Guinea and Chile with Newcrest and prior to that with BHP Billiton. He most recently held the position of Executive General Manager - Commercial and West Africa with Newcrest Mining where he was responsible for Newcrest's group Supply and Logistics, Marketing, Information Technology and Laboratory functions as well as Newcrest's business in West Africa.

Mr Conway is a Non-Executive Director of Aurelia Metals Ltd (appointed in June 2017).

James (Jim) Askew

BEng (Mining), MEngSc, FAusIMM, MSME (AIME)

Non-Executive Director

Mr Askew is a mining engineer with more than 40 years' broad international experience as a Director and Chief Executive Officer for a wide range of Australian and international publicly listed mining, mining finance and other mining related companies.

Mr Askew has served on the boards of numerous mining and mining services companies, which currently includes Syrah Resources Limited (Chairman since October 2014), a company with operations in Mozambique and in the USA and Endeavour Mining Corporation, a company with operations in Cote d'Ivoire, Senegal and Burkina Faso (Non-Executive Director since July 2017).

Within the last 3 years Mr Askew has been a Non-Executive Director of Oceana Gold.

Mr Askew is Chair of the Risk and Sustainability Committee and Member of the Nomination and Remuneration Committee.

Thomas (Tommy) McKeith

BSc (Hons), GradDip Eng (Mining), MBA

Non-Executive Director

Mr McKeith is a geologist with over 30 years' experience in various mine geology, exploration, business development and executive leadership roles. He was formerly Executive Vice President (Growth and International Projects) for Gold Fields Limited, where he was responsible for global exploration and project development.

Mr McKeith was also Chief Executive Officer of Troy Resources Limited and has held Non-Executive Director roles at Sino Gold Limited, Avoca Resources Limited and is currently the Non-Executive Chairman of Genesis Minerals Limited and Non-Executive Director at Arrow Minerals Limited.

Mr McKeith is the Lead Independent Director effective 1 December 2018 and Chair of the Nomination and Remuneration Committee.

Andrea Hall

BCom, FCA, M. App Fin, GAICD

Non-Executive Director

Ms Hall is a Chartered Accountant with more than 30 years' experience in the financial services industry in roles involved in internal audit, risk management, corporate and operational governance, external audit, financial management and strategic planning. Prior to retiring from KPMG in 2012, Andrea was a Perth-based partner within KPMG's Risk Consulting Services where she serviced industries including mining, mining services, transport, healthcare, insurance, property and government.

Ms Hall is currently a Non-Executive Director and Chair of the Audit and Risk Committee at ASX-listed Pioneer Credit Limited. Andrea is also a Non-Executive Director of ASX listed Perenti Group and Chair of the Audit and Risk Committee. Further, she is a Non-Executive Director of Insurance Commission of Western Australia and the AFL Fremantle Football Club.

Ms Hall is the Chair of the Audit Committee and Member of the Risk and Sustainability Committee.

Jason Attew

BSc, MBA

Non-Executive Director

Mr Attew is a mining industry veteran who has dedicated 25 years to the mining sector and is currently the President and CEO of Gold Standard Ventures Corporation. Previously he served as the Chief Financial Officer at Goldcorp Inc. where, in addition to leading the finance and investor relations operations, he was responsible for Goldcorp's corporate development and strategy culminating in the US$32 billion merger with Newmont Mining Corp.

Mr Attew has extensive capital markets experience from his time in investment banking with the BMO Global Metals and Mining Group where he was at the forefront of structuring and raising significant growth capital as well as advising on both formative and transformational mergers and acquisitions for corporations that have become industry leaders over the past two decades and is also on the board of The Food Stash Foundation, a Vancouver-based non-profit whose mission is to create food & nutritional security for local residents.

Mr Attew is a Member of both the Audit Committee and the Nomination and Remuneration Committee.

Peter Smith

MBA, FAusIMM, GAICD

Non-Executive Director

Mr Smith is a senior executive with over 43 years' experience primarily in resources sector. He has worked in a range of sectors including gold, coal, metals and fertilizers. Peter has held senior positions with Kestrel Coal Resources, Israel Chemical Limited, Newcrest Mining, Lihir Gold, WMC Resources, Western Metals and Rio Tinto.

Mr Smith was a former Non-Executive Director of NSW Minerals Council and Evolution Mining, Commissioner of PT NHM Indonesia and Executive Director and Chairman of Western Metals Limited.

Mr Smith is a Member of the Risk and Sustainability Committee.

Victoria (Vicky) Binns

BEng (Mining - Hons 1), FAusIMM, GAICD, Grad Dip SIA

Non-Executive Director

Ms Binns has over 35 years' experience in the global resources and financial services sectors including more than 10 years in executive leadership roles at BHP and 15 years in financial services with Merrill Lynch Australia and Macquarie Equities. During her career at BHP, Ms Binns' roles included Vice President Minerals Marketing, leadership positions in the metals and coal marketing business, Vice President of Market Analysis and Economics. She was also co-Founder and Chair of Women in Mining and Resources Sg (WIMAR Sg).

Prior to joining BHP, Ms Binns held Board and senior management roles at Merrill Lynch Australia including Managing Director and Head of Australian Research, Head of Global Mining, Metals and Steel Research, and Head of Australian Mining Research.

Ms Binns is currently a Non-Executive Director of ASX-listed companies Sims Limited and Cooper Energy, as well as the Not For Profit Carbon Market Institute, which assists industry in the transition to net zero emissions. Ms Binns is also a Member of the Advisory Council for JP Morgan in Australia and NZ.

Ms Binns is a Member of the Audit Committee.

Annual Financial Report

Contents

Directors' Report

Results for Announcement to the Market

Key Information

	30 June 2021 $'000	30 June 2020 $'000	Up / (down) $'000	% Increase/ (decrease)
Revenues from contracts with customers	1,864,058	1,941,863	(77,805)	(4)%
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	914,235	1,029,432	(115,197)	(11)%
Statutory profit before income tax	496,172	408,590	87,582	21 %
Profit from ordinary activities after income tax attributable to the members	345,262	301,552	43,710	14 %

Dividend Information

	Amount per share Cents	Franked amount per share Cents
Final dividend for the year ended 30 June 2021		
Dividend to be paid on 28 September 2021	5.0	5.0
Interim dividend for the year ended 30 June 2021		
Dividend fully paid on 26 March 2021	7.0	7.0
Final dividend for the year ended 30 June 2020		
Dividend fully paid on 22 September 2020	9.0	9.0

Net Tangible Assets

	30 June 2021 $	30 June 2020 $
Net tangible assets per share	**1.51**	1.47

Earnings Per Share

	30 June 2021 Cents	30 June 2020 Cents
Basic earnings per share	**20.21**	17.71
Diluted earnings per share	**20.14**	17.62

Additional Appendix 4E disclosure requirements can be found in the notes to these financial statements and the Directors' Report attached thereto. This report is based on the consolidated financial statements which have been audited by PricewaterhouseCoopers.

Directors' Report (continued)

Directors' Report

The Directors present their report together with the consolidated financial report of the Evolution Mining Limited Group, consisting of Evolution Mining Limited ("the Company") and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The Directors of the Group during the year ended 30 June 2021 and up to the date of this report are set out below. All Directors held their position as a Director throughout the entire year and up to the date of this report unless otherwise stated.

Jacob (Jake) Klein	Executive Chairman
Lawrence (Lawrie) Conway	Finance Director and Chief Financial Officer
Thomas (Tommy) McKeith	Lead Independent Director
James (Jim) Askew	Non-Executive Director
Jason Attew	Non-Executive Director
Andrea Hall	Non-Executive Director
Victoria (Vicky) Binns	Non-Executive Director
Peter Smith	Non-Executive Director

Company Secretary

Evan Elstein

Principal activities

The principal activities of the Group during the year were exploration, mine development, mine operations and the sale of gold and gold/copper concentrate in Australia and Canada. There were no significant changes to these activities during the year.

Key highlights for the year

Key highlights for the year ended 30 June 2021 include:

Sustainability

- The Group has always put environmental and social concerns at the forefront of our operations. We have now publicly committed to bolder, more tangible action as we align our business with the commitment to transition to "Net Zero" greenhouse gas emissions by 2050 (scope 1 and 2) and a 30% reduction in greenhouse gas emissions by 2030.
- The Group continues to be recognised for its Sustainability performance, receiving a sector leading rating of 'AA' in the MSCI ESG Ratings assessment.
- The COVID-19 pandemic has not had a material impact to operations with the Group operating under protocols developed to minimise risks to our people and communities and ensure we can safely produce gold during this challenging period. These plans include activation of our crisis management protocols, suspending international travel, restricting domestic travel, temporarily suspending activities across most of the Group's Greenfields exploration projects, enacting strict social distancing protocols including reducing face-to-face interactions, increasing flexible working arrangements, ensuring best practice health management is maintained at all times and regular COVID-19 communication with the entire workforce.
- The Group's total recordable injury frequency (TRIF) was 9.6 as at 30 June 2021 (30 June 2020: 6.8). Despite the increase in TRIF, the Group remains committed to continuing efforts to improve safety performance with a heavy focus on increased field leadership and high-quality safety interactions.

Financials

- The Group achieved a record statutory net profit after tax of $345.3 million for the year, a 14.5% increase on the prior year (30 June 2020: $301.6 million).
- Basic earnings per share was also a record, which increased by 14.1% to 20.21 cents per share (30 June 2020: 17.71 cents)
- A record $273.4 million (30 June 2020: $221.4 million) in fully franked dividends was paid during the year, a 23.5% increase on the prior year.
- The Directors declared a final fully franked dividend of 5.0 cents per share, which is the 17th consecutive dividend (30 June 2020: 9.0 cents). The aggregate amount of the final dividend to be paid on 28 September 2021 is estimated at $91.3 million following the completion of the Share Purchase Plan (SPP).

Directors' Report (continued)

Key highlights for the year (continued)

- The Group's key results are as follows:
  - Total gold production of 680,788oz at an AISC of $1,215/oz.
  - Operating mine and net mine cash flow of $937.3 million and $554.9 million respectively.
- On 15 March 2021, the Group announced an agreement to acquire all of the outstanding shares of Battle North Gold at a price of C$2.65 per common share in cash for a total consideration of approximately C$343.0 million. Battle North Gold's key asset is the Bateman mill which is located 10km from the Groups existing Red Lake operations in Ontario, Canada. The additional processing capacity from the new Bateman mill will accelerate the Groups ability to achieve in excess of 350,000 ounces of gold per annum from Red Lake. In addition the expansion of the Group's footprint in Ontario, Canada, will provide the Group with an opportunity to build on its track record as a safe and sustainable operator for the long term benefit of a broad range of stakeholders including the local workforce, regional communities and the Groups Wabauskang and Lac Seul First Nation Partners.
- The full Australian dollar currency exposure of the C$343.0 million purchase price for Battle North Gold, was hedged shortly after entering into the transaction resulting in a saving of $9.7 million versus the spot exchange rate at closing.
- Subsequent to the end of the period on 22 July 2021, The Group announced that it has entered into an agreement with Northern Star Resources Limited to acquire:
  - 100% interest in the Kundana Operations
  - 51% interest in the East Kundana Joint Venture (EKJV)
  - 100% interest in the certain tenements comprising the Carbine Project
  - 75% interest in the West Kundana Joint Venture (WKJV)

  The transaction completed on 18 August 2021 with the acquired operating assets all situated within 8km of the Group's Mungari Operations, which represent an important strategic opportunity for the Group to consolidate the region, optimise the value of its existing infrastructure and capture significant operational synergies. The Group has paid Northern Star $400.0 million in cash to acquire the assets, which was funded by a $400.0 million fully underwritten institutional placement and is accompanied by a non-underwritten share purchase plan.
- On 13 August 2021, the Group announced that it has successfully priced a maiden debt private placement in the United States on 12 August 2021 totalling US$550 million. The Transaction is subject to standard closing conditions with proceeds expected to be drawn in November 2021.

Operations

- On 13 August 2020, the Group announced its first Mineral Resource estimate in accordance with the JORC Code for Red Lake of 48.1Mt grading 7.1g/t for 11.0 million ounces. This included 4.3 million ounces at an average grade of 10.5g/t gold in the Upper Campbell area.
- The Group acquired a 100% interest in the Crush Creek project located 30km south east of Mt Carlton. An initial ownership of 70% was achieved following sole funding $7.0 million of exploration expenditure and acquired the remaining 30% of the project for $4.5 million. Successful drilling programs at the BV7 and Delta areas have resulted in a maiden Mineral Resource estimate of 1.1 million tonnes grading 3.48 grams per tonne gold for 126,000 ounces, reinforcing our belief that mineralisation being delineated has the potential to extend mine life at Mt Carlton.
- A major milestone was achieved at Cowal with the Board's approval of the development of the Cowal Underground Mine, which provides a higher-grade ore source that will be blended with the current E42 open pit and stockpile ore. The development of the Cowal Underground Mine is part of the Group's goal of Cowal producing 350,000 ounces of low-cost gold a year and extend its mine life out beyond 17 years, while at the same time injecting significant economic benefit for all stakeholders. The planned capital investment is $380.0 million. The project is pending regulatory approval which is expected to be received in the September 2021 quarter.
- At Red Lake, the Board approved a clear and defined program that accelerates the restoration of Red Lake to a premier Canadian gold mine with the goal of producing 350,000 ounces of low-cost gold per year by FY26. This will also deliver significant benefit for all stakeholders of the Red Lake asset.

Directors' Report (continued)

Operating and Financial Review

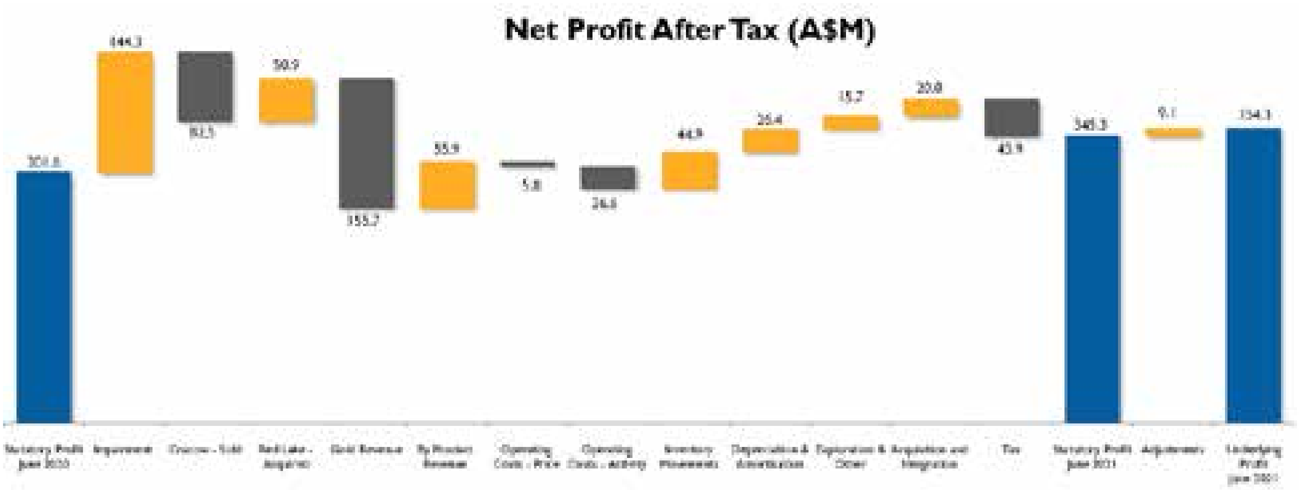
Evolution is a leading, low-cost Australian gold mining company. As at 30 June 2021, the Group consisted of five wholly-owned operating gold mines: Cowal in New South Wales; Mt Carlton and Mt Rawdon in Queensland; Mungari in Western Australia; Red Lake in Ontario, Canada; and an economic interest in the Ernest Henry Copper-Gold Operation (100% of gold and 30% of copper and silver) in Queensland.

The Group completed the acquisition of Battle North Gold on 19 May 2021 which will enable growth plans to be accelerated at the Red Lake operations.

Evolution's vision is for inspired people to create a premier global gold company which will generate sustainable returns for our shareholders and deliver benefits to all of our stakeholders. As a business, the Group is focused on prospering through the metal price cycle. Evolution believes that this can be best achieved with a portfolio of six to eight assets generating superior returns with an average mine life reserve of at least ten years. To maintain this long mine life, the Group require an active pipeline of quality exploration and development projects. The Group strives to build a reputation of sustainability, reliability and transparency. Financial discipline must be core and embedded across the entire business. The Group remains open to all quality gold, silver and copper-gold value accretive investments and recognise that divesting assets is an important component of our strategy. The operating achievements during the past twelve months clearly reflect our discipline to staying true to our strategy.

Profit Overview

The Group achieved a record statutory net profit after tax of $345.3 million for the year ended 30 June 2021 (30 June 2020: $301.6 million). The underlying net profit after tax was $354.3 million for the year (30 June 2020: $405.4 million). The following graph reflects the movements in the Group's profit after tax for the year ended 30 June 2021 from the year ended 30 June 2020.



Mine operating costs, excluding Red Lake (first full year of ownership) and Cracow (divested 1 July 2020), showed good cost control in the year with increases in costs largely driven by increased activity across the sites. Price increases over the year were only approximately 1% the total operating cost or $5.8 million. The price increases were mainly due to a 3.5% increase in labour and contractor rates combined with increased maintenance consumables costs and water unit rates. Pleasingly, these costs increases were mostly offset by lower power costs linked to new contract rates, lower diesel costs due to lower oil prices and lower grinding media costs due to the benefits of new contract rates. Higher activities across the operations impacted operating costs by 3.5% or $26.6 million driven by the full year of underground operations at Mt Carlton, additional headcount at Cowal and Mungari; and increased maintenance activities.

Red Lake operating costs were $197.2 million for the first full-year in comparison to $48.3 million incurred for the part-year of ownership in the year ended 30 June 2020. On a pro-rata basis costs at Red Lake in the year ended 30 June 2021 remained in line with the prior year.

Inventory costs expensed were $44.9 million lower driven by increased value of stockpile inventories predominantly at Cowal. This was partially offset by planned drawdown of stockpiles until access to Stage H ore is obtained in the first part of FY22.

Royalties were in line with prior year driven by higher achieved metal prices offset by lower metal quantities sold. By-product revenue was up 28% due to higher metal prices.

The impairment in the year ended 30 June 2020 relates to the Mt Carlton asset impairment on a post-tax basis of $101.0 million ($144.3 million pre-tax) due to the downgrade in the resource and reserve base.

Tax expense for the year ended 30 June 2021 is $43.9 million higher reflecting the higher profit achieved in the year.

Directors' Report (continued)

Profit Overview (continued)

The table below shows the reconciliation between the Statutory and Underlying profit.

	30 June 2021 $000	30 June 2020 $000
Statutory profit before income tax	**496,172**	408,590
Gain on sale of subsidiary	—	(11,517)
Transaction and integration costs	**15,058**	35,052
Impairment loss on assets	—	144,346
Underlying profit before income tax	**511,230**	576,471
Income tax expense	**(150,910)**	(107,038)
Tax benefit on sale of subsidiary	—	(3,475)
Tax effect of adjustments	**(4,517)**	(10,515)
Tax effects of adjustments on impairment of assets	—	(43,304)
Recognition of previously unrecognised tax losses	**(1,461)**	(6,769)
Underlying profit after income tax	**354,341**	405,370

Cash Flow

Operating mine cash flow decreased by 16% totalling $937.3 million (30 June 2020: $1,121.4 million). Total capital investment was $379.8 million (30 June 2020: $371.0 million) which included $105.7 million (30 June 2020: $83.4 million) of sustaining capital investment and $274.1 million (30 June 2020: $287.6 million) of major capital investment.

Key Results

The consolidated operating and financial results for the current and prior year are summarised below. All $ figures refer to Australian thousand dollars ($'000) unless otherwise stated.

Key Business Metrics	30 June 2021	30 June 2020	% Change (ii)
Total underground lateral development (m)	25,254	20,857	21 %
Total underground ore mined (kt)	7,874	8,210	(4)%
Total open pit ore mined (kt)	8,815	9,726	(9)%
Total open pit waste mined (kt)	31,235	30,614	2 %
Processed tonnes (kt)	22,116	22,230	(1)%
Gold grade processed (g/t)	1.13	1.27	(11)%
Gold production (oz)	**680,788**	**746,463**	**(9)%**
Silver production (oz)	**650,268**	**671,687**	**(3)%**
Copper production (t)	**21,361**	**22,471**	**(5)%**
Unit cash operating cost ($/oz) (i)	879	761	(16)%
All in sustaining cost ($/oz) (i)	1,215	1,043	(16)%
All in cost ($/oz) (i)	1,696	1,509	(12)%
Gold price achieved ($/oz)	2,369	2,274	4 %
Silver price achieved ($/oz)	34	25	36 %
Copper price achieved ($/t)	11,172	8,409	33 %
Total Revenue	1,864,058	1,941,863	(4)%
Cost of sales (excluding D&A and fair value adjustments)	(904,728)	(852,937)	(6)%
Corporate, admin, exploration and other costs (excluding D&A)	(33,797)	(59,494)	43 %
EBIT (i)	546,431	612,544	(11)%
EBITDA (i)	914,235	1,029,432	(11)%
EBITDA (%) (i)	49%	53%	(8)%
Statutory profit/(loss) after income tax	**345,262**	**301,552**	**14 %**
Underlying profit after income tax	**354,341**	**405,370**	**(13)%**
Operating mine cash flow	937,298	1,121,364	(16)%
Capital investment	(379,826)	(370,997)	(2)%
Net mine cash flow	554,855	735,976	(25)%

(i) EBITDA, EBIT, Unit cash operating cost, All-in Sustaining Cost (AISC), and All-in Cost (AIC) are non-IFRS financial information and are not subject to audit. EBITDA is reconciled to statutory profit in note 1(c) to the financial statements.

(ii) Percentage change represents positive/(negative) impact on the business.

(iii) Ernest Henry mining and processing statistics are in 100% terms while costs represent the Group's cost and not solely the cost of Ernest Henry's operation.

Directors' Report (continued)

Mining Operations

Cowal

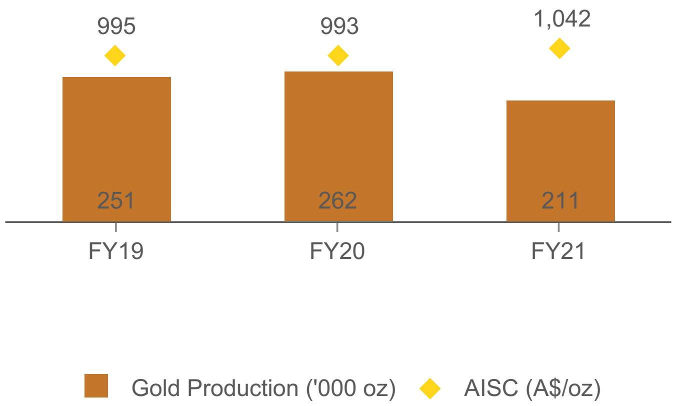
Cowal was the highest gold producer in the Group, achieving 210,847oz of gold at an AISC of $1,042/oz. Mining was completed to plan during the year resulting in Cowal meeting its planned reduced gold production target. The decrease was mainly due to the planned transition from Stage G ore to Stage H ore and some lower grade stockpiled material being processed while this transition occurred. In FY22 Stage H ore becomes the predominate ore feed leading to a planned increase in production.

Mine operating cash flow for the year was $270.7 million. Net mine cash flow was $100.3 million post sustaining capital of $12.9 million and major capital of $157.5 million.

As part of Cowal's plan to achieve a sustainable 350,000 ounce production profile from FY23, it is investing heavily now in order to reach this goal. Capital investment during the year consisted of major project capital, which included the continuation of Stage H stripping, construction of the Integrated Waste Landform (IWL) tailings facility and the Underground Feasibility Study.

The Board approved the accelerated development of the Galway decline in November 2020 and development of the decline commenced in late February 2021 and advanced 1,129 metres during the year. It is targeted to be completed in the December 2021 quarter.

A major milestone was achieved at Cowal with the Board's approval of the development of the Cowal Underground Mine, which provides a higher-grade ore source that will be blended with the current E42 open pit and stockpile ore. The development of the Cowal Underground Mine is part of the Group's goal of Cowal producing 350,000 ounces of low-cost gold a year and extend its mine life out beyond 17 years, while at the same time injecting significant economic benefit for all stakeholders. The planned capital investment is $380.0 million. The project is pending regulatory approval which is expected to be received in the September 2021 quarter.



Key Business Metrics	**30 June 2021**	**30 June 2020**	**Change**
Operating cash flow ($'000)	270,689	416,828	(146,139)
Sustaining capital ($'000)	(12,876)	(11,919)	(957)
Major capital ($'000)	(157,546)	(169,313)	11,767
Total capital ($'000)	(170,422)	(181,232)	10,810
Net mine cash flow ($'000)	100,267	235,596	(135,329)
Gold production (oz)	**210,847**	**262,035**	**(51,188)**
All-in Sustaining Cost ($/oz)	1,042	933	(109)
All-in Cost ($/oz)	1,855	1,715	(140)

Directors' Report (continued)

Mining Operations (continued)

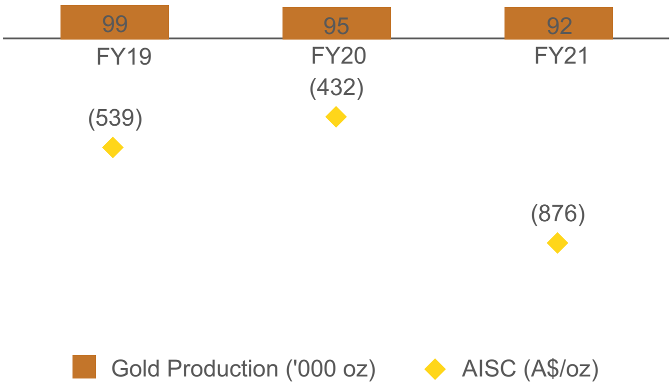
Ernest Henry

Ernest Henry had an outstanding year with records being delivered on multiple fronts. Gold production was 92,397oz at a record low AISC of negative $(876)/oz after taking into account copper and silver by-product credits which also hit a record of $(2,866)/oz. The record AISC result for Ernest Henry was primarily driven by gold production being delivered to plan combined with record high achieved copper price of $11,198/t for 19,196 tonnes of copper sold.

Operating mine cash flow for the year was also a record at $323.2 million as was the net mine cash flow of $309.0 million, post sustaining capital of $14.2 million.

Ore mined was 6.5 million tonnes at an average grade of 0.58g/t gold and 1.07% copper. Underground development was 8,612m. Ore processed was 6.5 million tonnes at an average grade of 0.47g/t gold and 1.07% copper. Gold recovery and copper recovery of 79.8% and 95.0% respectively were achieved for the year.

The drilling program for extensions below the 1200RL and the Concept Study were successfully completed with plans to seek approval to a Pre-Feasibility Study (PFS) in the December 2021 half-year.



Key Business Metrics	30 June 2021	30 June 2020	Change
Operating cash flow ($'000)	323,203	267,817	55,386
Sustaining capital ($'000)	(14,221)	(11,198)	(3,023)
Major capital ($'000)	—	—	—
Total capital ($'000)	(14,221)	(11,198)	(3,023)
Net mine cash flow ($'000)	308,982	256,619	52,363
Gold production (oz)	**92,397**	**94,902**	**(2,505)**
Copper production (t)	**17,592**	**20,688**	**(3,096)**
All-in Sustaining Cost ($/oz)	(876)	(432)	(444)
All-in Cost ($/oz)	(876)	(432)	(444)

(i) Ernest Henry mining and processing statistics are in 100% terms while costs represent the Group's cost and not solely the cost of Ernest Henry's operation.

Directors' Report (continued)

Mining Operations (continued)

Red Lake

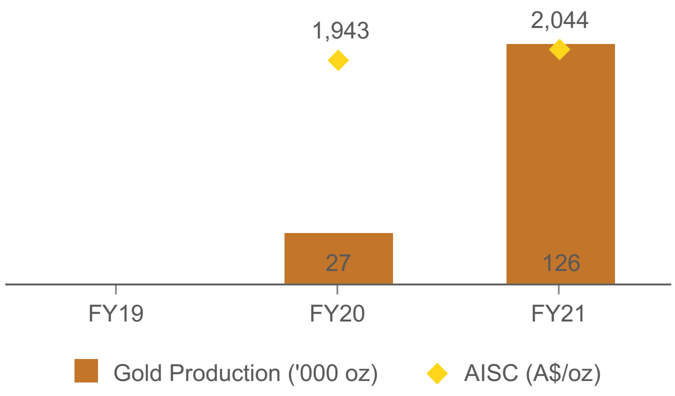
In Red Lake's first full year under the Group's ownership it produced 126,339oz of gold at an AISC of $2,044/oz. The initial three-year transformation program at Red Lake announced at acquisition is well underway to restore the operation's production to above 200,000 ounces per annum at an AISC of less than US$1,000 per ounce.

Further to this, on 20 May 2021 the Group announced the completion of the Battle North Gold acquisition which will enable growth plans to be accelerated at the Red Lake Operation in Canada by providing further milling capacity. The acquisition supports the Board approved program that accelerates the restoration of Red Lake to a premier Canadian gold mine with the goal of producing 350,000 ounces of low-cost gold per year by FY26. This will also deliver significant benefit for all stakeholders of the Red Lake asset.

Mine operating cash flow for the full-year was $90.3 million while net mine cash flow was negative $(5.6) million in line with supporting the sites growth plans and investment in new gear and equipment, sustaining capital was $46.8 million and major capital was $46.3 million.

Ore mined was 0.7 million tonnes at an average grade of 6.22g/t gold for the year. Ore processed was 678 thousand tonnes at 6.10g/t gold with the Campbell mill achieving recoveries of 92.2% for the year.

Construction of the CYD (Campbell Young Dickinson) Decline box cut is progressing well with first development to commence in the September 2021 quarter. This decline will provide independent access to the Upper Campbell and HG Young ore bodies where 4.8 million ounces of Red Lake's 11 million ounce Mineral Resource estimate is situated.



Key Business Metrics	30 June 2021	30 June 2020	Change
Operating cash flow ($'000)	90,256	30,782	59,474
Sustaining capital ($'000)	(46,773)	(6,598)	(40,175)
Major capital ($'000)	(46,265)	(14,274)	(31,991)
Total capital ($'000)	(93,037)	(20,873)	(72,164)
Net mine cash flow ($'000)	(5,628)	(2,920)	(2,708)
Gold production (oz)	**126,339**	**27,428**	**98,911**
All-in Sustaining Cost ($/oz)	2,044	1,943	(101)
All-in Cost ($/oz)	2,517	2,378	(139)

Directors' Report (continued)

Mining Operations (continued)

Mungari

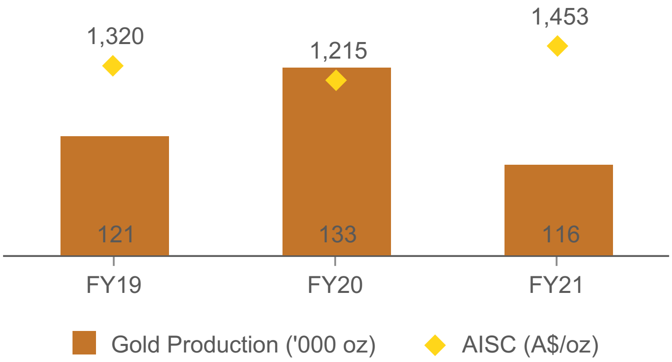
Mungari produced another solid contribution to the Group's gold production result, with production of 115,829oz of gold at an average AISC of $1,453/oz. Mungari's production was lower than the prior year as more material was processed from the lower grade open pits than from the higher grade underground mine in line with the mining sequence.

Mine operating cash flow was a strong result at $146.2 million and net mine cash flow was $73.2 million for the full year.

Capital investment in the year was $73.0 million consisting mainly of underground development drilling, the Tailings Storage Facility expansion and Cutters Ridge mine development.

A key highlight at Mungari has been the performance of the processing plant, which continued to perform strongly, capitalising on improved operational and maintenance initiatives. During the year, Mungari achieved throughput of over 2.0 million tonnes of ore at an average grade of 1.97g/t gold with gold recoveries of 91.3%. The plant throughput achieved the year ended 30 June 2021 target and was significantly above the plant's nameplate capacity of 1.6 million tonnes per year.

Underground ore mined was 0.5 million tonnes at 3.14g/t gold. Total underground development was 2,726m. Open pit total material mined was 7,891 thousand tonnes. Open pit ore mined was 1.3 million tonnes at a grade of 1.24g/t gold. Total material movement continues to increase as productivity rates improve.



Key Business Metrics	30 June 2021	30 June 2020	Change
Operating cash flow ($'000)	146,197	139,363	6,834
Sustaining capital ($'000)	(20,526)	(12,478)	(8,048)
Major capital ($'000)	(52,481)	(14,189)	(38,292)
Total capital ($'000)	(73,007)	(26,667)	(46,340)
Net mine cash flow ($'000)	73,191	112,696	(39,505)
Gold production (oz)	**115,829**	**133,388**	**(17,559)**
All-in Sustaining Cost ($/oz)	1,453	1,215	(238)
All-in Cost ($/oz)	1,988	1,447	(541)

Directors' Report (continued)

Mining Operations (continued)

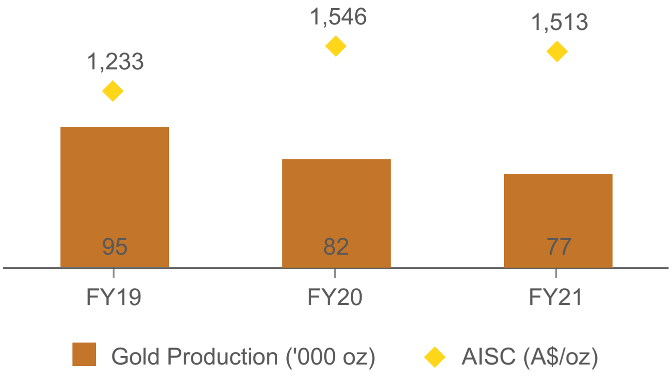
Mt Rawdon

Mt Rawdon celebrated 20 years of continuous operations on 16 February 2021. A significant milestone of 365 days without a recordable injury was also achieved on 25 February 2021 and the operation achieved over 15 months without a recordable injury until May 2021.

Mt Rawdon produced 77,005oz of gold at an AISC of $1,513/oz for the full year. The production result was in line with expectations and the prior year due to stable delivery of ore to the processing plant.

Mine operating cash flow was $81.3 million and net mine cash flow of $58.4 million was achieved for the year post sustaining capital of $9.3 million, major capital of $12.7 million and restructuring costs of $0.8 million. Capital investment for the year focused on the construction of the Tailings Storage Facility buttress, tailings storage facility lift and north wall meshing in order to support the ongoing mining operations.

A focus on improving the reliability of the mill resulted in total throughput of 3.4 million tonnes for the full year which was a significant improvement on the 3.3 million tonnes processed in the prior year and was the highest throughput achieved since FY16.



Key Business Metrics	30 June 2021	30 June 2020	Change
Operating cash flow ($'000)	81,253	81,034	219
Sustaining capital ($'000)	(9,307)	(9,963)	656
Major capital ($'000)	(12,713)	(12,086)	(627)
Total capital ($'000)	(22,021)	(22,049)	28
Net mine cash flow ($'000)	58,446	58,985	(539)
Gold production (oz)	**77,005**	**82,004**	**(4,999)**
All-in Sustaining Cost ($/oz)	1,513	1,546	33
All-in Cost ($/oz)	1,679	1,694	15

Directors' Report (continued)

Mining Operations (continued)

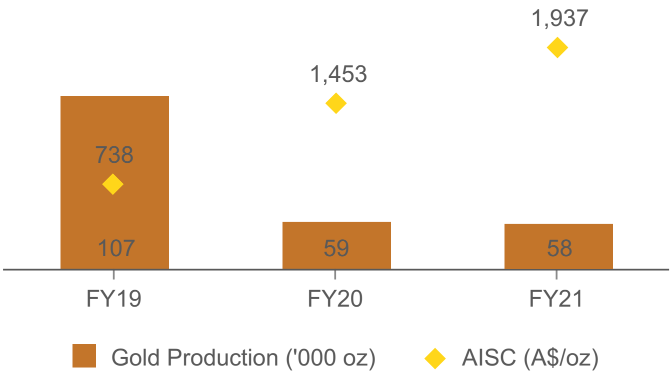
Mt Carlton

Mt Carlton produced a total of 58,371oz at an AISC of $1,937/oz. The result was ahead of plan for Mt Carlton, with the reliable performance a result of consistent feed grade to the mill.

Mine operating cash flow was $25.7 million and net mine cash flow was $19.6 million, which was a strong turnaround from the prior year due to improved operational performance.

Underground mining during the year was concentrated on gaining access to ore in the Western Feeder Zone while V2 open pit ore was extracted from Stage 4C following the work in the prior period on the Stage 4C cutback. Adjacent to the V2 open pit, underground development of the decline into the high grade silver A39 deposit continued during the year, with production from A39 scheduled to commence in the December 2021 quarter.

At Crush Creek, successful drilling programs at the BV7 and Delta areas have resulted in a maiden Mineral Resource estimate of 1.1 million tonnes grading 3.48 grams per tonne gold for 126,000 ounces, reinforcing our belief that mineralisation being delineated has the potential to extend mine life at Mt Carlton.



Key Business Metrics	30 June 2021	30 June 2020	Change
Operating cash flow ($'000)	25,698	71,223	(45,525)
Sustaining capital ($'000)	(965)	(16,103)	15,138
Major capital ($'000)	(5,136)	(65,380)	60,244
Total capital ($'000)	(6,102)	(81,483)	75,381
Net mine cash flow ($'000)	19,597	(10,260)	29,857
Gold production (oz)	**58,371**	**58,962**	**(591)**
All-in Sustaining Cost ($/oz)	1,937	1,453	(484)
All-in Cost ($/oz)	2,105	2,519	414

Directors' Report (continued)

Financial Performance

Profit or Loss

Revenue for the year ended 30 June 2021 decreased by 4% to $1,864.1 million (30 June 2020: $1,941.9 million). The higher achieved gold price of $2,369/oz was partially offset by a decrease in produced ounces for the year to 680,788 oz (30 June 2020: 746,463oz). Revenue comprised of $1,605.0 million of gold, $236.9 million of copper and $22.1 million of silver revenue (30 June 2020: $1,738.1 million of gold, $187.9 million of copper and $15.8 million of silver revenue).

Total gold sold equalled 677,150oz which included deliveries into the Australian gold delivery commitments of 100,000oz at an average price of $1,829/oz (30 June 2020: 100,000 oz, $1,734/oz) and Canadian hedge book of 40,000oz at an average price of C$2,272/oz. The remaining 537,150oz were sold in the spot market comprising 456,001oz delivered at an average price of $2,474/oz and 81,169oz delivered at an average price of C$2,361/oz (30 June 2020: 664,655 oz, $2,320/oz). At 30 June 2021 the Group's gold delivery commitments totalled 200,000 ounces at a price of $1,892/oz for the Australian operations and 80,000 ounces at C$2,272/oz for Red Lake with quarterly deliveries through to June 2023.

Copper revenue achieved a 26.1% increase from the prior year to $236.9 million (30 June 2020: $187.9 million), driven by a 32.9% increase in copper price of $11,172/t partially offset by a 4.9% decrease in production to 21,361 tonnes.

The Group achieved a record statutory net profit after tax of $345.3 million for the year ended 30 June 2021 (30 June 2020: $301.6 million). The Group also achieved an underlying net profit after tax of $354.3 million for the year (30 June 2020: $405.4million).

Balance Sheet

Total assets increased 4.7% during the year to $3,957.0 million (30 June 2020: $3,778.0 million restated). Cash and cash equivalents decreased by $212.5 million driven by a number of factors which include 87.5koz lower ounces sold, higher dividends paid $273.4m (30 June 2020 $221.4m), and funding for the Battle North Gold acquisition.

The net carrying amount of property, plant and equipment increased by $306.9 million primarily driven by the initial recognition in the accounts of the Battle North Gold acquisition. Mine development and exploration increased by $86.1 million which was due to additions at Cowal and Red Lake offset by depreciation. The increase of $80.8 million in deferred tax assets was primarily a result of the initial recognition of Battle North Gold tax losses acquired as part of the acquisition which are expected to be available for utilisation in the future at Red Lake.

Total liabilities for the Group increased to $1,422.1 million at 30 June 2021, an increase of $107.5 million, or 8.2% on the prior period. The key drivers consist of $63.2 million increase in rehabilitation provision from Ernest Henry and Battle North Gold initial recognition, and $39.8 million increase in interest bearing liabilities net of capitalised borrowing costs.

Cash Flow

Total cash outflows for the year amounted to $211.9 million outflow (30 June 2020: $37.3 million inflow).

	30 June 2021 $'000	30 June 2020 $'000	Change $'000
Cash flows from operating activities	757,008	1,005,324	(248,316)
Cash flows from investing activities	(724,115)	(1,003,977)	279,862
Cash flows from financing activities	(244,787)	35,906	(280,693)
Net movement in cash	(211,894)	37,253	(249,147)
Cash at the beginning of the year	372,592	335,164	37,428
Effects of exchange rate changes on cash and cash equivalents	(636)	175	(811)
Cash at the end of the year	**160,062**	**372,592**	**(212,530)**

Directors' Report (continued)

Financial Performance (continued)

Cash Flow (continued)

Net cash outflows from investment activities were $724.1 million, a decrease of $279.9 million from the prior period (30 June 2020: $1,004.0 million outflow). Major items contributing to the change in outflow was the acquisition of Battle North Gold for for $355.8 million while in the prior year Red Lake was acquired for $583.6 million. The current year outflows was partially offset by the cash received from the disposal of Cracow for $57.0 million.

Net cash outflows from financing activities were $244.8 million, an increase of $280.7 million (30 June 2020: $35.9 million inflow). Financing cash flows for the year included the drawdown of $145.0 million from Revolver Facility ("Facility A") and repayment of $95.0 million on the Term Loan Facility ("Facility B"). Dividends paid during the year totalled $273.4 million which was 23.5% higher than prior year (30 June 2021: $221.4 million).

Taxation

During the year, the Group made income tax payments of $96.7 million and recognised an income tax expense of $150.9 million (30 June 2020: $107.0 million).

The tax payments made in respect of the 30 June 2020 financial year combined with tax instalments paid over the course of the 30 June 2021 financial year have enabled the declaration of fully franked interim and final dividends.

Capital Investment

Capital investment for the year totalled $379.8 million (30 June 2020: $371.0 million). This consisted of sustaining capital, including near mine exploration and resource definition of $105.7 million (30 June 2020: $83.4 million) and mine development of $274.1 million (30 June 2020: $287.6 million). The main capital projects included the Cowal Stage H development, Integrated Waste Landform (IWL) tailings facility and Underground Feasibility Study and drilling, underground mine development and discovery drilling at Red Lake, Cutters Ridge mine development and underground development drilling at Mungari, Open pit mine development, tails storage buttressing project and fixed plant maintenance at Mt Rawdon.

Financing

Total finance costs for the year were $21.1 million (30 June 2020: $21.3 million). Included in total finance costs are interest expenses of $17.4 million (30 June 2020: $11.6 million), amortisation of debt establishment costs of $2.2 million (30 June 2020: $6.7 million), discount unwinding on mine rehabilitation liabilities of $0.4 million (30 June 2020: $1.8 million) and interest expense on lease liability unwinding of $1.2 million (30 June 2020: $1.1 million).

The decrease in interest expense in the year is offset by the increase in the amortisation of debt establishment costs attributable to the remaining capitalised costs associated with the Senior Secured Term Loan ("Former Facility D") which was fully repaid during the year. The repayment periods and the outstanding balances as at 30 June 2021 on each facility are set out below:

Facility Name	Term Date	Facility Size $m	Amount Drawn $m	Available Amount $m
Revolving Credit Facility – Facility A - $m	31 Mar 2023	$360.0	$145.0	$215.0
Term Loan – Facility B - $m	15 Jan 2025	$570.0	$570.0	$0.0
Term Loan – Facility E - $m	15 Apr 2026	$440.0	$0.0	$440.0
Performance Bond – Facility C $m	31 Mar 2023	$175.0	$151.8	$23.2
Performance Bond – Facility D C$m	31 Mar 2023	$125.0	$66.2	$58.8
Guarantee Facility - $m	30 Oct 2021	$55.0	$55.0	$0.0

Material business risks

The Group prepares its business plans using estimates of production and financial performance based on a range of assumptions and forecasts. There is uncertainty in these assumptions and forecasts, and risk that variation from them could result in actual performance being different to expected outcomes. The uncertainties arise from a range of factors, including the nature of the mining industry and general economic factors. The material business risks faced by the Group that may have an impact on the operating and financial prospects of the Group as at 30 June 2021 are:

Directors' Report (continued)

Material business risks (continued)

COVID-19

The Group continues to actively respond to the ongoing COVID-19 virus currently impacting people and businesses globally. The health and safety of every person working at Evolution, their families and our communities remains paramount during this time.

A Group Recovery Plan along with documented site and Group risk assessments are in place and endorsed by the Crisis Management Team, with authority from the Leadership Team. These plans and assessments remain dynamic and are reviewed and updated frequently based on government data and as local situations change. We continue to monitor, assess, and respond to these ongoing changes to risk. To date there has been no material impact on Evolution's operations from the COVID-19 virus.

In addition, the Group has taken a position to strongly support and encourage all staff to be vaccinated to reduce the risk factors with COVID-19. This has been formalised in a guideline which outlines provisions to enable staff to attend vaccination appointments during work hours as well as to support those who may encounter side effects following vaccination. Externally facilitated information and awareness sessions have been held and continue to be offered to provide appropriate qualified information to our teams on the risks and benefits of vaccination.

The Group is operating under protocols developed to minimise risks to our people and communities and ensure we can safely produce gold during this challenging period. These plans include activation of our crisis management protocols, suspending international travel, restricting domestic travel, suspending activities across most of the Company's Greenfields exploration projects, enacting strict social distancing protocols including reducing face-to-face interactions, increasing flexible working arrangements, ensuring best practice health management is maintained at all times and regular COVID-19 communication with the entire workforce.

To mitigate the mental and physical health impacts that lockdowns and periods of isolation may cause, communication lines have been emphasised across the business as well as the Employee Assistance Program. Our sites have also deployed technologies to enable risk mitigation and tracing, such as contact tracing cards at Cowal, QR codes in the Sydney Office, and strengthened site access protocols at each site.

Additional site-specific health and safety initiatives which has been utilised at various stages during the pandemic by our operations include:

- Extending rosters to reduce movement of people.
- Relocation of interstate employees.
- Introducing flexible working arrangements with people working from home where possible.
- Hiring additional vehicles and charter flights to ensure social distancing is maintained while travelling to site and during site activities.
- Floor markings 1.5 metres apart in pre-start areas to ensure social distancing.
- Reduced number of contractors permitted on site to perform mill shutdowns and extending shutdowns to perform tasks in compliance with required protocols.
- Introducing occupancy limits in offices and meeting rooms.
- Additional paramedics hired for the duration of the pandemic to ensure at least two paramedics are on site per roster.
- Daily temperature testing and screening of all personnel on site, and
- Daily COVID-19 briefings to employees.

Support for Community groups and employees remains ongoing. Evolution has additionally provided donations to our local communities impacted by the pandemic – since the start of the pandemic, over $2.5 million has been donated to provide direct and indirect support to our communities.

Fluctuations in the gold price and Australian dollar

The Group's revenues are exposed to fluctuations in the gold, silver and copper prices and the Australian dollar. Volatility in the gold, silver and copper prices and Australian dollar creates revenue uncertainty and requires careful management of business performance to ensure that operating cash margins are maintained should the Australian dollar price fall.

Declining gold, silver and copper prices can also impact operations by requiring a reassessment of the feasibility of a particular exploration or development project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could cause substantial delays and/or may interrupt operations, which may have a material adverse effect on our results of operations and financial condition.

Mineral Resources and Ore Reserves

The Group's Mineral Resources and Ore Reserves are estimates, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of gold, silver, copper or any other mineral will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques.

Actual mineralisation or geological conditions may be different from those predicted. No assurance can be given that any part or all of the Group's Mineral Resources constitute or will be converted into Ore Reserves.

Directors' Report (continued)

Material business risks (continued)

Market price fluctuations of gold, silver and copper as well as increased production and capital costs may render the Group's Ore Reserves unprofitable to develop at a particular site or sites for periods of time or may render Ore Reserves containing relatively lower grade mineralisation uneconomic. Estimated reserves may have to be re-estimated based on actual production experience. Any of these factors may require the Group to reduce its Mineral Resources and Ore Reserves, which could have a negative impact on the Group's financial results.

Replacement of depleted Ore Reserves

The Group must continually replace Ore Reserves depleted by production to maintain production levels over the long term. Ore Reserves can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. Exploration is highly speculative in nature. The Group's exploration projects involve many risks and are frequently unsuccessful. Once a site with mineralisation is discovered, it may take several years from the initial phases of drilling until production is possible.

As a result, there is no assurance that current or future exploration programs will be successful. There is a risk that depletion of Ore Reserves will not be offset by discoveries or acquisitions or that divestitures of assets will lead to a lower Ore Reserve base. The Mineral Resource base of the Group may decline if Ore Reserves are mined without adequate replacement and the Group may not be able to sustain production beyond the current mine lives, based on current production rates.

Mining risks and insurance risks

The mining industry is subject to significant risks and hazards, including environmental hazards, industrial accidents, unusual or unexpected geological conditions, unavailability of materials and equipment, pit wall failures, rock bursts, seismic events, cave-ins, and weather conditions (including flooding and bush fires), most of which are beyond the Group's control. These risks and hazards could result in significant costs or delays that could have a material adverse effect on the Group's financial performance, liquidity and results of operation.

The Group maintains insurance to cover the most common of these risks and hazards. The insurance is maintained in amounts that are considered reasonable depending on the circumstances surrounding each identified risk. However, property, liability and other insurance may not provide sufficient coverage for losses related to these or other risks or hazards.

Production and cost estimates

The Group prepares estimates of future production, cash costs and capital costs of production for its operations. No assurance can be given that such estimates will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on the Group's future cash flows, profitability, results of operations and financial condition.

The Group's actual production and costs may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the Ore Reserves, such as the need for sequential development of ore bodies and the processing of new or different ore grades; revisions to mine plans; risks and hazards associated with mining; natural phenomena such as inclement weather conditions, water availability and floods; and unexpected labour shortages or strikes.

Costs of production may also be affected by a variety of factors including: changing waste-to-ore ratios, ore grade metallurgy, labour costs, cost of commodities, general inflationary pressures and currency exchange rates.

Environmental, health and safety, and permits

The Group's mining and processing operations and exploration activities are subject to extensive laws and regulations governing the protection and management of the environment, water management, waste disposal, worker health and safety, mine development and rehabilitation and the protection of endangered and other special status species. The Group's ability to obtain permits and approvals and to successfully operate may be adversely impacted by real or perceived detrimental events associated with the Group's activities or those of other mining companies affecting the environment, human health and safety of the surrounding communities. Delays in obtaining or failure to obtain government permits and approvals may adversely affect the Group's operations, including its ability to continue operations.

The Group has implemented extensive health, safety and community initiatives at its sites to manage the health and safety of its employees, contractors and members of the community. While these control measures are in place there is no guarantee that these will eliminate the occurrence of incidents which may result in personal injury or damage to property. In certain instances such occurrences could give rise to regulatory fines and/or civil liability.

Directors' Report (continued)

Material business risks (continued)

Climate Change

The Group acknowledges that climate change is occurring, and its effects have the potential to impact our business and communities. The most significant climate related risks include the following: reduced water availability; extreme weather or health events; emissions and waste, changes to legislation and regulation; reputational risk; technological and market changes; and shareholder activism.

The Group is committed to understanding and proactively managing the impact of climate related risks to our business and our environment. This includes integrating financial, physical, regulatory, reputational, market, and climate related risks, as well as energy considerations, into our Life of Mine strategic planning and decision making. The Group works to build the resilience of our assets, our communities and our environment to climate related impacts. To do this, we work in partnership with a broad range of stakeholders including representative bodies of the communities in which we operate, industry, government, investors and non-governmental organisations to share learnings and identify approaches to addressing climate related risks and opportunities.

The Group transparently reports our emissions and energy consumption performance. Each year, annual reports are externally audited and submitted to the Australia's National Pollutant Inventory (NPI) and the National Greenhouse and Energy Reporting Act 2007 (NGER Act) to estimate greenhouse gas (GHG) emissions and energy use at our Australian operations. We also run the equivalent reporting (National Pollutant Release Inventory) for our Canadian Operations.

The Group publishes an annual Sustainability Report in accordance with the Global Reporting Initiative and the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) that details activities in relation to the management of key risks including environmental and climate risks.

Community relations

The Group has an established community relations function, both at a Group level and at each of its operations. The Group function has developed a community engagement framework, including a set of principles, policies and procedures designed to provide a structured and consistent approach to community activities across our sites whilst recognising that fundamentally.

Community relations is about people connecting with people. Maintaining trusted relationships with our local community stakeholders throughout the entire mining cycles is an essential part of securing and maintain our social licence to operate, including with our First Nation People's communities. The Group recognises that a failure to appropriately manage local community stakeholder expectations may lead to dissatisfaction which has the potential to disrupt production and exploration activities.

Risk management

The Group manages the risks listed above, and other day-to-day risks through an established management framework which conforms to Australian and international standards and guidance. The Group's risk reporting and control mechanisms are designed to ensure strategic, operational, legal, financial, reputational and other risks are identified, assessed and appropriately managed. These are reviewed by the Board Sustainability and Risk Committee, supported by Management review throughout the year.

The financial reporting and control mechanisms are reviewed during the year by management, the internal audit process, the Audit Committee and the external auditors.

The Group has policies in place to manage risk in the areas of Health, Safety, Environment, Cultural Heritage and Equal Employment Opportunity.

The site Leadership Teams, the Executive Leadership Team, the Sustainability and Risk Committee and the Board regularly review the risk portfolio of the business and the effectiveness of the Group's management of those risks.

Dividends

The Company's dividend policy is, whenever possible, to pay a dividend based on group cash flow generated during a year. The Group's free cash flow is defined as cash flow before debt and dividends and mergers and acquisitions.The Directors assess the group cash flow and outlook for the business with the intention to return excess cash to shareholders and targeting a level around 50% of group cash flow.

The Board has confirmed that the Group is in a sound position to meet its commitment under the new policy to pay a final fully franked dividend for the current period of 5.0 cents per share. The aggregate amount of the final dividend to be paid on 28 September 2021 is estimated at $91.3 million following the completion of the Share Purchase Plan (SPP). Evolution Mining Limited shares will trade excluding entitlement to the dividend on 30 August 2021, with the record date being 31 August 2021 and payment date of 28 September 2021.

The Dividend Reinvestment Plan ("DRP") remains suspended.

Significant changes in the state of affairs

There were no significant changes in the nature of the activities of the Group during the period, other than those included in the Key Highlights.

Further information on likely developments in the operations of the Group and the expected results of operations have not been included in this Annual Financial Report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Directors' Report (continued)

Events occurring after the reporting period

Refer to Note 24 of the Consolidated Financial Statements for details of events occurring after the reporting period.

Environmental regulation and performance

The Executive Chairman reports to the Board on all significant safety and environmental incidents. The Board also has a Risk and Sustainability Committee which has oversight of the sustainability performance of the Group and meets at least three times per year. The Directors are not aware of any environmental incidents occurring during the year ended 30 June 2021 which would have a materially adverse impact on the overall business of the Group.

The operations of the Group are subject to environmental regulation under the jurisdiction of the countries in which those operations are conducted namely in Australia and as of 1 April, 2020 in Canada. Each mining operation is subject to environmental regulation specific to their environmentally relevant activities as part of their operating licence, permit and/or, approvals. Each of our sites are required to also manage their environmental obligations in accordance with our corporate governance.

The environmental laws and regulations that cover each of our sites, combined with our policies and standards, address the potential impact of the Group's activities in relation to water and air quality, noise, land, waste, tailings management, and the potential impact upon sensitive receptors and flora and fauna.

The Group has a uniform internal reporting system across all sites. All environmental incidents, including breaches of any regulation or law are assessed according to their actual or potential environmental consequence. Given levels of environmental incidents are tracked based on factors such as spill volume, incident location (onsite or offsite) potential or actual environmental impacts and legal obligation. These levels include: I (insignificant), II (minor), III (moderate), IV (major), V (catastrophic).

Across the Group's five mining sites, excluding government reporting for vehicular and non-vehicular native fauna deaths and events reported in previous years which remain under investigation, the Level III reports for the past five years have been:

	FY21	FY20	FY19	FY18	FY17
Number of Level III incidents	4	8	9	7	9

Incidents were notified to the relevant government authority and the relevant agreed action was taken. There have been no Level IV or V incidents.

Of the four events reported to the regulatory authorities in the current year none were classified as having actual Level III consequence with regard for environmental impact and there were no further enforcement action by regulatory authorities in relation to the reports.

Directors' Report (continued)

Information on Directors

The following information is current as at the date of this report. Please refer to the Remuneration Report section (g) for details of shareholdings, options and rights.

Jacob (Jake) Klein, BCom Hons, ACA, Executive Chairman
Mr Klein was appointed as Executive Chairman in October 2011, following the merger of Conquest Mining Limited and Catalpa Resources Limited. Previously he served as the Executive Chairman of Conquest Mining. Prior to that, Mr Klein was President and CEO of Sino Gold Mining Limited, where he managed the development of that company into the largest foreign participant in the Chinese gold industry. Sino Gold was listed on the ASX in 2002 with a market capitalisation of $100 million and was purchased by Eldorado Gold Corporation in late 2009 for over $2 billion. It became an ASX/S&P 100 Company, operating two award-winning gold mines and engaging over 2,000 employees and contractors in China. Prior to joining Sino Gold (and its predecessor) in 1995, Mr Klein was employed at Macquarie Bank and PwC.

Lawrence (Lawrie) Conway B Bus, CPA, GAICD, Finance Director and Chief Financial Officer
Mr Conway was appointed Finance Director and Chief Financial Officer of the Group with effect from 1 August 2014 (previously a Non-Executive Director). Mr Conway has more than 30 years' experience in the resources sector across a diverse range of commercial, financial and operational activities. He has held a mix of corporate, operational and commercial roles within Australia, Papua New Guinea and Chile with Newcrest and prior to that with BHP Billiton. He most recently held the position of Executive General Manager - Commercial and West Africa with Newcrest Mining where he was responsible for Newcrest's group Supply and Logistics, Marketing, Information Technology and Laboratory functions as well as Newcrest's business in West Africa. Mr Conway is a Non-Executive Director of Aurelia Metals Ltd (appointed in June 2017).

James (Jim) Askew, BEng (Mining), MEngSc, FAusIMM, MSME (AIME), Non-Executive Director
Mr Askew is a mining engineer with more than 40 years' broad international experience as a Director and Chief Executive Officer for a wide range of Australian and international publicly listed mining, mining finance and other mining related companies. Mr Askew has served on the boards of numerous mining and mining services companies, which currently includes Syrah Resources Limited (Chairman since October 2014), a company with operations in Mozambique and in the USA and Endeavour Mining Corporation, a company with operations in Cote d'Ivoire, Senegal and Burkina Faso (Non-Executive Director since July 2017). Within the last 3 years Mr Askew has been a Non-Executive Director of Oceana Gold. Mr Askew is Chair of the Risk and Sustainability Committee and Member of the Nomination and Remuneration Committee.

Thomas (Tommy) McKeith, BSc (Hons), GradDip Eng (Mining), MBA, Non-Executive Director
Mr McKeith is a geologist with over 30 years' experience in various mine geology, exploration, business development and executive leadership roles. He was formerly Executive Vice President (Growth and International Projects) for Gold Fields Limited, where he was responsible for global exploration and project development. Mr McKeith was also Chief Executive Officer of Troy Resources Limited and has held Non-Executive Director roles at Sino Gold Limited, Avoca Resources Limited and is currently the Non-Executive Chairman of Prodigy Gold NL and Genesis Minerals Limited and Non-Executive Director at Arrow Minerals Limited. Mr McKeith is the Lead Independent Director effective 1 December 2018 and Chair of the Nomination and Remuneration Committee.

Directors' Report (continued)

Information on Directors (continued)

Andrea Hall, BCom, FCA, M. App Fin, GAICD, Non-Executive Director

Ms Hall is a Chartered Accountant with more than 30 years' experience in the financial services industry in roles involved in internal audit, risk management, corporate and operational governance, external audit, financial management and strategic planning. Prior to retiring from KPMG in 2012, Andrea was a Perth-based partner within KPMG's Risk Consulting Services where she serviced industries including mining, mining services, transport, healthcare, insurance, property and government.

Ms Hall is currently a Non-Executive Director and Chair of the Audit and Risk Committee at ASX-listed Pioneer Credit Limited. Andrea is also a Non-Executive Director of ASX listed Perenti Group and Chair of the Audit and Risk Committee. Further, she is a Non-Executive Director of Insurance Commission of Western Australia and the AFL Fremantle Football Club.

Ms Hall is the Chair of the Audit Committee and Member of the Risk and Sustainability Committee.

Jason Attew, BSc, MBA, Non-Executive Director

Mr Attew is a mining industry veteran who has dedicated 25 years to the mining sector and is currently the President and CEO of Gold Standard Ventures Corporation. Previously he served as the Chief Financial Officer at Goldcorp Inc. where, in addition to leading the finance and investor relations operations, he was responsible for Goldcorp's corporate development and strategy culminating in the US$32 billion merger with Newmont Mining Corp.

Mr Attew has extensive capital markets experience from his time in investment banking with the BMO Global Metals and Mining Group where he was at the forefront of structuring and raising significant growth capital as well as advising on both formative and transformational mergers and acquisitions for corporations that have become industry leaders over the past two decades and is also on the board of The Food Stash Foundation, a Vancouver-based non-profit whose mission is to create food & nutritional security for local residents.

Mr Attew is a Member of both the Audit Committee and the Nomination and Remuneration Committee.

Peter Smith, MBA, FAusIMM, GAICD, Non- Executive Director

Mr Smith is a senior executive with over 43 years' experience primarily in resources sector. He has worked in a range of sectors including gold, coal, metals and fertilizers. Peter has held senior positions with Kestrel Coal Resources, Israel Chemical Limited, Newcrest Mining, Lihir Gold, WMC Resources, Western Metals and Rio Tinto.

Mr Smith was a former Non-Executive Director of NSW Minerals Council and Evolution Mining, Commissioner of PT NHM Indonesia and Executive Director and Chairman of Western Metals Limited.

Mr Smith is a Member of the Risk and Sustainability Committee.

Victoria (Vicky) Binns, BEng (Mining - Hons 1), FAusIMM, GAICD, Grad Dip SIA, Non-Executive Director

Ms Binns has over 35 years' experience in the global resources and financial services sectors including more than 10 years in executive leadership roles at BHP and 15 years in financial services with Merrill Lynch Australia and Macquarie Equities. During her career at BHP, Ms Binns' roles included Vice President Minerals Marketing, leadership positions in the metals and coal marketing business, Vice President of Market Analysis and Economics and was a member of the first BHP Global Inclusion and Diversity Council. She was also co-Founder and Chair of Women in Mining and Resources Sg (WIMAR Sg).

Prior to joining BHP, Ms Binns held a number of Board and senior management roles at Merrill Lynch Australia including Managing Director and Head of Australian Research, Head of Global Mining, Metals and Steel, and Head of Australian Mining Research.

Ms Binns is currently a Non-Executive Director of ASX-listed company Cooper Energy and the Carbon Market Institute, Australia's leading independent industry association for business leading the transition to net zero emissions. Ms Binns is also a Member of the Advisory Council for JP Morgan in Australia & NZ.

Ms Binns is a Member of the Audit Committee.

Directors' Report (continued)

Company Secretary

Evan Elstein, BCom GDA, ACA, FGIA, FCIS

Mr Elstein was appointed as the Group Company Secretary and Vice President for Information Technology in October 2011 following the merger of Conquest Mining Limited and Catalpa Resources Limited. Previously he served as Company Secretary of Conquest Mining.

Mr Elstein has more than 25 years' executive management and corporate governance experience, spanning the mining, technology and manufacturing sectors. Prior to joining the mining industry, he held senior positions with IT consulting companies and served as the Chief Financial Officer and Company Secretary of Hartec Limited. Before emigrating to Australia, Mr Elstein held a number of management positions at Dimension Data in South Africa.

Mr. Elstein is a member of Chartered Accountants Australia and New Zealand, the Institute of Chartered Secretaries and Administrators and a fellow of the Governance Institute of Australia.

Meetings of directors

The numbers of meetings of the Group's Board of Directors and of each Board Committee held during the year ended 30 June 2021, and the numbers of meetings attended by each Director were:

	Board		Meetings of committees					
			Audit		Risk Management		Nomination and Remuneration	
	A	B	A	B	A	B	A	B
Jacob (Jake) Klein	11	11	-	-	-	-	-	-
Lawrence (Lawrie) Conway	11	11	-	-	-	-	-	-
James (Jim) Askew	11	11	-	-	3	3	3	3
Thomas (Tommy) McKeith	11	11	-	-	-	-	3	3
Andrea Hall	11	11	4	4	3	3	-	-
Jason Attew	11	11	4	4	-	-	3	3
Victoria (Vicky) Binns	11	11	4	4	-	-	-	-
Peter Smith	11	11	-	-	3	3	-	-

A	Number of meetings attended.
B	Number of meetings held during the time the Director held office or was a member of the committee during the year.

Directors' Report (continued)

Remuneration Report (Letter)

Dear Fellow Shareholder,

On behalf of the Evolution Board, I am pleased to provide the Remuneration Report for the year ending 30 June 2021.

At Evolution, the Board, the Leadership Team and every employee strives to act like owners each and every day and live by the Evolution values of Safety, Excellence, Accountability and Respect.

We are all living in turbulent, uncertain and constantly changing times. One thing that is not changing is Evolution's commitment to executing a growth strategy focused on sustainable high margin ounces. This, in our view, is the pathway to building a unique gold business that will prosper through the gold cycle, and is a safe, efficient and sustainable business that delivers superior shareholder returns.

This Remuneration Report will explain how our remuneration framework is linked to our business strategy, overall company performance and shareholder returns.

FY21 Performance

Evolution has had another strong year of performance during a time where the COVID-19 pandemic continues to be a challenge globally. Throughout FY21 we have faced and managed several tough weather events, including an extreme wind event at Cowal and bushfires at Mt Rawdon and forest fires at Red Lake. It's a credit to the Evolution Leadership Team and our dedicated and inspired people that they have remained focused on safely delivering on their targets.

Evolution has continued to advance the overall business strategy, including with the work undertaken in relation to the Cowal Underground, the Red Lake transformation, the accretive acquisition of the Battle North Gold Corporation and the acquisition of Northern Star Limited's Kundana operations announced after year-end. Evolution now has four cornerstone assets, two with a mine life of greater than 15 years. In addition to this, Evolution has elevated its approach to ESG reflected in the upgraded MSCI ESG rating of AAA, the highest rating among global gold mining peers, committed to net zero greenhouse gas emissions by 2050 or earlier and a 30% reduction by 2030 (Scope 1 and 2 from a FY20 baseline), continued to work closely with all stakeholder groups, be that communities within which we operate, contractors, suppliers, partners and our shareholders, while continuing to pay strong dividends to our shareholders.

Our strategy at Evolution has been clear and consistent, generating sector leading cash flow in FY21 of $481 per ounce. Over the last six years the Company has acquired Mungari, Cowal, an economic interest in Ernest Henry, Red Lake Operations, Battle North Gold and divested Pajingo, Edna May and Cracow. These transactions have resulted in increasing the average reserve life of our portfolio from approximately 5 years to more than 13 years while maintaining a low All-in Sustaining Cost (AISC) of around $1,215 per ounce. Our strategy, which focuses on sustainable margin over production, has generated strong total shareholder returns (TSR) in excess of 16.4% compound growth over the past three-year period.

For FY21, Evolution delivered strong financial results including $1,864.1 million in revenue generating $327.3 million of free cash flow allowing us to return $273.4 million in dividends to shareholders and repay $95.0 million in debt over the year.

STI Outcomes

For FY21, STIP outcomes focused on five (5) key measures; safety, critical controls, group cash contribution, group AISC and a strategic imperatives measure that enables the Board to review overall company performance outside of the key non-discretionary measures to ensure the overall STI outcomes are reflective of the Company performance for the year.

Evolution was disappointed with its overall safety performance for FY21, however it is clear on where the key issues are and we have associated plans in place to improve in this area. In terms of risk, an independent audit demonstrated our excellent progress with our critical controls, including bow tie analysis, and agreed actions being closed out on time. Our business development activity, which for FY21 included the acquisition of Battle North Gold in Canada and good progress at the company's early stage projects with strong drill results at the Cue project and transitioning Crush Creek to a PFS following delivery of a maiden mineral resource (126koz).

The Company delivered strongly against its Balanced Business Plan (BBP) objectives for the year. In discovery, we added a new greenfields project and rotated out of two others. Pleasingly we were able to materially increase our mineral resource and ore reserves year on year by 11.2 million and 3.2 million ounces respectively (inclusive of depletion and divestments). Our focus on data enabled business improvement initiatives delivered $41.5 million in value to the business.

The strategic imperatives element of the STI has a weighting of 30%. For FY21, the Board evaluated progress against the FY21 BBP, delivery against key projects at Cowal, Red Lake and Mungari and improving the overall business aligned to the strategy, via business development and operational effectiveness. Balancing all factors, the Board awarded a score of 120% being between target and stretch for the strategic imperatives measure, resulting in an overall STI outcome of 117%, which the Board believes is an appropriate reflection of the overall performance for FY21. A full breakdown is provided in the report.

Directors' Report (continued)

Remuneration Report (Letter continued)

LTI Outcomes

Our LTI performance measures directly link to shareholder expectations and reinforce our focus on delivering sustainable superior shareholder returns. For the FY19 LTIPs, tested and vesting as at 30 June 2021, the measures focused on Absolute Shareholder Return, Relative Shareholder Return, Earnings per share and Reserve growth per share. Through strong performance against all measures over the three (3) year period, the Company achieved an overall vesting outcome of 77.0%. A full breakdown is provided in the report.

Signed:

Tommy McKeith
Chair of the Nomination and Remuneration Committee

Directors' Report (continued)

Remuneration Report (Audited)

This Remuneration Report forms part of the Directors' Report for the year ended 30 June 2021. This report contains details of the remuneration paid to the Directors and Key Management Personnel ("KMP") and is aligned to the Group's overall remuneration strategy and framework. The Group's remuneration philosophy and strategy is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate for the results delivered and to attract and retain high quality and appropriately experienced Directors, KMP and employees.

This remuneration report is presented under the following sections:

a. Remuneration Overview
b. Remuneration Governance
c. Remuneration Strategy, Framework and Philosophy
d. Changes in relation to Remuneration in FY21
e. Executive Remuneration Performance Measures and Outcomes – STIs and LTIs
f. Non-Executive Director Remuneration Outcomes
g. Other Remuneration Information
h. Transactions with KMP
i. Changes planned for remuneration in FY22
j. Summary of Key Terms

(a) Remuneration Overview

(i) Response to COVID-19

In response to the COVID-19 pandemic, the Group developed an approach based on the following principles:

Elements	Principles
People	Driven by our values of Safety, Excellence, Accountability and Respect Continued discipline with health and safety practices Sound review, reporting and learning culture Strong communication to ensure all employees had clarity on the expectations and approach to effectively managing through the pandemic Engaged workforce in touch with indigenous and community groups to provide support on local issues
Process	Risk assessments and Triggered Action Response Plans (TARPs) with ongoing review; Medical experts engaged for ongoing advice, support and review; Supply Chain regularly reviewed; Scenario's modelled through the cycle – People and site response – Commercial and financial considerations – Community impacts and plans
Structure	Roles and responsibilities defined and appointed; Company Crisis Management and Site Incident Management Teams activated and mobilised; Document controlled data and information.
Communication	Internal – our people and contractors External – Communities, Government and Industry

The Group continues to actively respond to the ongoing COVID-19 pandemic. The health and safety of every person working at Evolution, their families and our communities remains paramount during this time. The Group is operating under protocols developed to minimise risks to our people and the communities within which we operate and ensure that we can continue to safely produce gold during this challenging period. These plans include activation of our crisis management protocols, restricting international and domestic travel, detailed risk assessments across all operations including the Company's Greenfields exploration projects, enacting strict social distancing protocols including reducing face-to-face interactions, increasing flexible working arrangements, ensuring best practice health management maintenance and regular COVID-19 communication with the entire workforce.

Whilst the Group has had very limited exposure with one positive case of COVID-19 (at the Red Lake operations), each site and associated community has been impacted in different ways. The Group continues to work closely within the communities where we operate and with regulators and industry groups to ensure all our operations are complying with agreed protocols and remain responsive to changing needs.

The Group has also strongly encouraged and supported all staff to be vaccinated to reduce COVID-19 risks. These have been formalised in a guideline which outlines provisions that enable staff to attend vaccination appointments during work hours (as appropriate) in addition to providing additional leave in the event of any side effects following vaccination. Externally facilitated medical information and awareness sessions have also been held and will continue to be offered to provide appropriate qualified information to our teams on the risks and benefits of vaccination.

To mitigate the mental and physical health impacts that lockdowns and periods of isolation may cause, communication lines have been strengthened across the business as well as with the Employee Assistance Program (EAP). Our sites have also deployed technologies to enable risk mitigation and tracing, such as contact tracing cards at Cowal, QR codes in the Sydney Office and site access protocols have been strengthened at each site.

Support for Community groups and employees remains ongoing. The Group has additionally provided donations to our local communities impacted by the pandemic – since the start of the pandemic, over $2.5 million has been donated to provide direct and indirect support to our communities.

Directors' Report (continued)

Remuneration Report (Audited)

(a) Remuneration Overview (continued)

The Nomination and Remuneration Committee (Committee), along with Risk and Sustainability Committee and the Board have regularly reviewed and considered the impacts of COVID-19 on the performance of the business. Specific to COVID-19, no adjustment has been made to the FY21 remuneration outcomes.

(ii) Executive Directors, Non-Executive Directors and Key Management Personnel

The executive remuneration framework covered in this report includes the Executive Directors (Executive Chairman and Chief Financial Officer), Non-Executive Directors and those executives considered to be Key Management Personnel ("KMP") named below:

Name	Position
Jacob (Jake) Klein	Executive Chairman
Lawrence (Lawrie) Conway	Finance Director and Chief Financial Officer
James Askew	Non-Executive Director
Andrea Hall	Non-Executive Director
Thomas McKeith	Non-Executive Director
Jason Attew	Non-Executive Director
Vicky Binns	Non-Executive Director
Peter Smith	Non-Executive Director
Paul Eagle	Vice President People & Culture
Evan Elstein	Company Secretary & Vice President Information Technology
Bob Fulker	Chief Operating Officer
Glen Masterman	Vice President Discovery & Business Development
Fiona Murfitt*	Vice President Sustainability

* Fiona Murfitt joined the Group in January 2020 as the General Manager Sustainability and was promoted to the KMP as VP - Sustainability effective 1 July 2020.
** For NEDs Remuneration information refer to page 164

(iii) Executive service agreements - all agreements are ongoing agreements

Name	Position Title	Total Fixed Remuneration	Notice Period by Executive	Notice Period by Evolution	Termination payments *
Existing Executive Directors and Key Management Personnel					
Jacob Klein	Executive Chairman	805,674 300,000 fixed Director's Fees	6 months	6 months	12 month Total Fixed Remuneration
Lawrie Conway	Finance Director and Chief Financial Officer	626,874 135,000 fixed Director's Fees	3 months	6 months	6 months Total Fixed Remuneration
Paul Eagle	Vice President People and Culture	421,874	3 months	6 months	6 months Total Fixed Remuneration
Evan Elstein	Company Secretary and Vice President Information Technology	421,874	3 months	6 months	6 months Total Fixed Remuneration
Bob Fulker	Chief Operating Officer	541,874	3 months	6 months	6 months Total Fixed Remuneration
Glen Masterman	Vice President Discovery and Business Development	451,874	3 months	6 months	6 months Total Fixed Remuneration
*Fiona Murfitt***	Vice President Sustainability	405,000	3 months	6 months	6 months Total Fixed Remuneration

*For a change of control event, the termination payment is 12 months TFR for Executive Directors and KMP.

Fixed salary, inclusive of the required superannuation contribution amount, is reviewed annually by the Board following the end of the financial year. The amounts set out above are the Executive Directors and KMP total fixed remuneration as at the date of this report.

**Fiona Murfitt joined the Group in January 2020 as the General Manager Sustainability and was promoted to the KMP as VP - Sustainability effective 1 July 2020.

Directors' Report (continued)

Remuneration Report (Audited)

(b) Remuneration Governance

The Board of Directors (“the Board”) has an established Nomination and Remuneration Committee, consisting solely of Non-Executive Directors, with the delegated responsibility to report on and make recommendations to the Board on the:

- Appropriateness of the remuneration strategy, philosophy, policies and supporting systems, having regard to whether they are:
  - Relevant to the Group’s wider objectives and strategies;
  - Legal and defensible; and
  - In accordance with the people and culture objectives of the Group
- Performance of the Executive Directors (on an annual basis) and ensure there is a process for determining key performance indicators for the ensuing period; and
- Remuneration of the Executive Directors, Non-Executive Directors and KMP, in accordance with approved Board policies and processes.

The Group's target remuneration philosophies are:

- **Total Fixed Remuneration** - **TFR** (being salary, superannuation, plus regular allowances) positioned at the median (50th percentile) based on the industry benchmark Aon Remuneration report in Australia (an industry recognised gold and general mining remuneration benchmarking survey covering 126 organisations within the industry) and a combination of the Mercer and Korn Ferry Remuneration reports for the Canadian market.

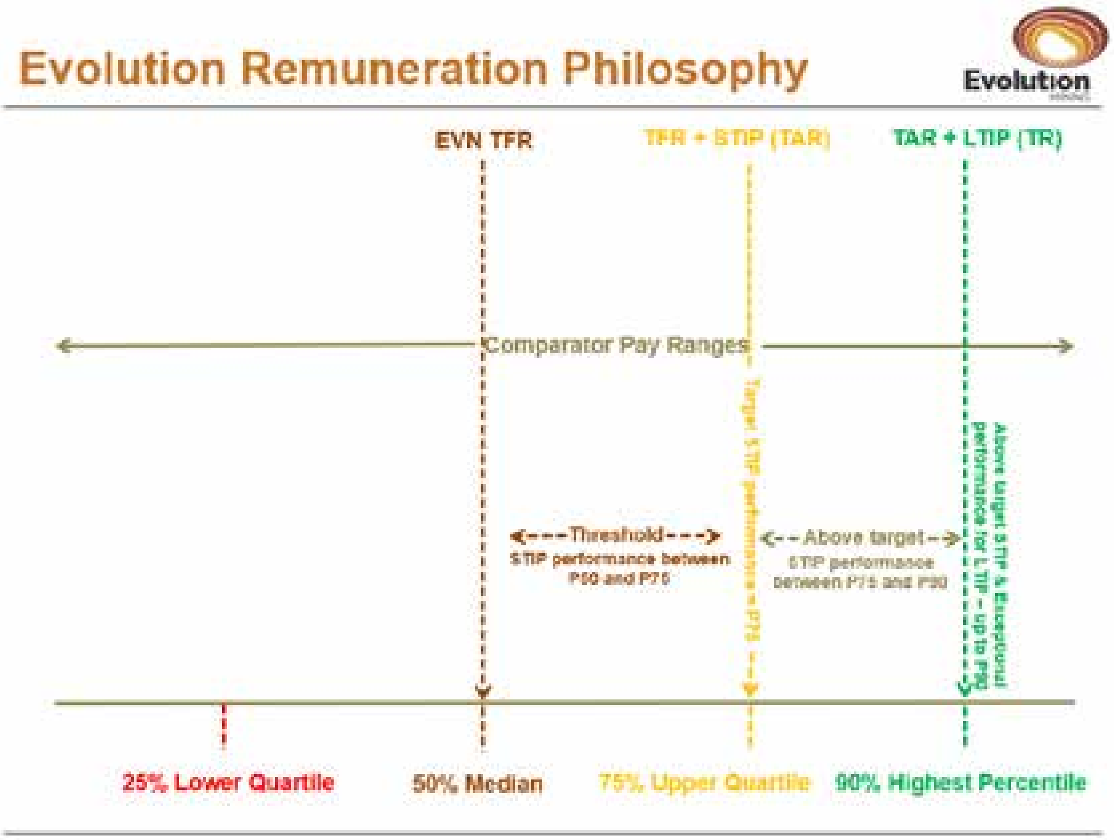
- **Total Annual Remuneration** - **TAR (TFR plus STI)** at the 75th percentile for on target performance; and

- **Total Remuneration** - **TR (TAR plus LTI)** at the 75th percentile, with flexibility to provide up to the 90th percentile level for critical roles and exceptional individual performance.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(b) Remuneration Governance (continued)



The overarching objectives and principles of the Group's remuneration strategy are that:

- Total remuneration for each level of the workforce is appropriate and competitive;
- Total remuneration comprises a competitive fixed component and a sizeable "at risk" component based on performance hurdles;
- Short term incentives are appropriate with hurdles that are measurable, transparent and achievable;
- Incentive plans are designed to motivate and incentivise for high performance and delivery on organisational objectives;
- The Group long-term incentives are focused on delivering shareholder value; and
- The principles and integrity of the remuneration review process deliver fair and equitable outcomes

(c) Remuneration Strategy and Framework

The following table outlines the remuneration components for all KMP for the 2021 financial year:

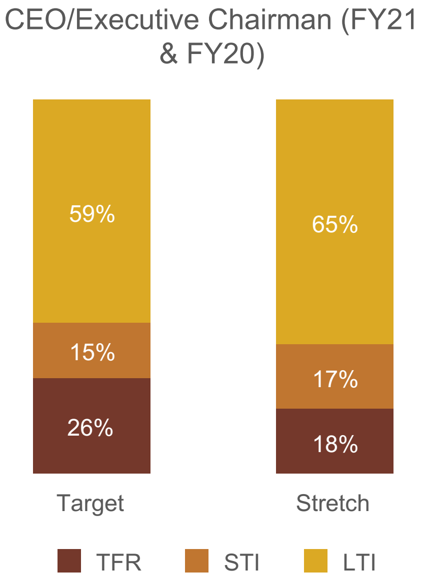
Directors' Report (continued)

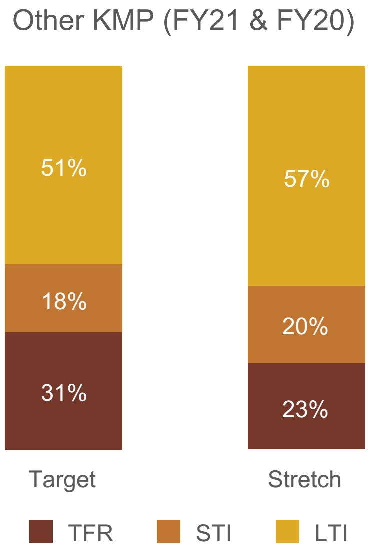
Remuneration Report (Audited) (continued)

(c) Remuneration Strategy and Framework (continued)

Component	Performance measure	Strategic objective
Total Fixed Remuneration (TFR)	Key results areas for each role are determined based on the individual's position, key business imperatives and individual KPIs aligned to the business plan and strategy.	Remuneration is designed to attract, motivate and retain high performing individuals. Considerations include: • Overall Company strategy and annual business plan • Key skills and knowledge required • External market conditions • Key employee value drivers • Individual employee performance • Industry benchmark data
Short Term Incentive (STI)	Key Performance indicators are set with a mix of individual and corporate elements. The relative weighting of which is dependent on the individual employee job banding and position. For the Executive Chairman, the weighting is 70% corporate and 30% individual and for the remainder of the KMP, 60% corporate and 40% individual. For the corporate component for FY21, the measures focused on safety, critical controls, cash contribution, costs and strategic imperatives focused on improving our overall asset portfolio aligned to the business strategy, improving operational effectiveness via the delivery of priority capital projects and progress in the company's sustainability targets.	The objective is to motivate employees to achieve key annual targets focused on safety, risk, operations, cash contribution, and effective cost management, improving the overall quality of the asset portfolio and driving a high achievement team culture.
Long Term Incentive (LTI)	Performance measures agreed with the Board have a 3 year time horizon and are focused on enhancing shareholder value.	The primary objective to deliver industry leading shareholder returns.

The target achievement remuneration ratio mix for Executive Directors and KMP has not changed from prior financial year. The 2021 financial year and prior financial year is as follows:





(d) Changes in relation to remuneration in FY21.

No changes were made in relation to remuneration in FY21.

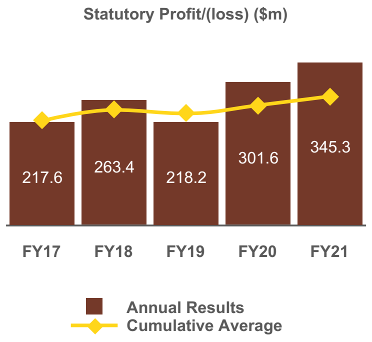
Directors' Report (continued)

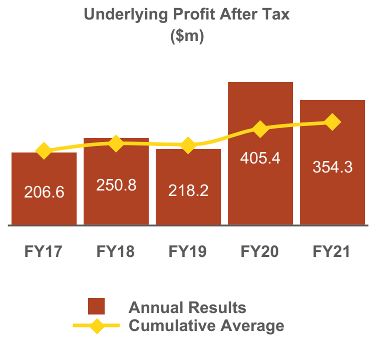
Remuneration Report (Audited) (continued)

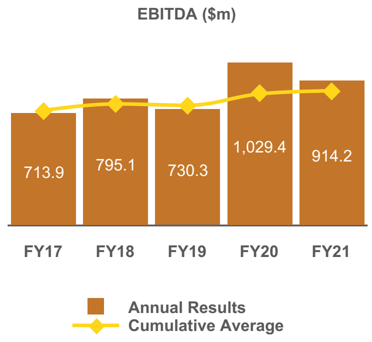
(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs

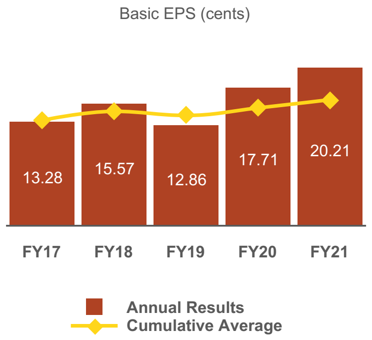
(i) Financial Performance

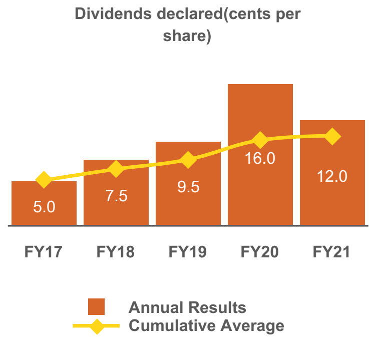
The Group has demonstrated strong financial performance over the past five years as shown in the following charts:

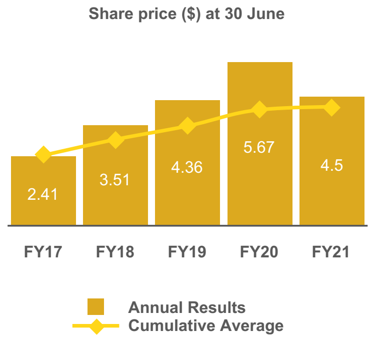

Statutory Profit/(loss) ($m)


Underlying Profit After Tax ($m)


EBITDA ($m)


Basic EPS (cents)


Dividends declared(cents per share)


Share price ($) at 30 June

Directors' Report (continued)

Remuneration Report (Audited) (continued)

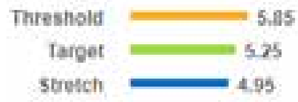
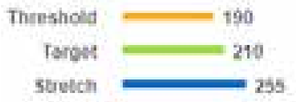
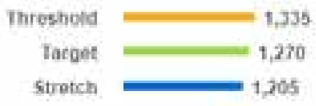
(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

(ii) STIP

STIP Overview

Component	Performance measure
Participation	The Overall Group STIP applies to site based employees at the level of Manager and above and all Group office employees.
Composition	The Group STIP is a cash bonus, up to a maximum percentage of TFR, based on the employee job band.
Performance conditions	It is assessed and paid annually conditional upon the achievement of key company objectives and individual KPIs. For the 2021 financial year, the Group objectives were focused on the areas of safety, risk, group cash contribution, all in sustaining costs and strategic imperatives, designed to improve the overall business aligned to the long term business strategy.
FY21 STIP considerations	At the time of setting the FY21 STIP measures, the Board determined it would consider the following factors when awarding the score for the strategic imperatives measure: 1. Progress relative to the FY21 Balanced Business Plan (BBP); 2. Delivery on key projects - including the Red Lake turnaround, (against identified FY21 improvements); Cowal (key projects on track, including the Underground project); Mungari (Satellite pits on track and studies completed for regional resources, including the heap leach study); 3. Progress on Sustainability targets (scope 1 and 2 emissions, water security targets and community plans).

STIP Performance Measures and Outcomes

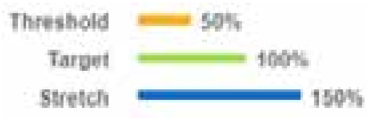
Measure	Weighting	Performance Outcome		Award
TRI Frequency (TRIF) (12mma)				**0.0 %**
	**15%**	**9.6**	The overall outcome was disappointing and remains an area of focus for the business. The Board notes that there were some pockets of excellence with Mt Rawdon setting an Evolution record of 463 days without a recordable injury, Mt Carlton going over 100 days since their last recordable injury as at 30 June 2021.	
Risk - Critical and Material Risk Actions				**22.5 %**
	**15%**	**150%**	All bow tie analysis and extreme risks controls were implemented and validated in line with the minimum standards. All actions were reviewed and reported weekly. There were no overdue actions. Independent audits where completed for all sites and all sites achieved a satisfactory rating or better.	
Group Cash Contribution ($ million)				**30.0 %**
	**20%**	**$327.3m**	Against a target of $210.0 million, the performance of $327.3 million achieved a stretch outcome. The result for the year was predominantly driven by a strong focus on cost management, both operating and capital, and higher gold prices offset by lower than planned production, and higher tax payments due to higher profits.	
Group All in Sustaining Cost ($/oz sold)				**28.5 %**
	**20%**	**1,215**	The continued focus on cost control resulted in a better than budget performance which delivered an outcome between target and stretch. This is a pleasing improvement considering the outcome for FY20 was below threshold.	

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

STIP Performance Measures and Outcomes (continued)

Measure	Weighting	Performance Outcome		Award
Strategic Imperatives				**36.0 %**
	**30%**	**120%**	1. Progress relative to the FY21 Balanced Business Plan (BBP) The BBP is designed to be a balanced scorecard which has 5 key business pillars: Zero Harm and Sustainability, People, Operations, Growth and Financial Outcomes. Against these business pillars most of the measures were achieved and all supporting projects achieved the desired outcomes. 2. Delivery on key projects - including the Red Lake turnaround, (as part of the 3 year transformation program); Cowal (key projects such as the Cowal Underground;Integrated Waste Landform (IWL); and Open Pit extension studies on track); Mungari (Satellite pits on track and studies completed for regional resources and province optimisation) At Red Lake, the integration and start of turning Red Lake into a cornerstone asset for Evolution has gone very well despite an inability for management to visit the site since March 2020. Key improvements included the significant upgrade in resources (to 11moz) and reserves (3moz), the restructure to align the workforce with the production profile and a number of transformation projects including decommissioning the Campbell shaft, replacement of mining equipment to drive greater efficiencies, establishment of additional mining fronts and increasing development metres. At Cowal, Stage H is nearing completion with access to ore planned in first half of FY22; the IWL successfully deposited material in stage 1 early with additional savings on the existing tails management facility achieved; Satellite open pit studies continued on plan and the Underground FS was completed on time and approved by the Board. For Mungari, the future growth project progressed to plan. 3. Progress on Sustainability targets (scope 1 and 2 emissions, water security targets and community plans). Community plans including first nation people's plans have been delivered. The independent materiality assessment also supported strong community sentiment. There were no material environmental incidents in FY21. In terms of scope 1 and 2 emissions, the FY21 target was to track and drive a reduction in CO2-e emissions per tonnes of material mined (ore and waste). This was assessed against the baseline of FY20 @ 0.012t CO2-e/t material mined. The performance over the year was varied with the first half of the year better than the latter half, both tracking around the baseline. Evolution is in a very strong position for water security as a result of increased planning and execution of the water strategy. The target was to track and reduce raw water drawn per dry tonne milled (DTM) off a baseline 0.54kL raw water drawn per DTM (12mma). The reduction in raw water has been significant due to factors such record return volumes for the Tailings IWL Cell at CGO and successful reuse and harvesting strategies across all sites. The reduction in the baseline was approximately a 35% improvement with an average - over the 12 months being around 0.35kL/DTM.	
Overall Outcome	**100%**			**116.96 %**

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

The outcomes for the KMP are set out in the table below. They also reflect the strong performance of individual KMP members against their KPIs agreed with the Executive Chairman.

Component	Performance measure			
	2021	Total STIP Granted ($)	% of Maximum Entitlement Granted	% of Maximum Entitlement Forfeited
	Directors			
	Jacob Klein	583,000	80.6 %	19.4 %
	Lawrie Conway	460,000	81.7 %	18.3 %
	Key Management Personnel			
	Paul Eagle	300,000	79.3 %	20.7 %
	Evan Elstein	300,000	79.3 %	20.7 %
	Bob Fulker	385,000	79.2 %	20.8 %
	Glen Masterman	340,000	83.9 %	16.1 %
	Fiona Murfitt*	300,000	85.5 %	14.5 %

*Fiona Murfitt joined the Group in January 2020 as the General Manager Sustainability and was promoted to the KMP as VP - Sustainability effective 1 July 2020.

(iii) LTIP

LTIP Overview

Component	Performance measure
Participation	The Group LTIP applies to employees at the level of Manager, Superintendent / Senior Specialist, Functional Lead and above across the Group.
Performance	Up to 3 years.
Composition	The Group has one long term incentive plan currently in operation, the Employee Share Option and Performance Rights Plan (“ESOP”). The ESOP (approved by shareholders on 23 November 2010, 26 November 2014 and 23 November 2017) provides for the issuance of Performance Rights to Executive Directors and eligible employees. This LTIP was first introduced for employees at the level of Manager and above and provides equity based “at risk” remuneration, up to maximum percentages, based on, and in addition to, each eligible employee’s TFR. Effective from 1 July 2018, the LTIP was extended to the superintendent and senior technical level in the Company. These incentives are aimed at retaining and incentivising those eligible employees on a basis that is aligned with shareholder interests and are provided via Performance Rights
Performance conditions	The Performance Rights are issued for a specified period and each Performance Right is convertible into one ordinary share. All Performance Rights expire on the earlier of their expiry date or termination of the employee’s employment subject to Board discretion. Performance Rights do not vest until a specified period after granting and their vesting is conditional on the achievement of certain performance hurdles that are aligned with shareholder interests. There are no voting or dividend rights attached to the Performance Rights. Voting and dividend rights attach to the ordinary shares when the Performance Rights vest and shares are allocated to the participating employee. Unvested Performance Rights cannot be transferred and will not be quoted on the ASX.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

LTIP Performance Measures

The following table outlines the performance measures for the LTIPs issued in FY21 and to be issued in FY22.

KPI's	Weighting	Measure	Criteria	
Relative TSR Performance	**25%**	Performance Rights will be tested against the Group's TSR performance relative to a peer group of comparator gold companies. The Group's and the peer group's TSR will be based on the percentage by which its 30-day volume weighted average share price quoted on the ASX ("VWAP") (plus the value of any dividends paid during the performance period) has increased over a three year period	**Threshold**	8th ranking = 33% (Below 8th = 0%)
			Target	7th ranking = 50%
				Above 4th ranking and below 7th ranking = Straight line pro-rata between 50% and 100%
			Exceptional	Top 3 ranking = 100%
Absolute TSR Performance	**25%**	Performance rights will be tested against the Group's Absolute TSR performance relative to the 30 days VWAP (Absolute TSR Performance) as at 30 June each year, measured as the cumulative annual TSR over the three year performance period.	**Threshold**	10% return per annum = 33% >10% to <15% = pro-rata between 33% and 66%
			Target	15% return per annum= 66% >15% to <20% = pro-rata between 66% and 100%
			Exceptional	>20% return per annum = 100%
Relative AISC	**25%**	Performance Rights will be tested against Evolution's relative ranking of its AISC performance for the 12 month period compared to the AISC performance ranking of the Peer Group Companies for the same period.	**Threshold**	8th ranking = 33% (Below 8th = 0%)
			Target	7th ranking = 50%
				Above 4th ranking and below 7th ranking = pro-rata between 50% and 100%
			Exceptional	Top 3 ranking = 100%
Increase in ore reserves per share	**25%**	Performance Rights will be tested against the Group's ability to grow its Ore Reserves, calculated by measuring the growth over the three year performance period by comparing the baseline measure of the Ore Reserves as at 31 December ("Baseline Ore Reserves") to the Ore Reserves as at 31 December three years later on a per share basis, with testing to be performed at 30 June each year.	**Threshold**	90% of Baseline Ore Reserves = 33% >90% but below 100% of Baseline Ore Reserves = pro-rata between 33% and 66%
			Target	100% of Baseline Ore Reserves = 66% >100% of Baseline Ore Reserves and below 120% of Baseline Ore Reserves = pro-rata between 66% and 100%
			Exceptional	>120% and above of Baseline Ore Reserves = 100%
Total LTI	**100%**			

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

LTIP Outcomes

Component	Performance measure
Award outcome for the year - ESOP Performance Rights	Outcomes for the FY18 award which were approved by the Board and vested in August 2020 are set out as follows:

Performance Target		Measure	Weighting	FY18 Outcome	% of Maximum Vested	% Vested
(i)	Relative TSR Performance	Percentile	25 %	20th	77.3 %	19.3 %
(ii)	Absolute TSR performance	Compound annual return	25 %	38.3 %	100.0 %	25.0 %
(iii)	Growth in Earnings per share	Compound annual return	25 %	18.1 %	100.0 %	25.0 %
(iv)	Increase in ore reserves per share	Percentage increase	25 %	118.6 %	97.6 %	24.4 %
		Total	**100.0 %**			**93.7 %**

Outcomes for the FY19 award approved by the Board for vesting in August 2021 are set out as follows:

Performance Target		Measure	Weighting	FY19 Outcome	% of Maximum Vested	% Vested
(i)	Relative TSR Performance	Percentile	25 %	30th	59.4 %	14.9 %
(ii)	Absolute TSR performance	Compound annual return	25 %	16.4 %	75.6 %	18.9 %
(iii)	Growth in Earnings per share	Compound annual return	25 %	11.8 %	72.8 %	18.2 %
(iv)	Increase in ore reserves per share	Percentage increase	25 %	125.1 %	100.0 %	25.0 %
		Total	**100.0 %**			**77.0 %**

(f) Non-Executive Director Remuneration Outcomes

The Board policy is to remunerate Non-Executive Directors (NEDs) at market rates for comparable companies for time, commitment and responsibilities. The Nomination and Remuneration Committee determines Non-Executive Directors fees and reviews this annually, based on market practice, their duties and areas of responsibility. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders (currently $1,200,000 per annum). Fees for Non-Executive Directors are not linked to the performance of the Group and they currently do not participate in the Group's STIP or LTIP.

Under the NED Equity Plan, NEDs will be granted Share Rights as part of their remuneration. The number of Share Rights granted will be calculated in accordance with the following formula:
"Equity Amount" ($) for the financial year/Value per Share Right
Where:

- "Equity Amount" is an amount determined by the Board, having regard to level of board and committee fees paid in cash and independent advice received. For 2021, the Equity Amount is $65,000 for each NED, other than the Lead Independent Director (LID), who received an Equity Amount of $80,000. For 2022, the Equity Amount will be $65,000 for each NED, and $80,000 for the LID.
- The Value per Share Right equals the volume weighted average price (VWAP) of Evolution's ordinary shares traded on the ASX over the 10 trading day period commencing the day after the release of the full year financial results. For 2021, the 10 trading day period to calculate the VWAP used to determine the number of share rights granted to each NED commences on 19 August 2021.

Providing the NED remains a director of the Group, Share Rights will vest and automatically exercise 12 months after the grant date. The Share Rights granted to NEDs under the NED Equity Plan are not subject to performance conditions or any other service requirements which could result in potential forfeiture. Vested Share Rights will convert into ordinary shares on a one-for-one basis. Vested Share Rights will be satisfied by either issuing shares or arranging for shares to be acquired on-market, subject to the the Group's Securities Trading Policy and the inside information provisions of the Corporations Act.
Upon the transfer to the relevant NED, the shares will be subject to disposal restrictions (Disposal Conditions) under the earlier of:

- the NED ceasing to be a director of the Group; or
- three years from the date of grant of the share rights or such longer period nominated by the NED at the time of the offer (up to a maximum 15 years from the date of grant).

Generally, Share Rights will lapse if a Participant ceases to be a Director of the Group.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(f) Non-Executive Director Remuneration Outcomes (continued)

Outlined in the table below is a summary of the fee structure by individual as at 30 June 2021. For remuneration outcomes please refer to table in section d (iv).

	Cash Component ($)					Equity ($)	
	Base Fees	**Lead Independent**	**Sub-Commitee Chairman**	**Sub-Commitee Member**	**Total Cash Fees**	**NED Equity Plan Shares**	**Total per annum ($)**
Directors							
James Askew	120,000	—	35,000	20,000	175,000	65,000	240,000
Andrea Hall	120,000	—	40,000	20,000	180,000	65,000	245,000
Thomas McKeith	120,000	15,000	35,000	—	170,000	80,000	250,000
Peter Smith	120,000	—	—	20,000	140,000	65,000	205,000
Vicky Binns	120,000	—	—	20,000	140,000	65,000	205,000
Jason Attew	120,000	—	—	40,000	160,000	65,000	225,000
	720,000	**15,000**	**110,000**	**120,000**	**965,000**	**405,000**	**1,370,000**

(g) Other remuneration information

(i) Remuneration Summary Table

	Fixed Remuneration		Leave**		Post-Employment Benefits		STI		LTI			
	Base Salary and Fees		**Movement**		**Superannuation**		**Bonus**		**Amortised Value ***		**Total**	**Total**
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Directors												
Jacob Klein	1,083,980	1,082,797	30,574	19,546	21,694	21,003	583,000	510,000	1,177,278	2,109,599	2,896,526	3,742,945
Lawrie Conway	740,179	738,997	51,645	16,525	21,694	21,003	460,000	412,000	646,785	727,543	1,920,303	1,916,068
James Askew	175,000	163,750	—	—	—	—	—	—	52,638	42,363	227,638	206,113
Andrea Hall	164,384	156,773	—	—	15,616	14,893	—	—	52,638	42,363	232,638	214,029
Thomas McKeith	155,251	162,862	—	—	14,749	15,472	—	—	64,786	48,906	234,786	227,240
Jason Attew	160,000	93,333	—	—	—	—	—	—	52,638	28,352	212,638	121,685
Vicky Binns	127,854	31,963	—	—	12,146	3,037	—	—	32,501	—	172,501	35,000
Peter Smith	127,854	31,963	—	—	12,146	3,037	—	—	32,501	—	172,501	35,000
Graham Freestone****	—	60,883	—	—	—	5,784	—	—	—	34,216	—	100,883
Colin Johnstone*****	—	87,500	—	—	—	—	—	—	—	50,378		137,878
Key Management Personnel												
Paul Eagle	400,179	398,997	12,148	13,274	21,694	21,003	300,000	271,000	474,594	464,035	1,208,615	1,168,309
Evan Elstein	400,179	398,997	8,423	11,063	21,694	21,003	300,000	277,000	482,847	486,283	1,213,143	1,194,346
Bob Fulker	520,180	518,997	25,450	13,512	21,694	21,003	385,000	343,000	618,275	656,990	1,570,599	1,553,502
Glen Masterman	430,180	428,997	5,345	11,337	21,694	21,003	340,000	302,000	516,408	513,936	1,313,627	1,277,273
Fiona Murfitt***	383,306	—	20,840	—	21,694	—	300,000	—	177,230	—	903,070	—
	4,868,526	**4,356,809**	**154,425**	**85,257**	**206,515**	**168,241**	**2,668,000**	**2,115,000**	**4,381,119**	**5,204,964**	**12,278,585**	**11,930,271**

*Amortised value of share based rights comprises the fair value of options and performance rights expensed during the year for KMP, and retention rights for NEDs.

**Leave comprises of annual and long service leave movement for a financial year.

***Fiona Murfitt joined the Group in January 2020 as the General Manager Sustainability and was promoted to the KMP as VP - Sustainability effective 1 July 2020.

****Graham Freestone retired as Non-Executive Director effective 28 November 2019.

*****Colin Johnstone retired as Non-Executive Director effective 11 March 2020.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(g) Other remuneration information (continued)

(ii) Performance Rights granted, vested or lapsed in each financial year:

	FY17	FY18	FY19	FY20	FY21	Running Balance
Granted	6,797,540	6,586,571	5,699,933	6,038,033	5,166,893	38,430,338
Granted - TIP	3,375,000	—	—	—		3,375,000
Vested	(4,051,551)	(4,019,532)	—	—	—	(12,094,027)
Vested - TIP	(2,892,476)	—	—	—	—	(2,892,476)
Forfeited	(3,228,513)	(2,567,039)	(2,035,401)	(1,562,211)	(536,774)	(14,548,260)
Subject to vesting	—	—	3,664,532	4,475,822	4,630,119	12,770,473
Testing date	30/6/2019	30/6/2020	30/6/2021	30/6/2022	30/6/2023	—
Testing date - TIP**	16/12/2019	—	—	—	—	—
Vesting (%) - excluding TIP	88.2 %	93.7 %	77.0%*	— %	— %	— %

*The FY19 Tranche 1 performance rights are re-tested as at 30 June 2021 and adjusted to reflect the outcome for the full three year performance period.

** The Transition Incentive Plan (TIP) was entered into by Evolution with the Executive Chairman Mr. Jake Klein.

(iii) Movement in Performance Rights in FY20 and FY21:

	2021 Number	2020 Number
Outstanding balance at the beginning of the year	13,776,882	18,643,061
Performance rights granted during the period	5,166,893	6,038,033
Vested during the period	(4,019,532)	(7,025,612)
Forfeited during the period	(2,153,770)	(3,878,600)
Outstanding balance at the end of the year	**12,770,473**	**13,776,882**

(iv) Performance Rights and Shares

					At end of the year			
Directors	Balance at the start of the year*	Granted as compensation	Vested	Forfeited	Balance at the end of the year	Vested and exercisable	To be Forfeited	Unvested
Jacob Klein	1,738,939	475,404	(648,904)	(43,261)	1,522,178	381,621	114,314	1,026,243
Lawrie Conway	943,815	264,038	(345,985)	(23,065)	838,803	206,865	61,966	569,972
James Askew (i)	12,727	10,984	(12,727)	—	10,984	—	—	10,984
Andrea Hall (i)	12,727	10,984	(12,727)	—	10,984	—	—	10,984
Thomas McKeith (i)	15,664	13,519	(15,664)	—	13,519	—	—	13,519
Jason Attew***	12,727	10,984	(12,727)	—	10,984	—	—	10,984
Vicky Binns**** (i)	—	10,984	—	—	10,984	—	—	10,984
Peter Smith**** (i)	—	10,984	—	—	10,984	—	—	10,984
Key Management Personnel								
Paul Eagle	613,399	177,434	(219,124)	(14,608)	557,101	133,954	40,125	383,022
Evan Elstein	636,487	177,434	(233,540)	(15,569)	564,812	139,888	41,903	383,021
Bob Fulker	818,618	228,129	(302,737)	(20,183)	723,827	178,040	53,331	492,456
Glen Masterman	675,594	190,108	(245,072)	(16,338)	604,292	149,214	44,697	410,381
Fiona Murfitt**	91,628	164,760	—	—	256,388	—	—	256,388
	5,572,325	1,745,746	(2,049,207)	(133,024)	5,135,840	1,189,582	356,336	3,589,922

*Opening balance does not match the performance period ended 30 June 2020 as the performance plan was not tested until August 2020 so the forfeitures were included in closing balance.

**Fiona Murfitt joined the Group in January 2020 as the General Manager Sustainability and was promoted to the VP - Sustainability effective 1 July 2020.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(g) Other remuneration information (continued)

**The performance rights issued have a zero exercise price. The performance rights may be exercised on or after the vesting date. Once vested the performance rights have 15 years until expiry.

*** Grant date for Key Management Personnel performance rights was 17 September 2020. Jake Klein and Lawrie Conway's performance rights was granted on 26 November 2020 following shareholder approval at the Annual General meeting. Non-Executive Directors had share rights granted on 26 November 2020.

(i) Non-Executive Director Share Rights granted under the NED Equity Plan are not subject to performance conditions or any other service requirements which could result in potential forfeiture.

The fair value at grant date for the Key Management Personnel FY21 performance rights are stated below:

	Relative TSR	Absolute TSR	Relative AISC	Growth in Ore Reserves
September 2020 Performance Rights issue				
Fair value at grant date ($)	2.99	2.42	5.52	5.52

The fair value at grant date for the Non-Executive Directors FY21 share rights were $5.0 and are based on one year service condition.

The fair value at grant date for the Jake Klein and Lawrie Conway's FY21 performance rights are stated below:

	Relative TSR	Absolute TSR	Relative AISC	Growth in Ore Reserves
November 2020 Performance Rights issue				
Fair value at grant date ($)	2.09	1.52	4.62	4.62

(v) Directors and key **management personnel equity holdings**

	Balance at the start of the year	Received during the year on conversion of performance rights	Other changes	Balance at the end of the year
Directors				
Jacob Klein	14,745,960	648,904	—	15,394,864
Lawrie Conway	955,612	345,985	(185,000)	1,116,597
James Askew	801,731	12,727	—	814,458
Andrea Hall	28,144	12,727	—	40,871
Thomas McKeith	201,364	15,664	—	217,028
Jason Attew	—	12,727	14,000	26,727
Vicky Binns	—	—	—	—
Peter Smith	—	—	26,126	26,126
Key Management Personnel				
Paul Eagle	167,000	803,355	(182,326)	788,029
Evan Elstein	555,251	233,540	(103,540)	685,251
Bob Fulker	—	302,737	(282,737)	20,000
Glen Masterman	—	245,072	(240,000)	5,072
Fiona Murfitt*	—	—	—	—
	17,455,062	**2,633,438**	**(953,477)**	**19,135,023**

*Fiona Murfitt joined the Group in January 2020 as the General Manager Sustainability and was promoted to the VP - Sustainability effective 1 July 2020.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(h) Transactions with KMP

(a) Loans:

There are no loans provided to Key Management Personnel as at 30 June 2021.

(b) Related Party Transactions:

Directors fees in the amount of $175,000 were paid to International Mining and Finance Corp, a company of which Mr James Askew is a Director for services provided during the period (30 June 2020: $163,750).

(i) Changes are planned for remuneration in FY22

The planned change for the FY22 KPIs is:

Element	Changes for FY22	Reason for Change
	Change in the comparator group.	To maintain a good balance of similar sized companies by market capitalization and representation across the Australian and Canadian markets and to reflect changes where companies have merged or been acquired.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

(j) Summary of Key Terms

Below is a list of key terms with definitions used within the Director’s Report:

Key Term	Definition
The Board of Directors (“the Board” or “the Directors”)	The Board of Directors, the list of persons under the relevant section above.
Key Management Personnel ("KMP")	Senior executives have the authority and responsibility for planning, directing and controlling the activities of the Group and are members of the senior leadership team. KMP for the financial year ended 30 June 2018 are listed above.
Total Fixed Remuneration ("TFR")	Total Fixed Remuneration comprises a base salary plus superannuation. This is currently positioned at the median (50th percentile) of the industry benchmarking report.
Short Term Incentive ("STI") and Short Term Incentive Plan (“STIP”)	STI is the short-term incentive component of Total Remuneration. The STI usually comprises a cash payment that is only received by the employee if specified annual goals are achieved. STIP refers to the plan under which the incentives are granted and paid.
Long Term Incentive ("LTI") and Long term Incentive Plan (“LTIP”)	LTI is the long-term incentive component of Total Remuneration. The LTI comprises of Performance Rights, usually with a three year vesting period that are subject to specified vesting conditions established by the Board. Further details of the vesting conditions associated with the performance rights are detailed in the Vesting Conditions of Performance Rights section. Performance Rights cannot be exercised unless the vesting conditions have been satisfied. LTIP refers to the plan under which LTIs are granted and is aimed at retaining and incentivising KMP and senior managers to achieve business objectives that are aligned with shareholder interests, and are currently provided via Performance Rights.
Total Annual Remuneration	Total Fixed Remuneration plus STI.
Total Remuneration	Total Fixed Remuneration plus STI and LTI.
Superannuation Guarantee Charge ("SGC")	This is the employer contribution to an employee nominated superannuation fund required by law. The percentage contribution was set at 9.5% in the reporting period and is capped in line with the SGC maximum quarterly payment.
Employees and Contractors Option Plan ("ECOP")	The plan permits the Group, at the discretion of the Directors, to grant Options over unissued ordinary shares of the Group to eligible Directors, members of staff and contractors as specified in the plan rules. The plan is currently dormant and no further Options will be issued under this plan.
Employee Share Option and Performance Rights Plan ("ESOP")	The plan permits the Group, at the discretion of the Directors, to grant both Options and Performance Rights over unissued ordinary shares of the Group to eligible Directors and members of staff as specified in the plan rules.
NED Equity Plan	The plan permits the Group, at the discretion of the Board and Remuneration. Committee to issue remuneration to Non-Executive Directors through Share Rights.
Total Shareholder Return ("TSR")	TSR is the total return on an ordinary share to an investor arising from growth in the share price plus any dividends received.
Key Performance Indicators ("KPIs")	A form of performance measurement for individual performance against a pre-defined set of goals.
Volume Weighted Average Share Price (“VWAP”)	A volume weighted average share price quote on the Australian Stock Exchange (ASX) measured over a specified number of trading days. The VWAP is to be used when assessing Company performance for TSR.
Fees	Fees paid to Executive and Non-Executive Directors for services as a Director, including sub-committee fees as applicable.
Forfeiture	Performance rights forfeited upon cessation of employment or vesting conditions not met.

Directors' Report (continued)

Indemnification of officers and auditors

During the financial year the Group paid a premium in respect of a contract insuring the Directors of the Group, the Group secretaries and all executive officers of the Group and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has entered into a Deed of Indemnity, Insurance and Access with each Director. In Summary the Deed provides for:

- Access to corporate records for each Director for a period after ceasing to hold office in the Group;
- The provision of Directors and Officers Liability Insurance; and
- Indemnity for legal costs incurred by Directors in carrying out the business affairs of the Group.

Except for the above the Group has not otherwise, during or since the financial year, except to the amount permitted by law, indemnified or agreed to indemnify an officer or auditor of the Group or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act 2001.*

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group and/or the Group are important.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for non-audit services provided during the year are set out below. Details of the amounts paid or payable to the auditor for audit services provided during the year are set out in note 29(a).

The Board of Directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit se*rvices have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.*
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, Evolution Mining Limited, its related practices and non-related audit firms. Also included are fees paid or payable for non-audit services by non PricewaterhouseCoopers audit firms, although these firms do not provide audit services to Evolution Mining Limited.

Directors' Report (continued)

Non-audit services (continued)

	2021 $	2020 $
Other assurance services		
PricewaterhouseCoopers firm:		
Due diligence services	**—**	—
Other	**6,560**	6,891
Non PricewaterhouseCoopers audit firms		
Internal audit services	**217,541**	149,651
Other assurance services	**41,348**	—
Total remuneration for other assurance services	**265,449**	156,542
Taxation services		
PricewaterhouseCoopers firm:		
Tax compliance services	**77,380**	103,060
Non PricewaterhouseCoopers audit firms		
Tax compliance services	**67,557**	44,183
Tax advisory services	**555,348**	393,762
Total remuneration for taxation services	**700,285**	541,005
Total remuneration for non-audit services		
Total remuneration paid to PricewaterhouseCoopers	**83,940**	109,951
Total remuneration paid to Non PricewaterhouseCoopers	**881,794**	587,596
	965,734	697,547

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 171

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the Directors' off Report have been rounded in accordance with that ASIC Corporations Instrument to the nearest dollar.

This report is made in accordance with a resolution of Directors

AHall

Jacob (Jake) Klein
Executive Chairman

Andrea Hall
Chair of the Audit Committee

Sydney

Auditor’s Independence Declaration

Auditor’s Independence Declaration

As lead auditor for the audit of Evolution Mining Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Evolution Mining Limited and the entities it controlled during the period.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
19 August 2021

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Notes to the Consolidated Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	30 June 2021 $'000	30 June 2020 $'000
Sales revenue	2	**1,864,058**	1,941,863
Cost of sales	2	**(1,285,131)**	(1,285,350)
Gross Profit		**578,927**	656,513
Interest income		**1,847**	3,540
Other income	2	**12,950**	4,949
Share based payments expense	28	**(11,371)**	(10,691)
Corporate and other administration costs	2	**(37,107)**	(32,859)
Transaction and integration costs	2	**(15,058)**	(35,053)
Gain on sale of subsidiary		**—**	11,517
Exploration and evaluation costs expensed	9	**(12,877)**	(23,719)
Impairment loss on assets - Mt Carlton		**—**	(144,346)
Finance costs	2	**(21,140)**	(21,261)
Profit before income tax expense		**496,172**	408,590
Income tax expense	3	**(150,910)**	(107,038)
Profit after income tax expense attributable to Owners of Evolution Mining Limited		**345,262**	301,552
Other comprehensive income			
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI) net of tax (will not be reclassified to profit or loss)	12(b)	**(25,861)**	19,958
Exchange differences on translation of foreign operations (may be reclassified to profit or loss)	12(b)	**17,713**	(47,261)
Other comprehensive income for the period, net of tax		**(8,148)**	(27,303)
Total comprehensive income for the period		**337,114**	274,249
Total comprehensive income for the period is attributable to:			
Owners of Evolution Mining Limited		**337,114**	274,249
		337,114	274,249
		Cents	Cents
Earnings per share for profit attributable to Owners of Evolution Mining Limited:			
Basic earnings per share	4	**20.21**	17.71
Diluted earnings per share	4	**20.14**	17.62

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements (continued)

Consolidated Balance Sheet

	Notes	30 June 2021 $'000	Restated[1] 30 June 2020 $'000
ASSETS			
Current assets			
Cash and cash equivalents	10	**160,062**	372,592
Trade and other receivables	13	**115,742**	149,040
Inventories	15	**188,558**	202,157
Total current assets		**464,362**	723,789
Non-current assets			
Inventories	15	**113,634**	86,517
Equity investments at fair value	16(a)	**62,904**	96,195
Property, plant and equipment	7	**989,894**	683,010
Mine development and exploration	9	**2,159,989**	2,073,848
Right-of-use assets	8	**22,886**	34,364
Deferred tax assets	20	**94,917**	14,114
Other non-current assets	17	**48,449**	66,113
Total non-current assets		**3,492,673**	3,054,161
Total assets		**3,957,035**	3,777,950
LIABILITIES			
Current liabilities			
Trade and other payables	14	**190,977**	190,810
Interest bearing liabilities	11	**102,843**	93,453
Current tax liabilities		**2,712**	8,881
Provisions	19	**38,448**	41,947
Lease liabilities	8	**14,418**	22,000
Other Current Liabilities		—	6,392
Total current liabilities		**349,398**	363,482
Non-current liabilities			
Interest bearing liabilities	11	**508,389**	468,609
Provisions	19	**319,396**	263,998
Deferred tax liabilities	20	**166,004**	124,702
Lease liabilities	8	**10,684**	21,132
Other non-current liabilities	18	**68,274**	72,717
Total non-current liabilities		**1,072,747**	951,158
Total liabilities		**1,422,145**	1,314,640
Net assets		**2,534,890**	2,463,310
EQUITY			
Issued capital	12(a)	**2,183,727**	2,183,727
Reserves	12(b)	**49,406**	49,723
Retained earnings	12(c)	**301,757**	229,860
Capital and reserves attributable to owners of Evolution Mining Limited		**2,534,890**	2,463,310
Total equity		**2,534,890**	2,463,310

1. *Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.*

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements (continued)

Consolidated Statement of Changes in Equity

	Notes	Issued capital $'000	Share-based payments $'000	Fair value revaluation reserve $'000	[1]Foreign currency translation $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2019		2,183,727	53,870	18,509	—	150,372	2,406,478
Adjustment on adoption of AASB 16 (net of tax)		—	—	—	—	(688)	(688)
Restated total equity at the beginning of the financial year		**2,183,727**	**53,870**	**18,509**	**—**	**149,684**	**2,405,790**
Profit after income tax expense		—	—	—	—	301,552	301,552
Changes in fair value of Equity investments at FVOCI net of tax		—	—	19,958	—	—	19,958
Exchange differences on translation of foreign operations		—	—	—	(47,746)	—	(47,746)
Total comprehensive income		**—**	**—**	**19,958**	**(47,746)**	**301,552**	**273,764**
Transactions with owners in their capacity as							
Dividends provided for or paid	5	—	—	—	—	(221,376)	(221,376)
Recognition of share-based payments	28	—	5,132	—	—		5,132
		—	**5,132**	**—**	**—**	**(221,376)**	**(216,244)**
Balance at 30 June 2020		**2,183,727**	**59,002**	**38,467**	**(47,746)**	**229,860**	**2,463,310**
Balance at 1 July 2020		**2,183,727**	**59,002**	**38,467**	**(47,746)**	**229,860**	**2,463,310**
Profit after income tax expense			—	—	—	345,262	345,262
Changes in fair value of Equity investments at FVOCI net of tax		—	—	(25,861)		—	(25,861)
Exchange differences on translation of foreign operations		—	—	—	17,713	—	17,713
Total comprehensive expense		**—**	**—**	**(25,861)**	**17,713**	**345,262**	**337,114**
Transactions with owners in their capacity as owners:							
Dividends provided for or paid	5	—	—	—	—	(273,365)	(273,365)
Recognition of share-based payments	28	—	7,831	—	—	—	7,831
		—	7,831	—	—	(273,365)	(265,534)
Balance at 30 June 2021		**2,183,727**	**66,833**	**12,606**	**(30,033)**	**301,757**	**2,534,890**

1. Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements (continued)

Consolidated Statement of Cash Flows

	Notes	30 June 2021 $'000	30 June 2020 $'000
Cash flows from operating activities			
Receipts from customers		**1,870,293**	1,967,563
Payments to suppliers and employees		**(988,237)**	(846,182)
Payments for transaction and integration costs		**(15,058)**	(35,052)
Other income		**3,427**	2,428
Interest received		**1,847**	4,440
Interest paid		**(18,524)**	(11,568)
Income taxes paid		**(96,740)**	(76,305)
Net cash inflow from operating activities	6(a)	**757,008**	1,005,324
Cash flows from investing activities			
Payments for property, plant and equipment		**(160,260)**	(124,386)
Payments for mine development and exploration		**(272,561)**	(342,814)
Proceeds from sale of property, plant and equipment		**—**	317
Proceeds from contingent consideration		**6,976**	1,237
Proceeds from sale of subsidiary		**57,022**	—
Payments for equity investments		**(1,123)**	(1,500)
Payments for exploration asset acquisitions		**(4,500)**	(2,000)
Payments for acquisition of subsidiary, net of cash acquired	25	**(349,669)**	(534,831)
Net cash outflow from investing activities		**(724,115)**	(1,003,977)
Cash flows from financing activities			
Proceeds from Term Loan and Revolving Credit Facility	11	**145,000**	570,000
Repayment of interest bearing liabilities	11	**(95,000)**	(300,000)
Lease liability principal payments	8	**(21,422)**	(12,718)
Dividends paid	5	**(273,365)**	(221,376)
Net cash (outflow)/inflow from financing activities		**(244,787)**	35,906
Net (decrease)/increase in cash and cash equivalents		**(211,894)**	37,253
Cash and cash equivalents at the beginning of the year	10	**372,592**	335,164
Effects of exchange rate changes on cash and cash equivalents		**(636)**	175
Cash and cash equivalents increase at end of year	10	**160,062**	372,592

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements (continued)

Notes to the Consolidated Financial Statements (continued)

Business Performance

This section highlights the key indicators on how the Group performed during the year.

1 Performance by Mine

(a) Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Executive Chairman and the Senior Leadership Team (the chief business decision makers) in assessing performance and in determining the allocation of resources.

The Group's operational mine sites and exploration are each treated as individual operating segments. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Corporate includes share-based payment expenses and other corporate expenditures supporting the business during the year.

Segment performance is evaluated based on earnings before interest, tax, depreciation and amortisation (EBITDA). EBITDA also excludes financial items not considered to be contributing to underlying profit such as fair value amortisation expenses and transaction and integration costs.

The Group's operations are conducted in the mining industry in Australia and Canada. Red Lake and Battle North Gold are in Canada, and the revenue generated by Red Lake is outside of Australia.

(b) Segment information

The segment information for the reportable segments for the year ended 30 June 2021 is as follows:

	Cowal	Mungari	Mt Carlton	Mt Rawdon	Ernest Henry	Red Lake	Cracow	Exploration	Corporate	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	495,792	278,162	168,597	187,717	439,513	294,277	—	—		1,864,058
EBITDA	288,173	138,602	33,620	83,250	318,606	97,079	—	(12,877)	(32,218)	914,235
Sustaining Capital	12,876	20,526	965	9,307	14,221	46,773	—	—	1,016	105,684
Major Capital	157,546	52,481	5,136	12,713	—	46,265	—	—	—	274,141
Total Capital	170,422	73,007	6,102	22,021	14,221	93,037	—	—	1,016	379,826

The segment information for the reportable segments for the year ended 30 June 2020 is as follows:

	Cowal	Mungari	Mt Carlton	Mt Rawdon	Ernest Henry	Red Lake	Cracow	Exploration	Corporate	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	618,630	297,401	167,383	195,156	391,017	76,389	195,887	—	—	1,941,863
EBITDA	369,637	154,092	75,584	79,210	270,999	28,004	111,398	(23,719)	(35,773)	1,029,432
Sustaining Capital	11,920	12,480	16,100	9,960	11,200	6,600	13,310	—	1,810	83,380
Major Capital	169,310	14,190	65,380	12,090	—	14,270	12,350	—	—	287,590
Total Capital	181,230	26,670	81,480	22,050	11,200	20,870	25,660	—	1,810	370,970

Notes to the Consolidated Financial Statements (continued)

1 Performance by Mine (continued)

(c) Segment reconciliation

	30 June 2021 $'000	30 June 2020 $'000
Reconciliation of profit before income tax expense		
EBITDA	**914,235**	1,029,432
Depreciation and amortisation	**(383,712)**	(435,239)
Impairment loss on assets - Mt Carlton	—	(144,346)
Interest income	**1,847**	3,540
Transaction and integration costs	**(15,058)**	(35,053)
Finance costs	**(21,140)**	(21,261)
Gain on sale of subsidiary	—	11,517
Profit before income tax expense	**496,172**	408,590

Recognition and measurement

Operating segments are reported in a manner consistent with the internal reporting provided to the chief business decision maker.

The Board of Evolution Mining Limited has appointed a strategic steering committee which assesses the financial performance and position of the Group, and makes strategic decisions. The steering committee, which has been identified as being the chief business decision maker, consists of the Executive Chairman and the Senior Leadership Team (KMP).

(d) Segment non-current assets

Segment non-current assets disclosed below are amounts expected to be recovered more than 12 months after the reporting period, excluding financial instruments, deferred tax assets and post-employment benefit assets. Segment non-current assets are aggregated on a geographical basis.

	Australia $'000	Canada $'000	Total $'000
As at 30 June 2021			
Inventory	113,634	—	113,634
Property, Plant & Equipment	574,135	415,759	989,894
Mine Development & Properties	1,582,712	577,277	2,159,989
Right of use asset	17,280	5,606	22,886
Other	47,995	454	48,449
Total segment non-current assets	2,335,756	999,096	3,334,852

2 Revenue and Expenses

	30 June 2021 $'000	30 June 2020 $'000
Revenue from contracts with customers		
Gold sales	**1,604,997**	1,738,131
Silver sales	**22,127**	15,833
Copper sales	**236,934**	187,899
Total Revenue from contracts with customers	**1,864,058**	1,941,863

Notes to the Consolidated Financial Statements (continued)

2 Revenue and Expenses (continued)

Disaggregation of revenue from contracts with customers

	Cowal $'000	Mungari $'000	Mt Carlton $'000	Mt Rawdon $'000	Ernest Henry $'000	Red Lake $'000	Cracow $'000	Total $'000
30 June 2021								
Gold sales	490,993	277,791	135,470	184,477	222,400	293,865	—	1,604,997
Silver sales	4,800	371	10,575	3,239	2,731	413	—	22,127
Copper sales	—	—	22,553	—	214,382	—	—	236,934
Total Revenue from contracts with customers	495,792	278,162	168,597	187,717	439,513	294,277	—	1,864,058

	Cowal $'000	Mungari $'000	Mt Carlton $'000	Mt Rawdon $'000	Ernest Henry $'000	Red Lake $'000	Cracow $'000	Total $'000
30 June 2020								
Gold sales	614,199	297,091	146,657	192,865	215,998	76,333	194,988	1,738,131
Silver sales	4,431	310	6,592	2,291	1,254	56	899	15,833
Copper sales	—	—	14,134	—	173,765		—	187,899
Total Revenue from contracts with customers	618,630	297,401	167,383	195,156	391,017	76,389	195,887	1,941,863

Revenues of $217.1 million (30 June 2020: $175.0 million) which relate to copper and silver sales are derived from a single external customer. The other major customers include refineries and financial institutions.

Recognition and measurement - revenue from contracts with customers

The Group generates sales revenue primarily from the performance obligation to deliver goods such as gold and concentrate to the buyer. Revenue from contracts with customers is recognised when control of the goods are transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

For gold doré sales, revenue is recognised at the point where the doré leaves the gold room at the Group's mine site to the buyer or where gold metal credits are transferred to the customer's account. In relation to the Group's economic interest in Ernest Henry (note 26) gold sales are recognised when the metal is received from Glencore and sold by the Group.

For concentrate sales, revenue is recognised generally upon receipt of the bill of lading when the commodity is delivered for shipment. Copper and silver in concentrates sales in relation to the Group's economic interest in Ernest Henry (note 26) are recognised as accrued revenue in the same month as their production is reported as the production is in the control of the customer. The transaction price for each contract is allocated entirely to this performance obligation.

The terms of metal in concentrate sales contracts with third parties, contain provisional pricing arrangements whereby the final selling price for metal in concentrate is based on prevailing average monthly prices on a specified future period after shipment to the customer (quotation period). Adjustments to the sales price occur based on movements in quoted market prices up to the final settlement price specified in the sales contracts. The period between provisional invoicing and final settlement is typically one to three months. Revenue on provisionally priced sales is recognised based on the estimated fair value of the total consideration receivable.

Accounting estimates and judgements

Timing of Revenue Recognition - Ernest Henry Operation

The Group applied significant judgement as to when gold, silver and copper revenue should be recognised from the Ernest Henry Mine. Gold sales are recognised by the Group when the bullion is delivered to the Group’s gold account and sold in the third month after the month of production. Copper and silver sales are recognised as accrued revenue by the Group in the same month as their production is reported by the operator Glencore. Copper and silver is sold in accordance with the Offtake Agreement with Glencore where the metal is sold immediately following treatment and refining and is paid for in cash.

Notes to the Consolidated Financial Statements (continued)

2 Revenue and Expenses (continued)

	30 June 2021 $'000	30 June 2020 $'000
Other Income		
Net foreign exchange gain	**11,031**	2,631
Other	**1,919**	2,318
Total Other Income	**12,950**	4,949

	30 June 2021 $'000	30 June 2020 $'000
Cost of sales		
Mine operating costs	**841,170**	777,584
Royalty and other selling costs	**63,558**	75,353
Depreciation and amortisation expense (i)	**380,403**	432,413
	1,285,131	1,285,350
Corporate and other administration costs		
Corporate overheads	**33,798**	30,033
Depreciation and amortisation expense (i)	**3,309**	2,826
	37,107	32,859
Transaction and integration costs		
Contractor, consultants and advisory expense	**9,736**	15,161
Corporate and administration expense	**5,322**	19,892
	15,058	35,053
Finance costs		
Amortisation of debt establishment costs	**2,204**	6,734
Unwinding of discount on provisions	**413**	1,812
Interest expense unwinding - lease liability	**1,150**	1,147
Interest expense	**17,374**	11,568
	21,140	21,261
Depreciation and amortisation		
Cost of sales (excluding Ernest Henry) (i)	**250,554**	306,357
Cost of sales (Ernest Henry)	**129,849**	126,056
Corporate and other administration costs (i)	**3,309**	2,826
	383,712	435,239

(i) The fair value amortisation or unwind associated with the Cowal and Mungari non-current assets on historical acquisition is now reported under depreciation and amortisation. This has also been reflected in the comparative figures. The Group similarly uses the units of production basis when amortising these assets. Depreciation arising from Right-of-use assets (AASB 16) has also been classified here.

Notes to the Consolidated Financial Statements (continued)

3 Income tax expense

(a) Income tax expense

	30 June 2021 $'000	30 June 2020 $'000
Current tax on profits for the period	**94,003**	89,548
Deferred tax	**57,315**	18,358
Adjustments for current tax of prior periods	**(408)**	(868)
Total	**150,910**	107,038

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	30 June 2021 $'000	30 June 2020 $'000
Profit before income tax	**496,172**	408,590
Tax at the Australian tax rate of 30%	**148,852**	122,577
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Derecognise deferred tax liability on sale of subsidiary	**—**	(5,347)
Adjustments for current tax of prior periods	**(408)**	(868)
Share-based payments	**3,411**	3,207
Gain on sale of subsidiary	**—**	(3,455)
Previously unrecognised tax losses	**(1,461)**	(6,769)
Other	**(1,039)**	(2,307)
Adjustment for difference between Australian and overseas tax rates	**1,555**	—
Income tax expense	**150,910**	107,038

4 Earnings per share

(a) Earnings per share

	30 June 2021 Cents	30 June 2020 Cents
Basic earnings per share (cents)	**20.21**	17.71
Diluted earnings per share (cents)	**20.14**	17.62

(b) Earnings used in calculating earnings per share

	30 June 2021 $'000	30 June 2020 $'000
Earnings per share used in the calculation of basic and diluted earnings per share:		
Profit after income tax attributable to the owners of the parent	**345,262**	301,552

(c) Weighted average number of shares used as the denominator

	2021 Number	2020 Number
Weighted average number of ordinary shares used in calculating the basic earnings per share	**1,708,094,924**	1,702,328,240
Effect of dilutive securities (i)	**6,248,654**	8,718,718
Adjusted weighted average number of ordinary shares used in calculating the diluted earnings per share	**1,714,343,578**	1,711,046,958

(i) Performance rights and share rights have been included in the determination of diluted earnings per share.

Notes to the Consolidated Financial Statements (continued)

5 Dividends

(a) Ordinary shares

	30 June 2021 $'000	30 June 2020 $'000
Interim dividend - 2021 Interim dividend for the year ended 30 June 2021 of 7.0 cents per share fully franked (30 June 2020: 7.0 cents per share fully franked) per fully paid share paid on 26 March 2021	**119,606**	119,552
Final dividend - 2020 Final dividend for the year ended 30 June 2020 of 9.0 cents per share fully franked (30 June 2019: 6.0 cents per share fully franked) paid on 22 September 2020	**153,759**	101,824
Total dividend paid	**273,365**	221,376

(b) Dividends not recognised at the end of the reporting period

	30 June 2021 $'000	30 June 2020 $'000
In addition to the above dividends, since period end the Directors have recommended the payment of a fully franked final dividend of 5.0 cents per fully paid ordinary share (30 June 2020: 9.0 cents fully franked). The aggregate amount of the proposed dividend expected to be paid on 28 September 2021 out of retained earnings at 30 June 2021, but not recognised as a liability at period end, is	**91,300**	153,404

(c) Franked dividends

The final dividend recommended after 30 June 2021 will be fully franked out of the franking credits balance at the end of the financial year and the franking credits expected to arise from the payment of income tax during the year ending 30 June 2022. The franking account balance at the end of the financial year is $1.3 million (30 June 2020: $20.7 million).

6 Other cash flow information

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	30 June 2021 $'000	30 June 2020 $'000
Profit after income tax	**345,262**	301,552
Depreciation and amortisation	**383,712**	435,239
Loss on disposal of assets	**1,508**	—
Unwind of discount on provisions	—	2,959
Amortisation of debt establishment costs	—	6,734
Share-based payments expense	**10,085**	6,933
Gain on sale of subsidiary	—	(11,517)
Exploration and evaluation costs expensed	**12,877**	23,719
Impairment loss on assets	—	144,346
Timing difference on settlement of Ernest Henry sales/costs	—	(1,011)
Income tax expense	**150,910**	107,038
Tax Payments	**(96,740)**	(76,305)
Change in operating assets and liabilities:		
(Increase) in operating receivables	**(8,112)**	(2,343)
(Increase)/Decrease in inventories	**(12,044)**	27,529
(Decrease)/Increase in operating payables	**(29,393)**	14,314
(Decrease) in borrowing costs	**(829)**	(8,106)
(Decrease)/Increase in other provisions	**(226)**	34,243
Net cash inflow from operating activities	**757,008**	1,005,324

Notes to the Consolidated Financial Statements (continued)

6 Other cash flow information (continued)

(b) Net (debt)/cash reconciliation

This section sets out an analysis of net debt and the movements in net (debt)/cash for each of the periods presented.

	30 June 2021 $'000	**30 June 2020 $'000**
Net debt		
Cash and cash equivalents	**160,062**	372,592
Bank loans	**(620,000)**	(570,000)
Net (debt)/cash	**(459,938)**	(197,408)

	30 June 2021 $'000	**30 June 2020 $'000**
Net (debt)/cash at the beginning of the year	**(197,408)**	35,164
Cash (outflow) inflow	**(211,894)**	37,253
Effects of exchange rate changes on cash and cash equivalents	**(636)**	175
Bank loan drawdown	**(145,000)**	(570,000)
Bank loan repayment	**95,000**	300,000
Net (debt) as at end of the year	**(459,938)**	(197,408)

Notes to the Consolidated Financial Statements (continued)

Resource Assets and Liabilities

This section provides information that is relevant to understanding the composition and management of the Group's assets and liabilities.

7 Property, plant and equipment

	Freehold land $'000	Plant and equipment $'000	Total $'000
At 1 July 2020			
Cost	19,220	2,377,804	2,397,024
Accumulated depreciation	—	(1,714,014)	(1,714,014)
Net carrying amount	19,220	663,790	683,010
Year ended 30 June 2021			
Carrying amount at the beginning of the year (i)	19,220	663,790	683,010
Additions	—	160,260	160,260
Amounts acquired in a business combination	—	235,914	235,914
Reclassifications	—	626	626
Disposals	—	(1,508)	(1,508)
Depreciation (ii)	—	(98,632)	(98,632)
Exchange differences taken to reserve	18	10,205	10,223
Carrying amount at the end of the year	19,238	970,656	989,894
At 30 June 2021			
Cost	19,238	2,319,065	2,338,303
Accumulated depreciation	—	(1,348,409)	(1,348,409)
Net carrying amount	19,238	970,656	989,894
Included in above			
Assets in the course of construction	—	202,856	202,856

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

(ii) The fair value amortisation or unwind associated with the Cowal and Mungari non-current assets on historical acquisition is now reported under depreciation and amortisation. This has also been reflected in the comparative figures. The Group similarly uses the units of production basis when amortising these assets.

Notes to the Consolidated Financial Statements (continued)

7 Property, plant and equipment (continued)

	Freehold land $'000	Plant and equipment $'000	Total $'000
At 1 July 2019			
Cost	17,529	1,682,343	1,699,872
Accumulated depreciation	—	(1,122,819)	(1,122,819)
Net carrying amount	17,529	559,524	577,053
Year ended 30 June 2020			
Carrying amount at the beginning of the year	17,529	559,524	577,053
Additions	—	124,386	124,386
Amounts acquired in a business combination (i)	4,757	151,230	155,987
Disposals	(59)	(258)	(317)
Depreciation	—	(87,921)	(87,921)
Impairment	—	(40,531)	(40,531)
Exchange differences taken to reserve	(314)	(9,989)	(10,302)
Divestment of Cracow	(2,693)	(32,652)	(35,345)
Carrying amount at the end of the year	19,220	663,790	683,010
At 30 June 2020			
Cost	19,220	2,377,804	2,397,024
Accumulated depreciation	—	(1,714,014)	(1,714,014)
Net carrying amount	19,220	663,790	683,010
Included in above			
Assets in the course of construction	—	116,338	116,338

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

Recognition and measurement

Cost

Plant and equipment is carried at cost less accumulated depreciation and impairment. Cost equals the the amount of cash or cash equivalents paid or the fair value of the other consideration given at acquisition date and includes expenditure that is directly attributable to the acquisition of the items and an estimate of future restoration costs specific to the asset.. Freehold land is carried at cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit or Loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset is included in the statement of profit or loss in the period the item is derecognised.

Depreciation

Depreciation of plant and equipment is calculated using either the straight line or units of production method to allocate their cost, net of their residual values, over their estimated useful lives. The rates range from 20% to 33% per annum for straight line or on a units of production basis in line with the economically recoverable reserves of the mine property at which the item is located. Freehold land is not depreciated.

Accounting estimates and judgements

Estimation of remaining useful lives, residual values and depreciation methods involve significant judgement and are reviewed annually for all major items of plant and equipment. Any changes are accounted for prospectively from the date of reassessment to the end of the revised useful life.

Notes to the Consolidated Financial Statements (continued)

8 Leases

This note provides information for leases where the Group is a lessee.

The consolidated balance sheet shows the following amounts relating to leases:

	30 June 2021 $'000	30 June 2020 $'000
Right-of-use assets		
Plant and Machinery	**19,202**	29,116
Property	**3,673**	5,223
Office Equipment	**11**	25
Total Right-of-use assets	**22,886**	34,364

	30 June 2021 $'000	30 June 2020 $'000
Lease Liabilities		
Current	**14,418**	22,000
Non-current	**10,684**	21,132
Total Lease Liabilities	**25,102**	43,132

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	30 June 2021 $'000	30 June 2020 $'000
Depreciation charge of right-of-use assets		
Plant and Machinery	**14,284**	10,171
Property	**1,353**	1,550
Office Equipment	**14**	36
Total depreciation charge of right-of-use assets	**15,651**	11,757

	30 June 2021 $'000	30 June 2020 $'000
Other Items		
Interest expense	**1,150**	1,147
Expense relating to short-term leases	**1,897**	4,236
Total Other Items	**3,047**	5,383

The total cash outflow in the current year was $24.5 million including interest and short-term lease payments.

The tables below analyse the Group's lease liabilities into relevant maturity groupings based on their contractual maturities.

	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount $'000
At 30 June 2021						
Lease liabilities	14,973	3,620	3,439	5,460	27,492	25,102

Notes to the Consolidated Financial Statements (continued)

9 Mine development and exploration

	Producing mines $'000	Exploration and evaluation $'000	Total $'000
At 1 July 2020			
Cost	4,518,777	347,126	4,865,903
Accumulated depreciation	(2,792,055)	—	(2,792,055)
Net carrying amount	1,726,722	347,126	2,073,848
Year ended 30 June 2021			
Carrying amount at the beginning of the year (i)	1,726,722	347,126	2,073,848
Additions	259,909	60,732	320,641
Amounts acquired in a business combination	8,266	33,661	41,927
Transfers to Mine Development and Exploration	1,285	(1,285)	—
Amortisation (ii)	(274,619)	—	(274,619)
Amortisation recognised in inventory	4,055	—	4,055
Reclassifications	936	—	936
Write-off	—	(12,874)	(12,874)
Exchange differences taken to reserve	3,781	2,294	6,075
Carrying amount at the end of the year	1,730,335	429,654	2,159,989
At 30 June 2021			
Cost	3,870,426	429,654	4,300,080
Accumulated amortisation	(2,140,091)	—	(2,140,091)
Net carrying amount	1,730,335	429,654	2,159,989

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

(ii) The fair value amortisation or unwind associated with the Cowal and Mungari non-current assets on historical acquisition is now reported under depreciation and amortisation. This has also been reflected in the comparative figures. The Group similarly uses the units of production basis when amortising these assets.

Notes to the Consolidated Financial Statements (continued)

9 Mine development and exploration (continued)

	Producing mines $'000	Exploration and evaluation $'000	Total $'000
At 1 July 2019			
Cost	3,253,088	212,410	3,465,498
Accumulated depreciation	(1,793,430)	—	(1,793,430)
Net carrying amount	1,459,658	212,410	1,672,068
Year ended 30 June 2020			
Carrying amount at the beginning of the year	1,459,658	212,410	1,672,068
Additions	262,006	82,808	344,814
Amounts acquired in business combination (i)	482,176	97,200	579,376
Transfers to Mine Development and Exploration	8,172	(8,172)	—
Reclassifications	—	(2,900)	(2,900)
Write-off	(985)	(23,719)	(24,704)
Amortisation	(297,724)	—	(297,724)
Impairment	(95,500)	—	(95,500)
Exchange differences taken to reserve	(41,596)	(2,618)	(44,214)
Amortisation recognised in inventory	(1,150)	—	(1,150)
Divestment of Cracow	(48,335)	(7,883)	(56,218)
Carrying amount at the end of the year	1,726,722	347,126	2,073,848
At 30 June 2020			
Cost	4,518,777	347,126	4,865,903
Accumulated depreciation	(2,792,055)	—	(2,792,055)
Net carrying amount	1,726,722	347,126	2,073,848

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

Recognition and measurement

Mines under construction

This expenditure includes net direct costs of construction, borrowing costs capitalised during construction and an appropriate allocation of attributable overheads. Expenditure is net of proceeds from the sale of ore extracted during the construction phase to the extent that this ore extracted is considered material to the development of the mine.

After production commences, all aggregated costs of construction are transferred to producing mines or plant and equipment as appropriate.

Producing mines - deferred stripping

Stripping (waste removal) costs are incurred both during the development phase and production phase of operations. Stripping costs incurred during the development phase are capitalised as mines under construction. Stripping costs incurred during the production phase are generally considered to create two benefits:

- the production of ore inventory in the period - accounted for as a part of the cost of producing those ore inventories; or
- improved access to the ore to be mined in the future - recognised under producing mines if the following criteria are met:
- Future economic benefits (being improved access to the ore body) associated with the stripping activity are probable;
- The component of the ore body for which access has been improved can be accurately identified; and
- The costs associated with the stripping activity associated with that component can be reliably measured.

The amount of stripping costs deferred is based on the life of component ratio which is obtained by dividing the amount of waste tonnes mined by the quantity of gold ounces contained in the ore for each component of the mine. Stripping costs incurred in the period are deferred to the extent that the actual current period waste to contained gold ounce ratio exceeds the life of component expected 'life of component' ratio.

A component is defined as a specific volume of the ore body that is made more accessible by the stripping activity and is determined based on mine plans. An identified component of the ore body is typically a subset of the total ore body of the mine. Each mine may have several components, which are identified based on the mine plan.

Notes to the Consolidated Financial Statements (continued)

9 Mine development and exploration (continued)

Recognition and measurement (continued)

The deferred stripping asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the ore within an identified component, plus an allocation of directly attributable overhead costs.

The deferred stripping asset is depreciated over the expected useful life of the identified component of the ore body that is made more accessible by the activity, on a units of production basis. Economically recoverable reserves are used to determine the expected useful life of the identified component of the ore body.

Exploration and evaluation

Exploration and evaluation expenditure related to areas of interest is capitalised and carried forward to the extent that rights to tenure of the area of interest are current and either:

◦ Costs are expected to be recouped through the successful development and exploitation of the area of interest or alternatively by sale; or
◦ Where activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Such expenditure consists of an accumulation of acquisition costs and direct exploration and evaluation costs incurred, together with an appropriate portion of directly related overhead expenditure.

The carrying value of capitalised exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying value may exceed its recoverable amount. Any amounts in excess of the recoverable amount are derecognised in the financial year it is determined.

Depreciation and amortisation

The Group uses the units of production basis when amortising mine development assets which results in an amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Each item's economic life has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which it is located. The changes in ore reserves and mineral resources driving the remaining life of mine production are accounted for prospectively when amortising existing mine development assets.

Impairment of non-financial assets

(i) Testing for impairment

At each reporting date, the Group tests its assets for impairment where there is an indication that:

- the asset may be impaired; or
- previously recognised impairment (on assets other than goodwill) may have changed.

Where the asset does not generate cash inflows independent from other assets and its value in use cannot be estimated to be close to its fair value, the asset is tested for impairment as part of the cash generating unit (CGU) to which it belongs. The Group considers each of its mine sites to be a separate CGU.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount is reduced to the recoverable amount and an impairment loss recognised in the Statement of Profit or Loss. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal or value in use.

(ii) Impairment calculations

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, a discounted cash flow model is used based on a methodology consistent with that applied by the Group in determining the value of potential acquisition targets, maximising the use of market observed inputs. These calculations, classified as Level 3 on the fair value hierarchy, are compared to valuation multiples, or other fair value indicators where available, to ensure reasonableness.

Accounting estimates and judgements

Deferred stripping

The life of component ratio is a function of the mine design and therefore changes to that design will generally result in changes to the ratio. Changes in other technical or economic parameters that impact reserves will also have an impact on the life of component ratio even if they do not affect the mine design. Changes to production stripping resulting from a change in life of component ratios are accounted for prospectively.

Exploration and evaluation

Judgement is required to determine whether future economic benefits are likely, from either exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. In addition to these judgements, the Group has to make certain estimates and assumptions such as the determination of a JORC resource which is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e. measured, indicated or inferred). These estimates directly impact when the Group capitalises exploration and evaluation expenditure. The capitalisation policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available.

Notes to the Consolidated Financial Statements (continued)

9 Mine development and exploration (continued)

Accounting estimates and judgements (continued)

Exploration and evaluation (continued)

The recoverable amount of capitalised expenditure relating to undeveloped mining projects (projects for which the decision to mine has not yet been approved at the required authorisation level within the Group) can be particularly sensitive to variations in key estimates and assumptions. If a variation in key estimates or assumptions has a negative impact on recoverable amount it could result in a requirement for impairment.

Units of production method of amortisation

The Group uses the units of production basis when amortising mine development assets which results in an amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Each item's economic life, which is assessed annually, has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which it is located. These calculations require the use of estimates and assumptions. The changes in ore reserves and mineral resources driving the remaining life of mine production are accounted for prospectively when amortising existing mine development assets.

Ore Reserves and Mineral Resources

The Group estimates its Ore Reserves and Mineral Resources annually at 31 December each year and reports in the following February, based on information compiled by Competent Persons as defined in accordance with the Australasian code for reporting Exploration Results, Mineral Resources and Ore Resources (JORC Code 2012). The estimated quantities of economically recoverable reserves are based upon interpretations of geological models and require assumptions to be made regarding factors such as estimates of short and long-term exchange rates, estimates of short and long-term commodity prices, future capital requirements and future operating performance. Changes in reported reserves estimates can impact the carrying amount of mine development (including exploration and evaluation assets), the provision for rehabilitation obligations, the recognition of deferred tax assets, as well as the amount of amortisation charged to the statement of profit or loss.

Impairment

Significant judgements, estimates and assumptions are required in determining value in use or fair value less costs of disposal. This is particularly so in the assessment of long life assets. It should be noted that the CGU recoverable amounts are subject to variability in key assumptions including, but not limited to, gold and copper prices, currency exchange rates, discount rates, production profiles and operating and capital costs. A change in one or more of the assumptions used to determine value in use or fair value less costs of disposal could result in a change in a CGU's recoverable amount.

The Group has considered whether past impairment losses should be reversed given the expectation of continued improved earnings in relation to those CGUs.

Notes to the Consolidated Financial Statements (continued)

Capital Structure and Financing

This section provides information on the Group's capital and financial management activities.

10 Cash and cash equivalents

	30 June 2021 $'000	30 June 2020 $'000
Current assets		
Cash at bank	**160,062**	372,592
Total Current assets	**160,062**	372,592

Recognition and measurement

Cash and short-term deposits in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of three months or less and are classified as financial assets held at amortised cost.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

11 Interest bearing liabilities

	30 June 2021 $'000	30 June 2020 $'000
Current liabilities		
Bank loans	**105,000**	95,000
Less: Borrowing costs	**(2,157)**	(1,547)
Total Current liabilities	**102,843**	93,453
Non-current liabilities		
Bank loans	**515,000**	475,000
Less: Borrowing costs	**(6,611)**	(6,391)
Total Non-current liabilities	**508,389**	468,609

During the year, the Group drew down $145.0 million on the Revolving Facility (“Facility A”) to partly fund the Battle North Gold acquisition. The Group also entered into a new Guarantee Facility of $50.0 million during the half-year and was increased to $55.0 million at 30 June 2021. A total of $95.0 million was repaid on the Term Loan Facility (”Facility B”) during the year. No changes were made to the existing Performance Bond Facility (“Facility C”) and Performance Bond Facility (“Facility D”).

The Group also entered into a new Term Loan Facility ("Facility E") of $440.0 million which remains undrawn as at 30 June 2021.

The repayment periods, facility size and amounts drawn at 30 June 2021 on each facility are set out below:

Facility Name	**Term Date**	**Facility Size $m**	**Amount Drawn $m**	**Available Amount $m**
Revolving Credit Facility – Facility A - $m	31 Mar 2023	$360.0	$145.0	$215.0
Term Loan – Facility B - $m	15 Jan 2025	$570.0	$570.0	$0.0
Term Loan – Facility E - $m	15 Apr 2026	$440.0	$0.0	$440.0
Performance Bond – Facility C $m	31 Mar 2023	$175.0	$151.8	$23.2
Performance Bond – Facility D C$m	31 Mar 2023	$125.0	$66.2	$58.8
Guarantee Facility - $m	30 Oct 2021	$55.0	$55.0	$0.0

(a) Secured liabilities and assets pledged as security

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

Notes to the Consolidated Financial Statements (continued)

11 Interest bearing liabilities (continued)

Recognition and measurement

Interest bearing liabilities are initially recognised at fair value less directly attributable transaction costs incurred and subsequently measured at amortised cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised.

12 Equity and reserves

(a) Contributed equity

Movements in ordinary share capital

Ordinary shares are fully-paid and have no par value. They carry one vote per share and the rights to dividends. They bear no special terms or conditions affecting income or capital entitlements of the shareholders and are classified as equity.

	Number of shares	$'000
Balance at 1 July 2019	1,697,069,720	2,183,727
Shares issued on vesting of performance rights	6,944,027	—
Shares issued under Employee Share Scheme (i)	337,690	—
Shares issued under NED Equity Plan	62,538	—
Balance as at 30 June 2020	1,704,413,975	2,183,727
Shares issued on vesting of performance rights	4,019,532	—
Shares issued under Employee Share Scheme (i)	179,733	—
Shares issued under NED Equity Plan	53,845	—
Balance as at 30 June 2021	1,708,667,085	2,183,727

(i) Information relating to the employee share scheme, including details of shares issued under the scheme, is set out in note 28.

Recognition and measurement

Ordinary share capital is classified as equity and is recognised at the fair value of the consideration received by the Group. Incremental costs directly attributable to the issue of new shares, options or performance rights are shown in equity as a deduction, net of tax, from the proceeds.

(b) Other reserves

	Notes	30 June 2021 $'000	30 June 2020 $'000
Fair value revaluation reserve		**12,606**	38,467
Share-based payments		**66,833**	59,002
Foreign currency translation		**(30,033)**	(47,261)
		49,406	50,208
Movements:			
Fair value revaluation reserve			
Balance at the beginning of the year		**38,467**	18,509
Change in fair value of equity investments	16(a)	**(25,861)**	19,958
Balance at the end of the year		**12,606**	38,467
Share-based payments			
Balance at the beginning of the year		**59,002**	53,870
Share based payments recognised		**7,831**	5,132
Balance at the end of the year		**66,833**	59,002

Notes to the Consolidated Financial Statements (continued)

12 Equity and reserves (continued)

(b) Other reserves (continued)

	Notes	30 June 2021 $'000	Restated[1] 30 June 2020 $'000
Foreign currency translation			
Balance at the beginning of the year (i)		**(47,746)**	—
Currency translation differences arising during the year		**17,713**	(47,746)
Balance at the end of the year		**(30,033)**	(47,746)

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

Nature and purpose of other reserves

Fair value revaluation reserve

The fair value revaluation reserve records fair value changes on equity investments designated at fair value through other comprehensive income.

Share-based payments

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including Non-Executive Directors, Executive Directors, key management personnel and other Group employees as part of their remuneration. Refer to note 25 for further information.

Foreign currency translation

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(c) Retained earnings

Movements in retained earnings were as follows:

	30 June 2021 $'000	30 June 2020 $'000
Balance at the beginning of the year	**229,860**	150,372
Adjustment on adoption of AASB 16 (net of tax)	—	(688)
Dividends provided for or paid	**(273,365)**	(221,376)
Net profit for the period	**345,262**	301,552
Balance at the end of the year	**301,757**	229,860

13 Trade and other receivables

	30 June 2021 $'000	30 June 2020 $'000
Current assets		
Accrued Revenue	**58,088**	49,478
Trade receivables	**21,207**	14,614
GST refundable	**6,172**	12,326
Prepayments	**10,752**	8,510
Other receivables	**19,523**	64,112
Total Current assets	**115,742**	149,040

Notes to the Consolidated Financial Statements (continued)

13 Trade and other receivables (continued)

Recognition and measurement

Accrued Revenue

Accrued revenue of $58.1 million (30 June 2020: $49.5 million) is measured at fair value through profit or loss, and relates to silver and copper sales from April to June 2021 production for Ernest Henry. Fair value is determined using observable market data for estimated metal prices (level 2 valuation methodology). These amounts are to be settled in July to September 2021. Refer to note 2 for further information on the transaction and the financial results for the year ended 30 June 2021.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

A portion of the trade receivable balance relates to concentrate sales at Mt Carlton, which are provisionally priced based on fair value during the quotation period until the final settlement price is determined. Fair value is determined using observable market data for estimated metal prices (level 2 valuation methodology). Trade receivables post final settlement are carried at final settlement price less provision for impairment.

Other receivables

These amounts are measured at amortised cost and generally arise from transactions outside the usual operating activities of the Group. They do not contain impaired assets and are not past due.

In FY21, net proceeds of $57.0 million was received from Cracow divestment. $14.2 million deferred consideration receivable was reclassified from other non-current assets to other receivables as it is due to be received in June 2022.

14 Trade and other payables

	30 June 2021 $'000	30 June 2020 $'000
Current liabilities		
Trade creditors and accruals	**142,376**	151,631
Other payables (i)	**48,601**	39,179
Total Current liabilities	**190,977**	190,810

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

Recognition and measurement

Trade creditors and accruals

Trade creditors and accruals represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are paid on normal commercial terms. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Trade creditors and accruals include accrued costs of $30.5 million (30 June 2020: $34.6 million) relating to the Group's share of production costs for April 2021 to June 2021 for Ernest Henry. These amounts are to be settled in July 2021 to September 2021.

Notes to the Consolidated Financial Statements (continued)

15 Inventories

	30 June 2021 $'000	30 June 2020 $'000
Current		
Stores	**82,239**	76,098
Ore	**33,555**	53,704
Doré and concentrate	**10,211**	12,557
Metal in circuit	**39,257**	27,426
Metal in transit	**23,296**	32,372
Total current inventories	**188,558**	202,157
Non-current		
Ore	**113,634**	86,517
Total non-current inventories	**113,634**	86,517

Recognition and measurement

Ore stockpiles, metal in circuit, gold doré, metal in transit, refined gold bullion and concentrate are physically measured or estimated and valued at the lower of cost and net realisable value. Cost represents the weighted average cost and includes direct costs and an appropriate portion of fixed and variable production overhead expenditure, including depreciation and amortisation, incurred in converting materials into finished goods. If the stockpile is not expected to be processed within 12 months after reporting date, it is included in non-current assets.

Materials and supplies are valued at the lower of cost and net realisable value. Any provision for obsolescence is determined by reference to stock items identified. A regular and ongoing review is undertaken to establish the extent of surplus items and a provision is made for any potential loss on their disposal.

Accounting estimates and judgements

Net realisable value

Net realisable value involves significant judgements and estimates in relation to the selling price in the ordinary course of business less estimates costs of completion and estimated costs necessary to make the sale.

The total expense relating to inventory write downs to net realisable value for the year ended 30 June 2021 was $3.2 million (30 June 2020: $25.3 million).

16 Financial assets and financial liabilities

(a) Equity Investments at fair value

	30 June 2021 $'000	30 June 2020 $'000
Listed securities - Non-current		
Tribune Resources Ltd	**51,117**	80,828
Musgrave Minerals Ltd (i)	**8,031**	8,643
Emmerson Resources Ltd	**3,194**	5,160
Riversgold Ltd	**550**	1,558
Other	**12**	6
Total Listed securities - Non-current	**62,904**	96,195

(i) On 18 December 2020, the Group acquired 3.1 million shares in Musgrave Minerals Limited (“Musgrave”) for a cash consideration of $1.1 million.

Notes to the Consolidated Financial Statements (continued)

16 Financial assets and financial liabilities (continued)

Recognition and measurement

Equity Investments at fair value

Changes in the fair value of equity investments are presented and accumulated in a separate reserve within equity and not through profit or loss. Fair value has been determined based on quoted market prices at balance date (level 1 valuation methodology). On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings. These equity instruments are not held for trading but rather intended to be held over the long-term as strategic investments and the group considers this classification to be more relevant.

17 Other non-current assets

	30 June 2021 $'000	30 June 2020 $'000
Non-current assets -Other		
Contingent consideration attributable to the Pajingo Operation	—	1,163
Contingent consideration attributable to the Edna May Operation	**28,629**	34,441
Contingent consideration attributable to Tennant Creek	**2,790**	2,790
Contingent consideration attributable to the Cracow Operation	**16,500**	16,500
Cash consideration attributable to the Cracow Operation	—	10,628
Other	**530**	591
Total other non-current assets	**48,449**	66,113

Recognition and measurement

Contingent consideration amounts classified as a financial asset are remeasured to fair value with changes in fair value recognised in profit or loss. The fair values for contingent consideration assets are determined using significant unobservable inputs (level 3 valuation methodology) such as expected future production, revenues and costs of the disposed operations. The expected cash flows are discounted using a risk-adjusted market rate which takes into account counterparty credit risk. No fair value gains or losses have been recognised in profit or loss during the year.

18 Other non-current liabilities

	30 June 2021 $'000	30 June 2020 $'000
Non-current liabilities -Other		
Contingent consideration liability to Newmont Corporation	**52,176**	56,243
Other	**16,098**	16,474
Total Non-current liabilities - Other	**68,274**	72,717

Recognition and measurement

In accordance with AASB 3 Business Combinations, the Group is required to recognise a contingent consideration liability assumed in a business combination at the acquisition date even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. The contingent consideration liability is subsequently remeasured to fair value with changes recognised in profit or loss.

The Red Lake purchase consideration includes an additional payment of up to a maximum of US$100 million payable upon the discovery of new resources outside of the agreed base line, which represents a contingent consideration liability. The Group would be required to make an additional payment of US$20.0 million per each one million ounces of new Mineral Resources up to a maximum of five million ounces, discovered outside of the agreed base line and added to the agreed Red Lake resource base, over a 15-year period.

At initial recognition, the contingent consideration liability was recorded at AUD $62.3 million (see note 25) on 1 April 2020 and is now carried at AUD $52.2 million at 30 June 2021. The movement in the liability from initial recognition is mainly due to the USD/AUD foreign exchange movement and associated accretion. A fair value assessment of the contingent consideration liability including adjustments for foreign exchange movement will be assessed at each reporting date. The fair value of the contingent consideration liability is determined using significant unobservable inputs (level 3 valuation methodology), being the estimated discovery of additional gold resources.

Notes to the Consolidated Financial Statements (continued)

19 Provisions

	30 June 2021 $'000	30 June 2020 $'000
Current		
Employee entitlements (i)	**38,448**	41,947
Total Current provisions	**38,448**	41,947
Non-current		
Employee entitlements	**6,743**	3,945
Rehabilitation provision (i)	**312,230**	259,630
Other long term provision (i)	**423**	423
Total Non-current provisions	**319,396**	263,998
Total provisions	**357,844**	305,945

(a) Movements in provisions

Movements in each class of provision during the financial year are set out below:

	Employee benefits $'000	Rehabilitation $'000	Other $'000	Total $'000
30 June 2021				
Carrying amount at the beginning of the year (i)	45,892	259,630	423	305,945
Charged to profit or loss				
provision recognised	(701)	—	—	(701)
Re-measurement of provision	—	43,580	—	43,580
Amounts recognised in business combinations	—	8,266	—	8,266
Exchange differences taken to reserve	—	754	—	754
Carrying amount at the end of the year	45,191	312,230	423	357,844
30 June 2020				
Carrying amount at the beginning of the year	35,153	147,970	210	183,333
Charged to profit or loss				
unwinding of discount	—	1,673	—	1,673
provision recognised	7,914		211	30,240
Re-measurement of provision	—	21,833	2	(280)
Amounts recognised in business combinations (i)	4,013	105,052	—	109,065
Exchange differences taken to reserve (i)	(1,188)	(6,936)	—	(8,124)
Divestment of Cracow	—	(9,962)	—	(9,962)
Carrying amount at the end of the year	45,892	259,630	423	305,945

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

Employee benefits

The provision for employee benefits represent wages and salaries, annual leave and long service leave entitlements.

Rehabilitation

The nature of site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and restoration, reclamation and revegetation of affected areas of the site in accordance with the requirements of the mining permits.

Notes to the Consolidated Financial Statements (continued)

19 Provisions (continued)

Recognition and measurement

Employee benefits

Annual leave liabilities are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave liabilities are measured at the present value of the estimated future cash outflows for the services provided by employees up to the reporting date.

Liabilities not expected to be settled within twelve months are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity that match, as closely as possible to the related liability.

Rehabilitation

Site restoration costs are recorded at the present value of the estimated future costs of the legal and constructive obligation to rehabilitate locations.

When the liability is initially recorded, the present value of the estimated cost is capitalised as part of the carrying value of the related mining assets. Over time, the discounted liability is increased for the change in the present value based on a discount rate that reflects current market assessments. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

The unwinding of the effect of discounting the provision is recorded as a finance cost in the statement of profit or loss. The carrying amount is capitalised as part of mine development and amortised on a units of production basis.

The increase in rehabilitation provisions in FY21 is largely driven by initial recognition at Ernest Henry and Battle North Gold.

Accounting estimates and judgements

Employee benefits

Management judgement is required in determining the future probability of employee departures and period of service used in the calculation of long service leave.

Rehabilitation

Significant estimates and assumptions are required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine sites. Factors that will affect this liability include changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life of mine plan and changes in discount rates. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which they change or become known.

Notes to the Consolidated Financial Statements (continued)

20 Deferred tax balances

(a) Recognised deferred tax balances

	30 June 2021 $'000	[1]Restated 30 June 2020 $'000
Inventories	**31,983**	31,836
Equity investments at fair value	**—**	(8,553)
Exploration and evaluation expenditure	**(49,100)**	(87,624)
Property, plant and equipment	**(129,870)**	(124,306)
Mine development	**(68,543)**	(45,978)
Employee benefits	**10,189**	9,624
Lease liabilities	**2,030**	3,165
Provisions	**75,392**	62,031
Share issue costs	**—**	379
Other	**3,865**	28,754
Deferred tax balances from temporary differences	**(124,054)**	(130,672)
Tax losses carried forward	**52,967**	20,084
Deferred tax (liabilities)/assets	**(71,087)**	(110,588)
Deferred tax (liabilities)/assets - Australian entities	**(111,793)**	(81,705)
Deferred tax assets/(liabilities) - Canadian entity	**40,706**	(28,883)
Deferred tax (liabilities)/assets	**(71,087)**	(110,588)

1. *Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.*

(b) Movement in deferred tax balances during the year

	[1]Restated Balance at 1 July 2020 $'000	Recognised in profit or loss $'000	Recognised in equity —	Utilised to reduce tax liability $'000	Recognised on business combinations $'000	FX translation $'000	Balance at 30 June 2021 $'000
Inventories	31,836	147	—	—	—	—	31,983
Equity investments at fair value	(8,553)	—	8,553	—	—	—	—
Exploration and evaluation	(70,861)	(15,087)	—	—	35,713	1,135	(49,100)
Property, plant and equipment	(124,306)	(34,067)	—	—	27,766	737	(129,870)
Mine development	(45,978)	(49,818)	—	—	28,513	(1,260)	(68,543)
Employee benefits	9,624	589	—	—	—	(24)	10,189
Lease liabilities	3,165	(1,153)	—	—	—	18	2,030
Provisions	62,031	13,259	—	—	—	102	75,392
Share issue costs	379	(379)	—	—	—	—	—
Tax losses carried forward	20,084	27,762	—	(2,518)	6,595	1,044	52,967
Other	11,991	1,432	—	—	(9,346)	(212)	3,865
Deferred tax assets/ (liabilities)	(110,588)	(57,315)	8,553	(2,518)	89,241	1,540	(71,087)

1. *Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.*

(c) Unrecognised deferred tax assets

The Group has unrecognised available tax losses of $307.5 million as at 30 June 2021 (30 June 2020: $10.3 million). Tax losses and temporary differences unrecognised from the Battle North Gold acquisition amounted to $260.8 million with $65.2 million as a deferred tax asset. For Red Lake, $41.3 million are unrecognised temporary differences with $10.3 million as a deferred tax asset. For Australia, $5.4 million tax losses and a deferred tax asset of $1.6 million have not been recognised.

Notes to the Consolidated Financial Statements (continued)

20 Deferred tax balances (continued)

Accounting estimates and judgements

Judgement is required to determine whether deferred tax assets are recognised in the Balance Sheet. Management assesses the likelihood that the Group will generate sufficient taxable earnings in future periods in order to recognise and utilise those deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and existing tax laws. These assessments require the use of estimates such as commodity prices and operating performance over the life of the assets. To the extent that cash flows and taxable income differ significantly from estimates, the Group's ability to realise the deferred tax assets reporting could be impacted.

Accounting policy

Deferred tax is accounted for using the balance sheet liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

Deferred tax liabilities are recognised for taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them:

- Arise from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- Are associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on the expected manner of recovery of the carrying value of an asset or liability. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

Notes to the Consolidated Financial Statements (continued)

Risk and Unrecognised Items

This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance as well as providing information on items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria.

21 Financial risk management

The Group's activities expose it to a variety of financial risks such as market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out at a corporate level under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board of Directors approves written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, gold price risk and use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Group holds the following financial instruments:

	30 June 2021 $'000	30 June 2020 $'000
Financial Assets		
Cash and cash equivalents	**160,062**	372,592
Trade and other receivables at amortized cost	**43,411**	95,570
Trade and other receivables at FVTPL	**72,331**	53,470
Equity investments at FVOCI	**62,904**	96,195
Contingent consideration assets	**48,449**	66,113
	387,157	683,940
Financial Liabilities		
Trade and other payables (i)	**190,977**	190,810
Interest bearing liabilities	**611,232**	562,062
Contingent consideration liabilities	**52,176**	56,243
	854,385	809,115

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

(a) Derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. The Group has no derivative financial instruments at 30 June 2021 (30 June 2020: nil).

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group currently only designates derivatives as cash flow hedges (hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions). There are no fair value hedges or net investment hedges, nor are there any derivatives that do not classify for hedge accounting.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income through the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income within other income or other expense.

Notes to the Consolidated Financial Statements (continued)

21 Financial risk management (continued)

(a) Derivatives (continued)

Amounts accumulated in the cash flow hedge reserve are reclassified to the Statement of Profit or Loss and Other Comprehensive Income in the periods when the hedged item affects profit or loss for instance when the forecast sale that is hedged takes place.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, fixed assets) the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as depreciation in the case of fixed assets.

(b) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. Management has set up a policy to manage their foreign exchange risk against their functional currency and is measured using sensitivity analysis and cash flow forecasting. The Group generally does not hedge foreign exchange risks other than those relating to significant transactions, such as those relating to the 2020 and 2021 acquisitions of Red Lake and Battle North Gold. The Group typically utilises forward exchange contracts to hedge foreign exchange risks for significant transactions.

As at 30 June 2021, the Group held US$2.5 million (30 June 2020: US$0.7 million) in US dollar currency bank accounts, C$21.8 million in Canadian dollar currency bank account, outstanding receivables of US$8.3 million (30 June 2020: US$4.9 million) relating to the Mt Carlton operation and US$43.7 million (30 June 2020: US$34.0 million) relating to Ernest Henry.

The Group also recognised a USD denominated contingent consideration liability being US$38.44 million as part of the Red Lake purchase consideration (note 18). An increase/decrease in AUD:USD foreign exchange rates of 5% will result in $2.6 million impact to net assets and pre-tax profit.

The Group is exposed to translation-related risks arising from the Red Lake and Battle North Gold operations having a functional currency (CAD) different from the group's presentation currency (AUD). An increase/decrease in AUD:CAD foreign exchange rates of 5% will result in $45.8 million impact to net assets and equity reserves.

(ii) Price risk

The Group is currently exposed to the risk of fluctuations in prevailing market commodity prices on the gold, silver and copper currently produced from its gold mines and market share prices on the available-for-sale assets. The Group has in place physical gold delivery contracts as at 30 June 2021 covering sales of 200,000 oz (30 June 2020: 300,000 oz) of gold at an average forward price of $1,892 per ounce (30 June 2020: $1,871 per ounce) and 80,000 oz of gold at an average forward price of C$2,272 (30 June 2020: C$2,273).

The Group is also exposed to market share price movements on its equity investments at fair value. Refer to note 16 for further details.

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities. The Group has a small but long standing customer base with an exemplary track record of meeting their contractual obligations. In addition the Group only deals with financial institutions that have investment grade or higher credit ratings. For these reason at the balance sheet date there were no significant concentrations of credit risk. The total trade and other receivables outstanding at 30 June 2021 was $115.7 million (30 June 2020: $149.0 million). Cash and cash equivalents at 30 June 2021 were $160.1 million (30 June 2020: $372.6 million).

(d) Interest rate risk

The Group is exposed to interest rate risk through its long term borrowings comprising $145.0 million on the Revolving Facility ("Facility A") and $475.0 million on the Term Loan Facility ("Facility B"). As the borrowings are periodically contractually repriced, the Group is exposed to the risk of future changes in market interest rates.

Holding all other variables constant, the impact on current year post-tax profit of a 0.5 percent increase/decrease in the rate of interest on the long term borrowings of the Group would be a decrease/increase of $2.0 million.

(e) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and term deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Notes to the Consolidated Financial Statements (continued)

21 Financial risk management (continued)

(e) ***Liquidity risk (continued)***

(i) Financing arrangements

The Group had access to the following borrowing facilities at the end of the reporting period:

	30 June 2021 **$'000**	**30 June 2020** **$'000**
Existing debt facilities - Undrawn		
Expiring beyond one year	**655,000**	360,000
	655,000	360,000

(ii) Maturities of financial liabilities

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year **$'000**	**Between 1 and 2 years** **$'000**	**Between 2and 5 years** **$'000**	**Over 5 years** **$'000**	**Total contractual cash flows** **$'000**	**Carrying amount (assets)/ liabilities** **$'000**
At 30 June 2021						
Non-derivatives						
Trade and other payables	190,977	—	—	—	190,977	190,977
Bank loans	105,000	265,000	250,000	—	620,000	620,000
Lease liabilities	14,973	3,620	3,439	5,460	27,492	25,102
	310,950	268,620	253,439	5,460	838,469	836,079
At 30 June 2020						
Non-derivatives						
Trade and other payables (i)	190,810	—	—	—	190,810	190,810
Bank loans	95,000	105,000	370,000	—	570,000	570,000
Lease liabilities	22,000	11,023	4,935	5,174	43,132	43,132
	307,810	116,023	374,935	5,174	803,942	803,942

(i) Upon revising the provisional fair values of Red Lake (acquired 1 April 2020), prior year comparative figures have been restated. Refer to note 25 for further details.

(f) Risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity and debt capital markets to fund capital investment in working capital and exploration and evaluation activities.

The Group monitors its liquidity through analysis of regular cash flow forecasts.

(i) Loan covenants

The lenders have placed covenants over the Group's Senior Secured Revolving and Term Loan Facility based on the leverage ratio and interest coverage ratio and the tangible net worth ratio. The Group has complied with these covenants during the year.

Notes to the Consolidated Financial Statements (continued)

22 Contingent liabilities and contingent assets

(a) Contingent assets

(i) Contingent consideration receivable

The Group recognised contingent consideration assets that arose from the past business divestments. Refer to note 17 for further details.

(b) Contingent liabilities

The Group had contingent liabilities at 30 June 2021 in respect of:

(i) Claims

At the date of this report the Group was unaware of any material claims, actual or contemplated.

(ii) Guarantees

The Group has provided bank guarantees in favour of various government authorities and service providers with respect to site restoration, contractual obligations and premises at 30 June 2021. The total of these guarantees at 30 June 2021 was $278.0 million with various financial institutions (30 June 2020: $198.1 million).

(iii) Red Lake

The Group recognised a contingent consideration liability on the purchase consideration of Red Lake. Refer to note 18 for further details.

23 Commitments

(a) Capital and lease commitments

(i) Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements the Group is required to perform minimum exploration work to meet minimum expenditure requirements specified by various government authorities. These obligations are subject to renegotiation when application for a mining lease is made and at various other times. These obligations are not provided for in the financial report and are payable:

	30 June 2021 $'000	30 June 2020 $'000
Within one year	**13,787**	10,881
Later than one year but not later than five years	**28,173**	29,986
Later than five years	**36,556**	33,979
	78,516	74,846

(ii) Capital commitments

The Group has the following capital commitments in relation to capital projects and joint venture requirements at each of the sites.

	30 June 2021 $'000	30 June 2020 $'000
Within one year	**124,575**	24,244
	124,575	24,244

In relation to the Group's contingent consideration liability with Newmont (note 18), Evolution has agreed to an investment of US$100.0 million on existing operations and US$50.0 million in exploration at Red Lake over the first 3 years of ownership. As of the 30 June 2021 Evolution has invested capital of US$88.2 million on existing operations and US$15.8 million on exploration.

Notes to the Consolidated Financial Statements (continued)

23 Commitments (continued)

(b) Gold delivery commitments

	Gold for physical delivery oz	Average contracted sales price $/oz	Value of committed sales $'000
At 30 June 2021			
Within one year	100,000	1,868	186,800
Later than one year but not greater than five years	100,000	1,916	191,600
	200,000	1,892	378,400
At 30 June 2020			
Within one year	100,000	1,829	182,909
Later than one year but not greater than five years	200,000	1,892	378,454
	300,000	1,871	561,363

	Gold for physical delivery oz	Average contracted sales price C$/oz	Value of committed sales C$'000
At 30 June 2021			
Within one year	40,000	2,272	90,880
Later than one year but not greater than five years	40,000	2,271	90,840
	80,000	2,272	181,720
At 30 June 2020			
Within one year	40,000	2,272	90,885
Later than one year but not greater than five years	80,000	2,271	181,705
	120,000	2,271	272,590

The counterparties to the physical gold delivery contracts are Australia and New Zealand Banking Group Limited ("ANZ"), National Australia Bank Limited ("NAB"), Westpac Banking Corporation (“WBC”), Commonwealth Bank of Australia ("CBA") and Citibank N.A ("Citibank"). Contracts are settled on a quarterly basis by the physical delivery of gold per the banks instructions. The contracts are accounted for as sale contracts with revenue recognised once the gold has been delivered to ANZ, NAB, WBC, CBA, Citibank or one of their agents. The physical gold delivery contracts are considered a contract to sell a non-financial item and is therefore out of the scope of AASB 9 *Financial Instruments*. As a result no derivatives are required to be recognised. The Company has no other gold sale commitments with respect to its current operations.

24 Events occurring after the reporting period

Subsequent to the end of the period on 22 July 2021, the Group announced that it has entered into an agreement with Northern Star Resources Limited to acquire:

- 100% interest in the Kundana Operations
- 51% interest in the East Kundana Joint Venture (EKJV)
- 100% interest in the certain tenements comprising the Carbine Project
- 75% interest in the West Kundana Joint Venture (WKJV)

The transaction completed on 18 August, 2021 with the acquired assets all sitting within 8km of the Group's Mungari Operations, which represent an important strategic opportunity for the Group to consolidate the region, optimise the value of its existing infrastructure and capture significant operational synergies. The Group has paid Northern Star $400.0 million in cash to acquire the assets, which was funded by a $400.0 million fully underwritten institutional placement and is accompanied by a non-underwritten share purchase plan.

On 13 August 2021, the Group announced that it has successfully priced a maiden debt private placement in the United States on 12 August 2021 totalling US$550 million. The Transaction is subject to standard closing conditions with proceeds expected to be drawn in November 2021.

The placement consists of US$200 million maturing November 2028 with a fixed rate coupon of 2.83% and US$350 million maturing November 2031 with a fixed rate coupon of 3.17%. The Group has entered into cross currency swaps to hedge the US dollar exposure.

Proceeds will be used to repay the existing Term Loan facility associated with the acquisition of Red Lake and for general corporate purposes. The placement will extend the Group's debt maturity profile from an average of 2.7 years to 7.1 years. The Group's balance sheet is well positioned to fund the recently announced pipeline of growth projects and this placement will more closely align debt maturity with the group's average mine life.

Notes to the Consolidated Financial Statements (continued)

Other Disclosures

This section covers additional financial information and mandatory disclosures.

25 Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The consideration transferred also includes the fair value of any contingent consideration arrangement. Contingent consideration classified as a financial asset or liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. Acquisition-related costs are expensed as incurred.

a) Red Lake Acquisition

(i) Summary of acquisition

On 1 April 2020, the Group completed the acquisition of the Red Lake gold mine in Ontario, Canada. The operation comprises of the Red Lake and Campbell complexes, each consisting of an underground mine, associated processing facilities and the Cochenour mine.

Details of the purchase consideration and the net assets acquired are as follows:

	AUD $'000
Purchase consideration	
Cash paid (a)	583,556
Contingent consideration (b)	62,255
	645,811

(a) Cash paid is comprised of US$375.0 million for the initial purchase, US$14.8 million working capital adjustment payment, C$5.3 million interim operating plan funding and C$1.2 million Ontario Mining Tax payment.

(b) Contingent consideration includes an additional payment up to a maximum of US$100 million payable upon the discovery of new resources outside of the agreed baseline. The Group would be required to make an additional payment of US$20.0 million per each one million ounces of new Mineral Resources up to a maximum of five million ounces, discovered outside of the agreed base line and added to the agreed Red Lake resource base, over a 15-year period.

The assets and liabilities recognised as a result of the acquisition are as follows:

	Final Fair Value $'000	Preliminary Fair Value $'000
Net assets acquired		
Cash and cash equivalents	47,501	47,501
Trade and other receivables	670	671
Inventories	47,744	47,744
Property, plant and equipment	155,987	207,426
Mine development and exploration	579,376	419,333
Other non-current assets	587	587
Right-of-use-assets	5,818	2,765
Deferred tax assets	15,221	16,463
Trade and other payables	(24,142)	(27,077)
Other current liabilities	(6,844)	—
Employee entitlements	(4,013)	(1,078)
Lease liabilities	(3,895)	(3,895)
Other non-current provisions	(17,110)	—
Rehabilitation Provisions	(105,052)	(65,853)
Deferred tax liability	(46,037)	—
Total	645,811	644,587

The initial accounting for the acquisition has been revised and finalised for the current period as shown above. These adjustments have determined the net identifiable assets/(liabilities) as being $1.2 million higher than previously reported. The comparative information shown in the financial statements has been restated to include the adjusted fair values. There has been no material impact to the comparative profit or loss so as to require restatement.

Notes to the Consolidated Financial Statements (continued)

25 Business Combinations (continued)

(ii) Outflow of cash to acquire subsidiary

	AUD $'000
Outflow of cash to acquire subsidiary	
Cash paid during year ended 30 June 2020	582,332
Cash paid during year ended 30 June 2021	1,223
Less: balance acquired	(47,501)
Total outflow of cash - investing activities	536,054

(iii) Acquisition and integration costs

Acquisition and integration costs of $5.5 million that were not directly attributable to the cash paid are included in acquisition and integration cost in the profit or loss and in operating cash flows in the statement of cash flows. A total of $30.1 million was paid for the year ended 30 June 2020.

b) Battle North Gold Acquisition

(i) Summary of acquisition

On 19 May 2021, the Group completed the acquisition of Battle North Gold Corporation. Battle North Gold's assets include the Bateman Gold Project, contiguous to Evolution's Red Lake Operations in Ontario, Canada, and a large gold exploration land package on the Long Canyon gold trend near the Nevada-Utah border in the United States.

Details of the purchase consideration and the net assets acquired are as follows:

	AUD $'000
Purchase consideration	
Cash paid	355,790
	355,790

The assets and liabilities recognised as a result of the acquisition are as follows:

	Preliminary Fair Value $'000
Net assets acquired	
Cash and cash equivalents	7,345
Trade and other receivables	3,671
Inventories	337
Property, plant and equipment	235,914
Mine development and exploration	41,927
Other non-current assets	29
Right-of-use-assets	3,352
Deferred tax assets	89,241
Trade and other payables	(16,471)
Employee entitlements	(280)
Lease liabilities	(1,009)
Rehabilitation Provisions	(8,266)
Total	355,790

Please note the initial accounting for the acquisition is determined only on a provisional basis as at 30 June 2021. The Group will recognise any adjustments to those provisional values as a result of completing the initial accounting within 12 months of the acquisition date.

Notes to the Consolidated Financial Statements (continued)

25 Business Combinations (continued)

(ii) Outflow of cash to acquire subsidiary

	AUD $'000
Outflow of cash to acquire subsidiary	
Cash paid	355,790
Less: balance acquired	(7,345)
Total outflow of cash - investing activities	**348,445**

(iii) Acquisition and Integration costs

Integration costs of $3.9 million that were not directly attributable to the cash paid are included in acquisition and integration cost in the profit or loss and in operating cash flows in the statement of cash flows during the year.

26 Ernest Henry Operation

(a) Description

On 24 August 2016, the Group announced that through a wholly owned subsidiary, it had entered into a transaction with Glencore plc to acquire an economic interest in the Ernest Henry Copper-Gold Operation for an up-front payment of $880 million. This $880 million up-front payment is recognised as a mine development asset. The Group also announced the entry into a strategic alliance with Glencore plc in respect of potential future regional acquisitions and the commitment the parties made to cooperate on exploration activities in the region surrounding Ernest Henry. The transaction was completed on 1 November 2016.

Under the agreement, the Group has a right to the production output when produced in relation to 100% of future gold and 30% of future copper and silver from the defined life of mine area at the time of the acquisition. Copper and silver sales revenue are recognised in the same month as their production is reported as the production is in control of the customer (Glencore). Gold sales and gold revenues are recognised when the metal is received and sold by the Group. In addition to the up-front payment, the Group must also contribute 30% of future production costs in respect of the life of mine area.

(b) Financial performance and position

The below information presents the financial performance and balance sheet information of the Ernest Henry operation included in the Consolidated Financial Statements.

	30 June 2021 $'000	30 June 2020 $'000
Revenue (note 2)	439,513	391,017
Cost of sales (excluding amortisation)	(120,907)	(120,017)
Amortisation	(129,849)	(126,056)
Profit before income tax	188,757	144,944

The carrying amounts of assets and liabilities as at the period end were:

Notes to the Consolidated Financial Statements (continued)

26 Ernest Henry Operation (continued)

Financial performance and position (continued)

	30 June 2021 $'000	30 June 2020 $'000
Assets		
Accrued Revenue	58,088	49,478
Inventories	23,296	32,372
Mine Development	402,623	458,254
Total assets	484,007	540,104
Liabilities		
Trade and other payables	30,485	34,641
Provision	54,976	—
Total liabilities	85,462	34,641
Net assets	398,545	505,463

27 Related party transactions

(a) Parent entities

The ultimate parent entity within the Group is Evolution Mining Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 32.

(c) Key management personnel compensation

	30 June 2021 $'000	30 June 2020 $'000
Short-term employee benefits	**7,536,526**	6,471,811
Long Service Leave	**154,425**	85,257
Post-employment benefits	**206,515**	168,237
Share-based payments	**4,381,119**	5,204,963
	12,278,585	11,930,268

Detailed remuneration disclosures are provided in the remuneration report on pages 153 to 168

(d) Transactions with other related parties

Directors fees in the amount of $175,000 were paid to International Mining and Finance Corp, a company of which Mr James Askew is a Director for services provided during the period (30 June 2020:$163,750).

28 Share-based payments

(a) Types of share based payment plans

The Group has two Option and Performance Rights plans in existence:

(1) Employee Share Option and Performance Rights Plan (ESOP)

The ESOP was established and approved at the Annual General Meeting on 23 November 2010, and amended on 19 October 2011. Shareholder approval was refreshed at the Annual General Meeting on 26 November 2014 and again on 23 November 2017 and permits the Group, at the discretion of the Directors, to grant both Options and Performance Rights over unissued ordinary shares of the Group to eligible Directors and members of staff as specified in the plan rules.

Notes to the Consolidated Financial Statements (continued)

28 Share-based payments (continued)

(a) Types of share based payment plans (continued)

(2) Non-Executive Director Equity Plan (NEDEP)

The NEDEP was established and approved at the Annual General Meeting on 24 November 2016. The plan permits the Group, at the discretion of the Directors, to grant NED Share Rights as part of their remuneration.

(b) Recognised share based payment expenses

	30 June 2021 $'000	30 June 2020 $'000
Expense arising from equity settled share based payment transactions recognised in profit and loss	11,371	10,691

Summary and movement of share based payment plans

The following table illustrates the number and movements in, performance rights issued during the year.

	2021 Number	2020 Number
Outstanding balance at the beginning of the year	13,776,882	18,643,061
Performance rights granted during the period	5,166,893	6,038,033
Vested during the period	(4,019,532)	(7,025,612)
Forfeited during the period	(2,153,770)	(3,878,600)
Outstanding balance at the end of the year	**12,770,473**	**13,776,882**

The following table illustrates the number and movements in, Share Rights issued during the year.

	2021 Number	2020 Number
Outstanding balance at the beginning of the year	53,845	57,235
Share Rights granted	68,439	71,875
Vested	(53,845)	(72,083)
Lapsed	—	(3,182)
Forfeited	—	—
Outstanding balance at the end of the year	**68,439**	53,845

There were 68,439 Share Rights granted during the 2021 financial year. Provided the NEDs remain directors of the Group, Share Rights will vest and automatically exercise 12 months after the grant date of 23 November 2020 with disposal restrictions attached to these shares.

(c) Fair value determination

During the year, the Group issued two allotments of performance rights that will vest on 30 June 2023. They have four performance components being a Total Shareholder Return (“TSR”) condition, an absolute TSR condition, a Relative AISC condition and a Growth in Ore Reserves condition.

(i) TSR Performance Right Valuation

The fair value of the TSR Performance Rights (market-based condition) was estimated at the date of grant using Monte Carlo simulation, taking into account the terms and conditions upon which the awards were granted.

(ii) Absolute TSR Performance Right Valuation

The Absolute TSR Performance Right Valuation (market-based condition) will be measured as the cumulative annual TSR over the three year period ending 30 June 2023.

(iii) Relative AISC

Relative AISC (non-market-based condition) will be tested against Evolution’s relative ranking of its AISC performance for the 12 month period ending 30 June 2023 (Evolution AISC) compared to the AISC performance ranking of the Peer Group Companies for the same period (Peer Group AISC).

(iv) Growth in Ore Reserves per Share

The growth in Ore Reserves per share (non-market-based condition) is measured by comparing the Baseline measure of the Ore Reserves as at 31 December 2019, to the Ore Reserves as at 31 December 2022 on a per share basis, with testing to be performed at 30 June 2023.

Notes to the Consolidated Financial Statements (continued)

28 Share-based payments (continued)

(c) Fair value determination (continued)

The following tables list the inputs to the models used for the Performance Rights granted for the period:

	Relative TSR	Absolute TSR	Relative AISC	Growth in Ore Reserves
September 2020 Performance Rights issue				
Number of rights issued	1,068,550	1,068,550	1,068,550	1,068,550
Spot price ($)	5.90	5.90	5.90	5.90
Risk-free rate (%)	0.23%	0.23%	0.23%	0.23%
Term (years)	2.79 years	2.79 years	2.79 years	2.79 years
Volatility (%)	40%	40%	40%	40%
Fair value at grant date ($)	2.99	2.42	5.52	5.52
February 2021 Performance Rights issue				
Number of rights issued	37,836	37,836	37,836	37,836
Spot price ($)	4.68	4.68	4.68	4.68
Risk-free rate (%)	0.10%	0.10%	0.10%	0.10%
Term (years)	2.37 years	2.37 years	2.37 years	2.37 years
Volatility (%)	40%	40%	40%	40%
Fair value at grant date ($)	2.58	1.20	4.39	4.39

The volatility above was determined with reference to historical volatility but also incorporates factors that management believes will impact the actual volatility of the Group's shares in future periods.

Recognition and measurement

The Group provides benefits to its employees (including Key Management Personnel) in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

Vesting conditions that are linked to the price of shares of the Group (market conditions) are taken into account when determining the fair value of equity settled transactions. Other vesting conditions such as service conditions are excluded from the measurement of fair value but are considered in estimating the number of investments that may ultimately vest.

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled ("the vesting period").

The charge to the Statement of Profit or Loss for the period is the cumulative amount as calculated above less the amounts already recognised in previous periods. There is a corresponding entry to equity.

Accounting estimates and judgements

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined by an external specialist using an option pricing model, based off the assumptions detailed above.

Notes to the Consolidated Financial Statements (continued)

29 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, Evolution Mining Limited, its related network firms and non-related audit firms. Also included are fees paid or payable for non-audit services by non PricewaterhouseCoopers audit firms, although these firms do not provide audit services to Evolution Mining Limited.

(a) PricewaterhouseCoopers

	2021 $	2020 $
Audit and other assurance services		
Audit and review of financial statements	**640,757**	603,473
Canadian related audit services	**79,830**	52,083
Other	**6,560**	6,891
Total remuneration for audit and other services	**727,147**	662,447
Taxation services		
Tax compliance services	**77,380**	103,060
Total remuneration for taxation services	**77,380**	103,060
Total remuneration of PricewaterhouseCoopers	**804,527**	765,507

(b) Non-PricewaterhouseCoopers related audit firms

	2021 $	2020 $
Audit and other assurance services		
Other assurance services		
Internal audit services	**217,541**	149,651
Other assurance services	**41,348**	—
Total remuneration for audit and other assurance services	**258,889**	149,651
Taxation services		
Tax compliance services	**67,557**	44,183
Tax advisory services	**555,348**	393,762
Total remuneration for taxation services	**622,905**	437,945
Total remuneration of non-PricewaterhouseCoopers audit firms	**881,794**	587,596

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers's expertise and experience with the Group are important. These assignments are principally tax advice and due diligence on acquisitions, or where PricewaterhouseCoopers is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

30 Deed of cross guarantee

Evolution Mining Limited and those entities identified in note 32 are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and Directors' Report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

The companies identified above represent a 'closed group' for the purposes of the Class Order, and as there are no other parties to the deed of cross guarantee that are controlled by Evolution Mining Limited, they also represent the 'extended closed group'.

The Consolidated Balance Sheet, Consolidated Statement of Profit or Loss and Other Comprehensive Income, and summary of movements in consolidated retained earnings for the year ended 30 June 2021 of the closed group is equal to the Consolidated Balance Sheet, Consolidated Statement of Profit or Loss and Other Comprehensive Income, and Consolidated Statement of Changes in Equity of the Group.

Notes to the Consolidated Financial Statements (continued)

31 Interests in other entities

(a) Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described below:

			Equity holding	
Name of entity	**Country of Incorporation**	**Class of shares**	**2021 %**	**2020 %**
Evolution Mining Management Services Pty Ltd	Australia	Ordinary	**100%**	**100%**
Conquest Mining Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Mt Rawdon Operations Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining NZ Pty Ltd (ii)	Australia	Ordinary	**0%**	**100%**
Evolution Mining (Cowal) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining Mungari Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Toledo Holding (Ausco) Pty Ltd (i)	Australia	Ordinary	**100%**	**100%**
Evolution Mining (Mungari East) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining (Mungari) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining (Phoenix) Pty Limited (i) (ii)	Australia	Ordinary	**100%**	**100%**
Hayes Mining Pty Ltd (i)	Australia	Ordinary	**100%**	**100%**
Evolution Mining (Aurum 2) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining (Connors Arc) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining (Canada Holdings) Ltd (ii)	Canada	Ordinary	**100%**	**100%**
Evolution Mining Management Services (Canada) Ltd (ii)	Canada	Ordinary	**100%**	**100%**
Evolution Mining Gold Operations Ltd (ii)	Canada	Ordinary	**100%**	**100%**
Evolution Red Lake Nominee Ltd (ii)	Canada	Ordinary	**100%**	**100%**
Battle North Gold Corporation (ii) (iv)	Canada	Ordinary	**100%**	**0%**
Rubicon Minerals Nevada Inc (iv)	Canada	Ordinary	**100%**	**0%**
Rubicon Alaska Holdings (Inc) (Ontario) (iv)	Canada	Ordinary	**100%**	**0%**

(i) These subsidiaries have been granted relief from the necessity to prepare financial reports in accordance with Class Order 98/1418 issued by the Australian Securities and Investments Commission. For further information refer to note 31.

(ii) These entities are considered to be the material controlled entities of the Group. Their principal activities are identifying, developing and operating gold related projects.

(iii) These entities were divested during this financial year.

(iv) These entities have been acquired as part of the Battle North Gold acquisition.

Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Notes to the Consolidated Financial Statements (continued)

32 Parent entity financial information

The financial information for the parent entity, Evolution Mining Limited has been prepared on the same basis as the consolidated financial statements.

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	30 June 2021 $'000	30 June 2020 $'000
Balance sheet		
Assets		
Current assets	**161,289**	399,574
Non-current assets	**2,904,584**	2,515,538
Total assets	**3,065,873**	2,915,112
Liabilities		
Current liabilities	**128,728**	122,452
Non-current liabilities	**696,404**	632,047
Total liabilities	**825,132**	754,499
Net assets		
Shareholders' equity	**2,240,741**	2,160,613
Issued capital	**2,183,727**	2,183,727
Fair Value revaluation reserve	**14,094**	39,961
Share based payment reserve	**66,759**	58,928
Accumulated losses	**(23,839)**	(122,003)
Total equity	**2,240,741**	2,160,613
Statement of Profit or Loss and Other Comprehensive Income		
Profit for the year	**371,529**	272,706
Other comprehensive expense	**—**	—
Total comprehensive expense	**371,529**	272,706

(b) Guarantees entered into by the parent entity

The parent entity has provided bank guarantees, as detailed in note 23.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2021. For information about guarantees given by the parent entity, please see above.

Notes to the Consolidated Financial Statements (continued)

33 Summary of significant accounting policies

(a) Basis of preparation

This financial report is a general purpose financial report, prepared by a for-profit entity, in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The financial report also complies with the International Financial Reporting Standards (IFRS) including interpretations as issued by the International Accounting Standards Board (IASB).

The financial report has been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale assets which have been measured at fair value.

The financial report has been presented in Australian (AU) dollars and all values are rounded to the nearest AU$1,000 (AU$'000) unless otherwise stated.

The accounting policies have been consistently applied by all entities included in the Group and are consistent with those applied in the prior year except for changes arising from adoption of new accounting standards which have been separately disclosed.

(b) Principles of consolidation

The consolidated financial statements include the financial statements of the parent entity, Evolution Mining Limited, and its controlled entities (referred to as 'the Consolidated Entity' or 'the Group' in these financial statements). A list of significant controlled entities (subsidiaries) is presented in note 32.

Control is achieved when the Group is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one of more of the three elements of control. Specifically the Group controls an investee if, and only if, the Group has all of the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its control over the investee to affect its returns.

Non- controlling interests in the results and equity of the entities that are controlled by the Group is shown separately in the Statement of Profit or Loss or Other Comprehensive Income, Balance Sheet and Statement of Changes in Equity respectively.

(c) Foreign currency translation

(i) Functional and presentation currency

The presentation currency of the Group is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency for Red Lake is Canadian dollars.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. The subsequent payment or receipt of funds related to a transaction is translated at the rate applicable on the date of payment or receipt. Monetary assets and liabilities which are denominated in foreign currencies are re-translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

All exchange differences in the consolidated financial statements are taken to the Statement of Other Comprehensive Income and accumulated in a reserve.

(iii) Translation

The assets and liabilities of subsidiaries with functional currency other than Australian dollars (being the presentation currency of the Group) are translated into Australian dollars at the exchange rate at the reporting date and the Statement of Profit or Loss is translated at the average exchange rate for the period. On consolidation, exchange differences arising from the translation of these subsidiaries are recognised in Other Comprehensive Income and accumulated in the foreign currency translation reserve.

34 New accounting standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 172 to 215 are in accordance with the Corporations Act 2001, including:
  (i) complying with Accounting Standard, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the year ended on that date, and
(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group or liabilities to which they are, or may become, subject by virtue identified in note 30 will be able to meet any obligations of the deed of cross guarantee described in note 30.

Note 33(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of Directors.

	AHall
Jacob (Jake) Klein	Andrea Hall
Executive Chairman	Chair of the Audit Committee

Sydney

Independent Auditor's Report

Independent auditor's report

To the members of Evolution Mining Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Evolution Mining Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated balance sheet as at 30 June 2021
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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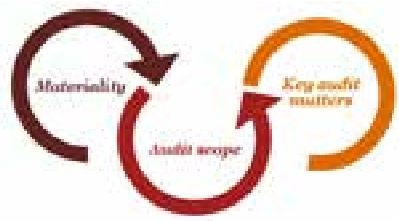
Independent Auditor's Report (continued)

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.



Materiality	*Audit scope*
- For the purpose of our audit we used overall Group materiality of $22.8 million, which represents approximately 2.5% of the Group's earnings before interest, tax, depreciation, amortisation and impairment expense (EBITDA). - We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. - We chose Group EBITDA because, in our view, it is the benchmark against which the performance of the Group is most commonly measured. - We utilised a 2.5% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.	- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. - A Canadian component audit team performed specified audit procedures over the financial information of the Red Lake Mine in Canada under the review and supervision of the Australian engagement team.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

Independent Auditor's Report (continued)

Key audit matter	*How our audit addressed the key audit matter*
Purchase Price Allocation for acquisition of Red Lake gold mine *(Refer to note 25 (a)) [$645.8 million]* The Group acquired 100% of the Red Lake gold mine (Red Lake) from Newmont Corporation on 1 April 2020. As a result of the size and complexity of the transaction, the purchase price accounting allocation was provisional as at 30 June 2020. The purchase price allocation was finalised during the year ended 30 June 2021. As part of the finalised purchase price allocation, the fair values of the assets and liabilities were determined using updated valuations of the assets acquired and liabilities assumed. Fair value was determined by the Group using various valuation methods, which were applied according to the assets and liabilities being measured. The Group was assisted by an expert in the process to determine the fair value of the rehabilitation provision at acquisition date. The purchase price allocation for the Red Lake acquisition was a key audit matter given the judgements and subjectivity required by the Group in the valuation methodologies and key assumptions.	Our procedures included the following, amongst others: ● Evaluated the Group's accounting by considering the requirements of Australian Accounting Standards, key transaction agreements, our understanding obtained of the business acquired and its industry and selected minutes of the board of directors meetings. ● Evaluated the valuation methodologies and assessed the appropriateness of the valuation assumptions used by the Group on which the final fair values of the identifiable assets and liabilities acquired were based. Evaluated the completeness and accuracy of the underlying data supporting the significant judgements and estimates used by the Group. ● Evaluated the objectivity, competence and capabilities of the management expert utilised to assist the Group in determining the fair value of the rehabilitation provision. We further obtained an understanding of the work performed by the expert and evaluated the appropriateness of the conclusions reached. ● Assessed the adequacy of the business combination disclosures in Note 25 (a) in light of the requirements of Australian Accounting Standards.

Independent Auditor's Report (continued)

Key audit matter	***How our audit addressed the key audit matter***
Acquisition of Battle North Gold Corporation *(Refer to note 25 (b)) [$355.8 million]* During the year, the Group acquired 100% of Battle North Gold (Battle North). The acquisition was completed on 19 May 2021. The purchase consideration was $356 million (C$343 million) in cash. The acquisition of Battle North has been accounted for as a business combination in accordance with AASB 3 *Business Combinations* and involved consideration as to the acquisition date and the recognition and measurement of identifiable assets acquired and liabilities assumed as at that date. The accounting for the business combination has been recorded on a provisional basis in the consolidated financial statements. The accounting for the acquisition was a key audit matter because it was a significant transaction for the year given the financial impact on the Group.	Our procedures included the following, amongst others: • Evaluated the Group's accounting against the requirements of Australian Accounting Standards, key transaction agreements, our understanding obtained of the business acquired and minutes of the board of directors' meetings • Agreed the amount of the purchase consideration paid to the transaction agreements and bank statements • Assessed the appropriateness of the valuation methodologies and key assumptions used by the Group on which the provisional fair values of the identifiable assets and liabilities acquired were based, and • Assessed the adequacy of the business combination disclosures in Note 25 (b) in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors' report. We expect the remaining other information to be made available to us after the date of this auditor's report.

Independent Auditor's Report (continued)

Our opinion on the financial report does not cover the other information and we do not and will not express an opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Independent Auditor's Report (continued)

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 151 to 168 of the directors' report for the year ended 30 June 2021.

In our opinion, the remuneration report of Evolution Mining Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Marc Upcroft
Partner

Sydney
19 August 2021

Shareholder information

Capital (as at 20 September 2021)

Share Capital	1,832,939,244
Ordinary shareholders	34,255
Shareholdings with less than a marketable parcel of $500 worth of ordinary shares	1,712
Market price (closing price on the Australian Securities Exchange as at 29 September 2021)	A$3.48

Distribution of Fully Paid Shares (as at 29 September 2021)

Range	Securities	%	No. of Holders	%
100,001 and Over	1,642,837,000	89.63	270	0.79
10,001 to 100,000	115,645,401	6.31	4,731	13.81
5,001 to 10,000	33,531,722	1.83	4,543	13.26
1,001 to 5,000	35,587,775	1.94	13,553	39.57
1 to 1,000	5,337,346	0.29	11,158	32.57
Total	**1,832,939,244**	**100.00**	**34,255**	**100.00**
Unmarketable Parcels	118,103	0.01	1,712	5.00

Substantial Shareholders (as at 20 August 2021)

	Fully Paid Ordinary Shares	
	Number	%
Van Eck Global	177,129,071	9.66
Australian Super	124,218,972	6.78
Total	**301,348,043**	**16.35**

The disclosed number of ordinary shares held by substantial shareholders may not be equal to the actual number of ordinary shares held as at 21 September 2021 as only movements of at least 1% are required to be notified to the Australian Securities Exchange.

Twenty Largest Shareholders (as at 21 September 2021)

	Fully Paid Ordinary Shares	
Name	**Current balance**	**Issued capital %**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	805,545,558	43.95
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	377,275,235	20.58
CITICORP NOMINEES PTY LIMITED	163,266,571	8.91
NATIONAL NOMINEES LIMITED	70,385,173	3.84
BNP PARIBAS NOMS PTY LTD	49,788,988	2.72
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD	17,544,204	0.96
BNP PARIBAS NOMINEES PTY LTD	12,852,901	0.70
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,829,395	0.70
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	12,180,793	0.66
ROXI PTY LIMITED	8,800,218	0.48
BNP PARIBAS NOMINEES PTY LTD	7,767,953	0.42
CITICORP NOMINEES PTY LIMITED	7,224,519	0.39
SMARTEQUITY EIS PTY LTD	5,432,067	0.30
LUJETA PTY LTD	4,507,692	0.25
PACIFIC CUSTODIANS PTY LIMITED	3,999,994	0.22
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	3,024,231	0.16
NETWEALTH INVESTMENTS LIMITED	2,447,436	0.13
AMP LIFE LIMITED	2,259,865	0.12
NEWECONOMY COM AU NOMINEES PTY LIMITED	2,209,495	0.12
NETWEALTH INVESTMENTS LIMITED	2,045,585	0.11
Total	**1,571,387,873**	**85.73**
TOTAL	**1,571,387,873**	**85.73**
Balance of Register	**261,551,371**	**14.27**
Grand TOTAL	**1,832,939,244**	**100.00**

1.5 Share Buy-Backs

There is no current on-market buy-back scheme.

2. Other Information

Evolution Mining Limited, incorporated and domiciled in Australia, is a public listed Company limited by Shares.

Corporate Information

ABN 74 084 669 036

Board of Directors

Jake Klein	Executive Chairman
Lawrie Conway	Finance Director and CFO
Tommy McKeith	Lead Independent Director
Jim Askew	Non-executive Director
Jason Attew	Non-executive Director
Andrea Hall	Non-executive Director
Vicky Binns	Non-executive Director
Peter Smith	Non-executive Director

Company Secretary

Evan Elstein

Registered and principal office

Level 24, 175 Liverpool Street
Sydney NSW 2000
T: +61 (0)2 9696 2900
F: +61 (0)2 9696 2901

Share Register

Link Market Services
Level 12, 680 George Street
SYDNEY NSW 2000
T: +61 1300 554 474
F: +61 2 9287 0303

Auditor

PricewaterhouseCoopers
One International Towers Sydney Watermans Quay
BARANGAROO NSW 2000
T: +61 2 8266 0000
F: +61 2 8266 9999

Website

www.evolutionmining.com.au
Stock Exchange Listing
Evolution Mining Limited (EVN) shares are listed on the Australian Securities Exchange

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McFinley operation, Red Lake, Ontario

Evolution MINING

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