Evolution Mining

Annual Report

2022

Evolution Mining — a leading, globally relevant gold miner

Formed in November 2011, Evolution has evolved to become a leading, globally relevant gold mining company.

We operate five wholly-owned mines in Australia and Canada and in FY22 produced 640,275 ounces of gold at a sector leading low All-in Sustaining Cost (AISC) of $1,259 per ounce:

- Cowal in New South Wales
- Ernest Henry and Mt Rawdon in Queensland
- Mungari in Western Australia
- Red Lake in Ontario, Canada

Our focus on upgrading the quality of our portfolio towards long-life, low-cost, high-margin assets in the safe jurisdictions of Australia and Canada has positioned us well to prosper through all market cycles while generating superior shareholder returns.

FY23 Group gold production guidance is 720,000 ounces of gold at an All-in Sustaining Cost of $1,240 per ounce (+/- 5%) and FY24 Group gold production is forecasted to increase to 800,000 ounces at an unchanged All-in Sustaining Cost of $1,240 per ounce (+/- 5%).

11 years of Evolution

Together we can become the best gold company in the world

2022

Ernest Henry – acquisition of full ownership delivering an immediate and material increase to cash flow generation and lowering Group AISC by -$190/oz in FY23

Maiden debt private placement
totalling US$550M, and investment grade rating

Mt Carlton Divestment
Non-core asset for total consideration of up to $90M

2021

Mungari – Cornerstone asset
Acquisition of Kundana Operations, EKJV (51%), Carbine Project and WKJV (75%) elevates Mungari to a cornerstone asset

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

2020

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

[1] Cost reductions refer to contribution to Group AISC for a given financial year

[2] Based on FY20 performance

[3] Based on EBITDA margin

Executive Chair's report

On behalf of the Board of Directors of Evolution Mining Limited, it is my pleasure to present you with the Company's 2022 Annual Report. This incorporates our Sustainability Report which supports our objective to deliver long-term stakeholder value through safe, reliable, low-cost gold production in an environmentally and socially responsible way.

Since we formed Evolution in 2011 we have had a consistent strategy built around the pillars of assembling a great team, focusing exclusively on the Tier One jurisdictions of Australia and Canada, operating a concentrated portfolio of high-quality assets in well-endowed, geologically prospective gold districts and continually seeking opportunities to improve the quality of our portfolio.

We continued to stay true to our strategy in FY22 and completed three transactions which I believe have delivered a step change to the quality of our asset portfolio. At the same time, the period was also extremely challenging and we fell short on the operational delivery which we pride ourselves on. We have learnt lessons and made changes within our business to return to our high standards.

At Evolution we are driven to provide a workplace where our people are safe and healthy. This relies on the commitment, leadership, teamwork, engagement and involvement of our entire workforce. Increased reporting and field leadership have been a major focus in FY22 which saw overall health and safety improve across the Group. The total recordable injury frequency (TRIF) was 10.66 (including six months of full ownership of Ernest Henry) as at 30 June 2022. We will make every effort to keep improving our safety performance.

We acknowledge that we as a Company, like the rest of the industry, also have work to do in ensuring the psychological safety for all of our people. For Evolution, in essence this means a workplace where people believe they can speak up and that is inclusive and diverse; where at a minimum, it is free of any form of bullying, prejudice or sexual harassment. We are absolutely committed to this.

Our sustainability performance is outlined in detail in the Sustainability Report and I would encourage you to review some of the excellent work we are doing in our local communities and environments. Evolution's efforts and enhanced reporting in this area has been recognised by key ratings agencies including the Dow Jones Sustainability Index Australia and maintaining our 'AA' rating from MSCI.

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. Our seriousness about reaching these commitments was emphasised by a 7% improvement in our carbon emission intensity per tonne mined in FY22. There is still much more work to do in this area but this is encouraging early progress on this important journey.

We are looking at new and innovative ways to reduce our environmental impact and enhance our sustainability performance to achieve our net zero commitment. In this regard, we are fortunate to have identified a truly unique opportunity at Mt Rawdon to create a multi-generational infrastructure asset. Our plan, which is advancing rapidly, is to convert the open pit into a 1-2 gigawatt pumped hydro battery at the conclusion of mining in the coming years.

Evolution is working on this opportunity with ICA Partners, which originated the concept some three years ago and will be co-owners of the project. We have commenced engagement with potential offtake partners and have grown increasingly confident of the potential to demonstrate this as both a model mine closure as well as creating significant value for Evolution shareholders.

Operationally, in FY22, Evolution produced 640,275 ounces of gold at an All-in Sustaining Cost (AISC) of A$1,259 per ounce (US$914/oz)[1] which remains in the lowest quartile. This translated into an EBITDA margin of 44% and the second highest statutory net profit after tax in our history of A$323.3 million, a 6.4% decrease on the record prior year. Operating mine cash flow totalled A$893.3 million before total capital investment of A$606.4 million. This enabled us to return $146.6 million to our shareholders through our 18th and 19th consecutive dividends at the half-year and full-year financial results respectively.

During the period we acquired the balance of Ernest Henry from Glencore which, in time, could become one of the most important transactions in Evolution's history. Ernest Henry is a world-class asset in Australia and one which we already knew extremely well thanks to our successful investment in the asset in 2016.

The acquisition delivered an immediate and substantial increase in cash flow generation, lowered our AISC and has clear growth potential.

Subsequent to the end of the period, in August 2022, we were very pleased to release an updated Mineral Resource estimate for Ernest Henry that captured 119 new drill holes and resulted in a 28% increase in the contained copper to 1.13 million tonnes and a 24% increase in contained gold to just over 2 million ounces. The upgrade will form part of a study into a mine life extension due for completion in December 2022 and gives us high confidence in this future of this cornerstone asset.

Our second major acquisition of the period related to the consolidation of the Mungari district through the acquisition of Kundana and the East Kundana Joint Venture interest owned by Northern Star Resources. This transaction resulted in Evolution becoming one of the largest tenement holders in the Kalgoorlie region. The Kundana assets are located close to our Mungari processing infrastructure which will give us the opportunity to capture valuable synergies and improve both operational flexibility and longevity of Mungari.

We also further upgraded the quality of our portfolio through the sale of Mt Carlton to Navarre Minerals. Total consideration for the sale is up to $90 million with the sale closing in December 2021. Mt Carlton was Evolution's first development project and we appreciate the contribution of its employees, contractors, suppliers, the traditional custodians of the land the Birriah People, and the local community to its success.

Within our portfolio we have several important growth projects underway or under consideration. I have already mentioned the mine life extension study underway at Ernest Henry and we are also completing a Feasibility Study into a potential plant expansion at Mungari which will be considered when cost inflation and labour market conditions in Western Australia stabilise.

At Red Lake, we continue to make progress with the transformation underway. Key physical metrics including production and grade having improved over the year and are now at the rates required to deliver the site FY23 production guidance of 160,000 ounces. This is being achieved through efficiencies on the mining side, optimisation on the processing side and the huge effort of our people. We have a clear pathway to achieving the goal of 300,000 ounces per annum, thus restoring Red Lake to a premier long-life, low-cost Canadian gold mine.

Yours faithfully

JAKE KLEIN
EXECUTIVE CHAIR

[1] Using the average AUD:USD exchange rate of 0.7258 for the 12 months of FY22

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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.
All amounts are expressed in Australian dollars unless stated otherwise.

FY22 achievements

Operational & financial

640,275oz
Gold production

AISC $1,259/oz[1]
(US$914/oz)[2]
Among the lowest cost gold producers in the world

$893M
Operating mine cash flow

$323.3M
Statutory net profit after tax

44%
Strong EBITDA margin

$146.6M
Payout in fully franked dividends

2 major growth projects
in execution, and five further growth studies underway

US$550M
Maiden debt private placement and investment grade rating

Portfolio transformation

Acquisition of 100% of Ernest Henry
Cementing Evolution's position as one of the lowest cost gold producers in the world

Acquisition of Kundana assets[3]
Elevating Mungari to Evolution's fourth cornerstone asset

Mt Carlton divestment
Non-core asset

Sustainability

34%
Decrease in Injury Severity year-on-year due to risk reduction activities

84%
Increase in Hazard reporting year-on-year

42%
Reduction in freshwater demand per tonne milled (compared to FY20 baseline)

7%
Reduction in emissions intensity per tonne of material mined compared to FY20 baseline

30%
Female graduate hires in the workplace at the end of FY22

72%
Local employment across our operations

$2.03B
Contribution to the Australian and Canadian economies

$164M
Contribution to local and regional businesses and organisations[4] including

$133M
Direct spend with local organisations – a 32% increase year-on-year

Mineral Resources and Ore Reserves

12%
Increase in Gold Mineral Resource year-on-year[5]

5%
Increase in Gold Ore Reserve year-on-year

63%
Increase in Copper Mineral Resource year-on-year[5]

27%
Increase in Ore Reserve year-on-year

[1] All-in Sustaining Cost includes C1 cash cost, plus royalties, sustaining capital, general corporate and administration expenses on a per ounce sold basis. Excludes Mt Carlton from 1 October 2021 due to divestment, and includes 100% ownership of Ernest Henry from 1 January 2022

[2] Calculated using an average AUD:USD exchange rate of 0.7258 for FY22

[3] Kundana Assets represent 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

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

[5] Excludes the 30 June 2022 Mineral Resource update at Ernest Henry

Company vision

Inspired people creating a premier global gold company

Consistent corporate strategy founded on:

- A business that prospers through the cycle
- Create sustainable value for stakeholders in an environmentally and socially responsible way
- High performing culture with values and reputation as non-negotiables
- Willing to take appropriate geological, operational and financial risks
- A portfolio of up to 8 assets in Tier 1 jurisdictions generating superior returns
- Financial discipline around margin and appropriate capital returns

Sustainability objective

To deliver long-term stakeholder value through safe, reliable, low-cost gold production in an environmentally and socially responsible way

Values driven culture

Our values guide our behaviours and the decisions we make in the workplace every day

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

Respect
We trust each other, act honestly and consider each other's opinions

Progress on the execution of our growth strategy at our four cornerstone assets

Cowal

FY22

- Underground Mine development
- Integrated Waste Landform construction
- Commenced mining ore at Stage H

FY23

- Cowal Underground completion FY23
- Open Pit Continuation Feasibility Study due FY23

OBJECTIVE

320kozpa low-cost production outlook in FY24 and longer term goal of 350kozpa

Ernest Henry

FY22

- Full ownership acquired - exceptional returns delivered
- Material increase to Mineral Resource
- Mine Extension Pre-feasibility Study progressing

FY23

- Updated Ore Reserve
- Mine Extension Pre-feasibility Study due FY23

OBJECTIVE

Mine life extension beyond FY26

Red Lake

FY22

- Continued mining operational transformation
- Resources and Reserves expansion
- Campbell, Young And Dickenson (CYD) Decline development
- Processing optimisation - record throughput at Campbell and Red Lake plants

FY23

- Continued mining operational transformation
- Production from new high-grade mining front at Upper Campbell
- Mill Optimisation Study

OBJECTIVE

200koz production outlook in FY24 and longer term goal of 300kozpa+ low-cost production

Mungari

FY22

- Acquired and integrated Kundana assets – district consolidation, resources more than doubled, higher grade ore

FY23

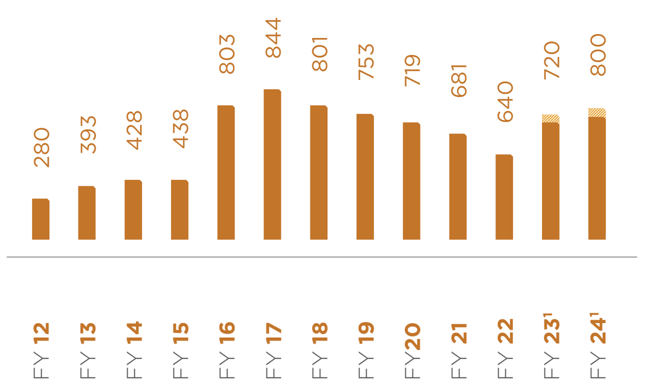
- Plant Expansion Feasibility Study by December 2022

OBJECTIVE

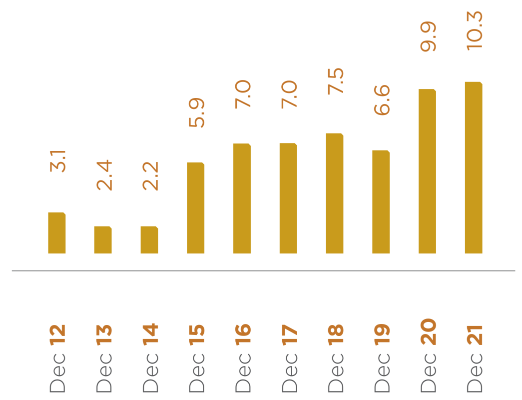
Opportunity for 200kozpa production through plant expansion

Key performance metrics since inception

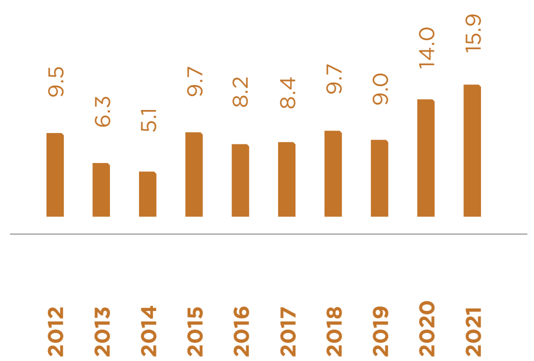
Gold production (koz)



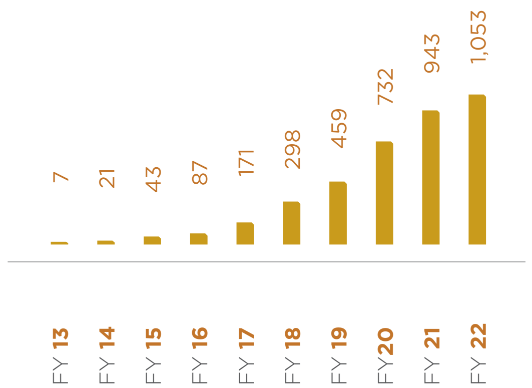
Ore Reserve growth since inception (Moz)



Reserve life[2] (years)



Cumulative dividends declared ($M) (pre-dividend reinvestment plan)

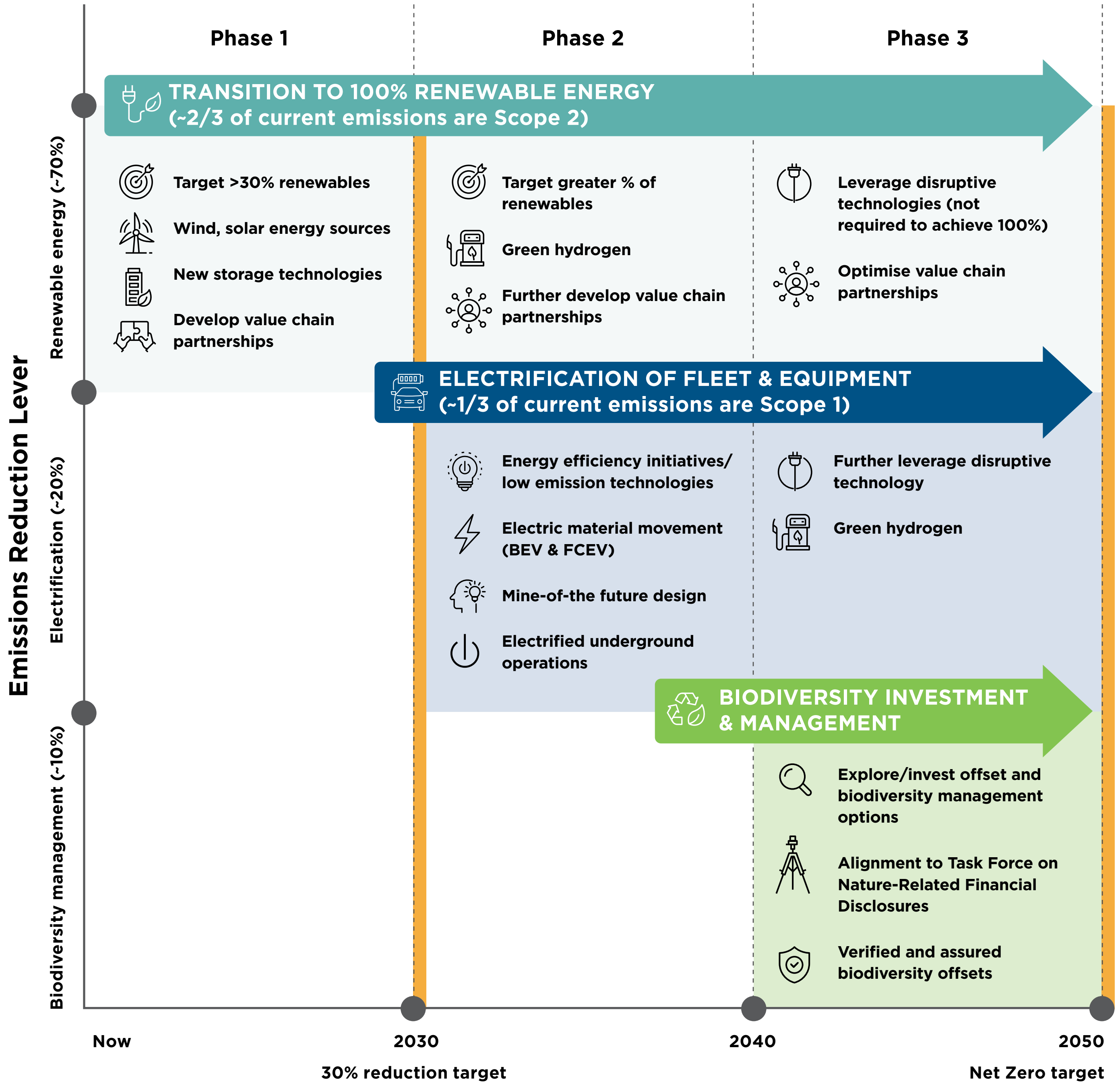


[1] Denotes production guidance and outlook published 27 June 2022 (+/-5%)
[2] Reserve life is total gold Ore Reserves divided by Group production (calendar year used for production)

Progress on our Net Zero strategy

Key FY22 achievements toward our Net Zero commitments of 30% emissions reduction target by 2030 and Net Zero by 2050 included:

- Emissions baseline and forecast validated
- Value chain emissions map developed
- Climate scenario analysis for energy and emissions and water security modelled at Cowal
- High-level site decarbonisation roadmaps developed
- Scoping and feasibility studies conducted on electric vehicle use at sites
- 7% reduction in emissions intensity per tonne mined (compared to FY20 baseline)



Building a reputation for quality and transparency in the reporting of our Sustainability performance

We proactively participate in a range of Sustainability surveys to help inform understanding and improve our Sustainability performance. Our Environmental, Social and Governance rating recognition over the past 12 months includes:

SAM Now a Part of S&P Global

Inclusion in the 2021 Dow Jones Sustainability Index Australia (one of only three gold companies) – a score of 53 was achieved, a 4% increase from FY21 (industry average of 34)

MSCI ESG RATINGS AA

A high rating of 'AA' (on a scale of AAA-CCC) by Morgan Stanley Capital International (MSCI) – scoring 5.9 compared to the industry average of 4.7. Placed among the top five industry leaders for Labor Management, Anticompetitive Practices and Business Ethics & Fraud

SUSTAINALYTICS RATED

Improved ESG Risk Rating from '40.2' in FY21 to '29.2' in FY22 and ranked 24 out of 123 companies in the precious metals industry and 19 out of 96 in the gold subindustry in Sustainalytics' 2021 ESG ratings

ISS ESG

ISS ESG ratings: improved ESG scores including a Level 1 (highest) for Environment and Level 2 for Social

Australasian Reporting Awards: Silver and Bronze for Evolution's Annual and Sustainability Reports 2021

NSW MINING

Winner of the 2022 NSW Minerals Council Health, Safety, Environment and Community Excellence Award

Chief Operating Officer's review

The 12 months of FY22 was one of the busiest and most exciting periods of Evolution's history. I'd like to start by recognising our people, who continue to demonstrate their tenacity and dedication to our pursuit of being a premier global gold company. On top of the day to day running our operations, we also completed three transformative deals in the period which have enhanced our portfolio and future growth options. The quantum of additional work that goes into the pre-transaction due diligence and post-deal integration is extensive and without our people, these transactions would not have been possible.

With the Kundana and Ernest Henry transactions, we now have five substantial growth projects across our assets in varying stages of maturity: Red Lake CYD Decline, Cowal Open Pit Continuation (OPC) Feasibility Study, Mungari Plant Expansion Feasibility Study, Ernest Henry Mine Extension Pre-Feasibility Study and the Mt Rawdon Pumped Hydro. These projects are vital to the future of our business and require a constant focus to ensure they are delivering the best outcomes. In November 2021 my team was expanded to include a General Manager – Projects to provide cover for these important growth options.

We are committed to an improved health and safety performance with a heavy focus on leading indicators, increased reporting, field leadership, action closure discipline and high-quality safety interactions. This focus saw overall improvements in these leading indicators across the Group, with delivery on or better than target. The total recordable injury frequency (TRIF) was 10.66 (including six months at Ernest Henry) at 30 June 2022. Mungari showed significant improvement throughout the year, reducing their TRIF by 60% from 30 June 2021 through increased leader time in field.

Our people demonstrated resilience and strong risk management through the COVID-19 pandemic. Operations were maintained, supported by protocols developed to minimise risks to our people and communities that allowed safe production during this challenging time. Notwithstanding these measures, regulatory isolation requirements resulted in high levels of COVID-19 related absenteeism across many of our sites which adversely impacted performance during the year. We continued to assist our local communities impacted by the pandemic by providing direct and indirect support, contributing over $2.5 million since the pandemic began.

Sustainability performance remains a prerequisite to our success as a business, and year by year becomes an increasingly important element of our social licence. In FY22, we continued to focus on addressing greenhouse gas emissions by assessing initiatives to improve energy efficiency and to identify lower-carbon energy sources. Each operation developed a high-level decarbonisation roadmap with a near-term focus on renewables, medium-term focus on investing in low emission technologies and longer-term focus on biodiversity management. We also continued to collaborate with industry partners to develop technological solutions for emissions reductions through groups such as the Electric Mine Consortium.

On the production front, we finished FY22 with 640,275 ounces produced at an AISC of $1,259 per ounce (US$914/oz). Production was below guidance, driven largely by the slower ramp up at Red Lake and weather and geotechnical challenges at Mt Rawdon. Excluding these, the other sites delivered to within 5% of their plans despite impacts from COVID-19, La Nina and inflationary effects faced during the year. We have learned a lot from Red Lake's performance and their FY23 plan has been geared towards delivery.

We have built and fostered a culture where our people 'Act Like an Owner' (ALO) by treating Evolution as if it is their own business. In FY22, 97 Group ALO initiatives were approved that delivered significant value for the business through change, improved safety, innovation, cost reductions and efficiency gains. On a related note, our Data Enabled Business Improvement (DEBI) innovation program also saw huge success in FY22 with over $32 million in value added to the business versus a target of $21 million. We have lifted the FY23 target back up to A$40 million and look forward to seeing what initiatives Ernest Henry and a consolidated Mungari will bring.

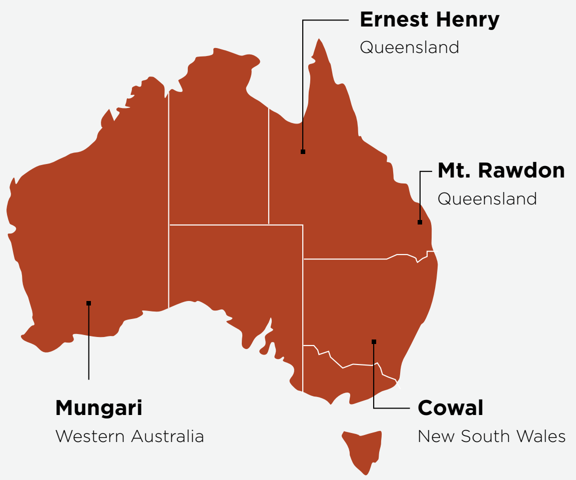
In terms of building our team, we are proud that our graduate program received a record of more than 1,200 applications for 31 positions in Australia and Canada. We were overwhelmed by the exceptional energy, talent and capacity of the individuals who applied in what is now the eighth year of this important program. We know we are developing the future leaders of our business and our industry.

Looking ahead, the upgrades made to our portfolio in FY22, together with the growth projects and studies underway, provide us with a strong outlook. In the next few years, our production is planned to increase by around 25% while maintaining a very low-cost position. In FY23, production is forecast to increase by 12.5% to around 720,000 ounces and increase by a further 11% to around 800,000 ounces in FY24. All-in Sustaining Cost (AISC) is expected to be maintained at around A$1,240 per ounce in FY23 and FY24.

Our focus in FY23 will remain on what matters the most: keeping our people healthy and safe, strengthening our values driven culture, and reliably delivering to plan. The activity in FY22 has positioned us well with a quality portfolio of low-cost, long-life assets with immense opportunity for growth. I am excited for what the future brings for Evolution and our people as we continue to elevate our business in pursuit of our vision and strategy

Yours faithfully

BOB FULKER
CHIEF OPERATING OFFICER



Operations

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 227,105 ounces of gold produced at an AISC of $1,245 per ounce. Production was within 5% of guidance, despite significant impacts from COVID-19 and significant weather events affecting the mining plan.

Operating mine cash flow was $247.4 million, sustaining capital was $30.9 million and major capital was $229.9 million in line with supporting the operation's growth plans.

Capital expenditure in FY22 consisted of investment in major projects including Underground Mine Development, construction of the Integrated Waste Landform (IWL) tailings facility, and Stage H mine development.

Gold production in FY23 is guided to increase to 275,000 ounces at an AISC of $1,250 per ounce (+/- 5%) and production is forecast to increase to 320,000 ounces in FY24 as underground production ramps up.

The development of the Cowal Underground Mine with a planned capital investment of $380 million is progressing well and is on budget and schedule for critical path activity, with cost inflation absorbed within the project contingency. All material contracts have now been executed. Approximately 6,450 metres of underground development has been completed to 30 June 2022 and first production ore is on schedule for the June 2023 quarter.

The development of the Underground Mine will enable Cowal's production to grow to a goal of 350,000 ounces of low-cost gold a year and extend its mine life to 2040, while injecting significant economic benefit for all stakeholders. The Underground Mine will provide a higher-grade ore source that will be blended with the current E42 open pit and stockpile ore.

We are in the early stages of developing a proposed extension of the current open pit plan, referred to as the Open Pit Continuation (OPC) Project. The OPC Project will extend the current approved mining operations by two years (from 2040 until 2042). Visit our website for regular updates about the OPC Project, as it progresses through the environmental impact assessment. **https://evolutionmining.com.au/cowal/**

Note: All metal production is reported as payable

Ernest Henry

The Ernest Henry copper-gold operation is a large-scale, long-life asset located 38km north-east of Cloncurry, Queensland on the traditional lands of the Mitakoodi people. The operation commenced as an open pit mine in 1998 and transitioned to underground mining in 2011. The operation employs a low-cost and highly efficient sub-level caving ore extraction method.

On 6 January 2022, we acquired a transformational 100% ownership of Ernest Henry (economic effective date 1 January 2022) resulting in a material uplift in production and cash flow from this asset in FY22.

Gold production in FY22 was 84,145 ounces at a record low AISC of negative $1,680 per ounce driven by the increased copper production in H2 FY22 following 100% ownership. Operating mine cash flow was $474.2 million, sustaining capital was $28.0 million and major projects capital was $10.8 million.

FY23 production is planned to be approximately 82,000 ounces of gold and 55,000 tonnes of copper at an AISC of negative $2,600 (+/- 5%).

The Mine Extension Pre-feasibility Study from the 1,125RL to 775RL is progressing well and due for completion by December 2022. The study will benefit from the results of the current surface drilling programs targeting the ore body at a more optimal angle, and the updated Mineral Resource estimate at 30 June 2022, which resulted in a material increase (~24%) in the reported Mineral Resource to 88.3 million tonnes at 1.28% copper and 0.73g/t gold.

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, on the traditional lands of the Wabauskang and Lac Seul First Nation Peoples. Acquired in April 2020, an operational transformation plan is underway to restore Red Lake to a premier Canadian gold mine with a production goal of greater than 300,000 low-cost ounces per annum.

The Red Lake operation post transformation will consist of the Red Lake, Campbell, Cochenour and McFinley mining areas that will provide ore to the Campbell, Red Lake and Bateman mills. A Mill Optimisation Study is currently underway to determine the most value-accretive use of our processing facilities.

In our second year of ownership, Red Lake produced 115,276 ounces of gold at an AISC of $2,519 per ounce. FY22 performance was below plan largely due to COVID-19 related absenteeism and procurement delays. Performance improved progressively throughout the year with positive quarterly trends on underground development metres, ore mined, grade, ore haulage and tonnes processed, and the operation is now operating at the run rates required for FY23 production guidance. Operating mine cash flow was $35.2 million, sustaining capital was $45.8 million and major capital was $153.4 million in line with supporting the operation's transformation and growth plans.

Production is planned to increase by approximately 65% over next two years with FY23 production to increase by 35% to approximately 160,000 ounces and FY24 production to increase by a further 25% to approximately 200,000 ounces (+/- 5%). FY23 AISC is guided at $1,880 per ounce (+/- 5%).

Notable milestones achieved in FY22 include:

- Development metres consistently above the 1,200m per month target
- Continued improvements in drill and blast performance including a significant increase in production drilling driving increased drill stocks and improved stope turnover rates
- First ore mined from the higher grade MMTP and Aviation zones
- CYD decline development nearing completion – provides independent access to the Upper Campbell and HG Young ore bodies where 16 million tonnes at 9.4g/t gold for 4.8 million ounces of Red Lake's 53.6 million tonnes at 6.8g/t gold for 11.7 million-ounce Mineral Resource estimate is situated
- Record throughput performance at Campbell and Red Lake process plants in March processing 90,000 tonnes which is the highest throughput achieved in the history of the operation. The Campbell mill achieved a record 2,163tpd during the mill expansion trial period[1].
- Commissioned first underground battery electric loader and the mining control room which will drive operational efficiency improvements
- Commissioned new locomotives for the High Speed Tram which has enabled a significant increase in ore haulage from Cochenour to Reid shaft

[1] Permission granted for the daily throughput restriction of 2,000tpd to be lifted for a limited trial in the June 2022 half-year to support the Campbell mill expansion

An operational transformation plan is underway to restore Red Lake to a premier Canadian gold mine with a production goal of greater than 300,000 low-cost ounces per annum

Reid and Campbell shafts, Red Lake, Ontario, Canada. Image capturing the Northern Lights.

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.

The acquisition of a portfolio of high-grade underground mines (Kundana assets) within 8km of Mungari's plant elevated Mungari to our fourth cornerstone asset, creating a pathway to production of 200,000 ounces per annum. Mungari now consists of three operating underground mines, an open pit and a 2 million tonne per annum plant.

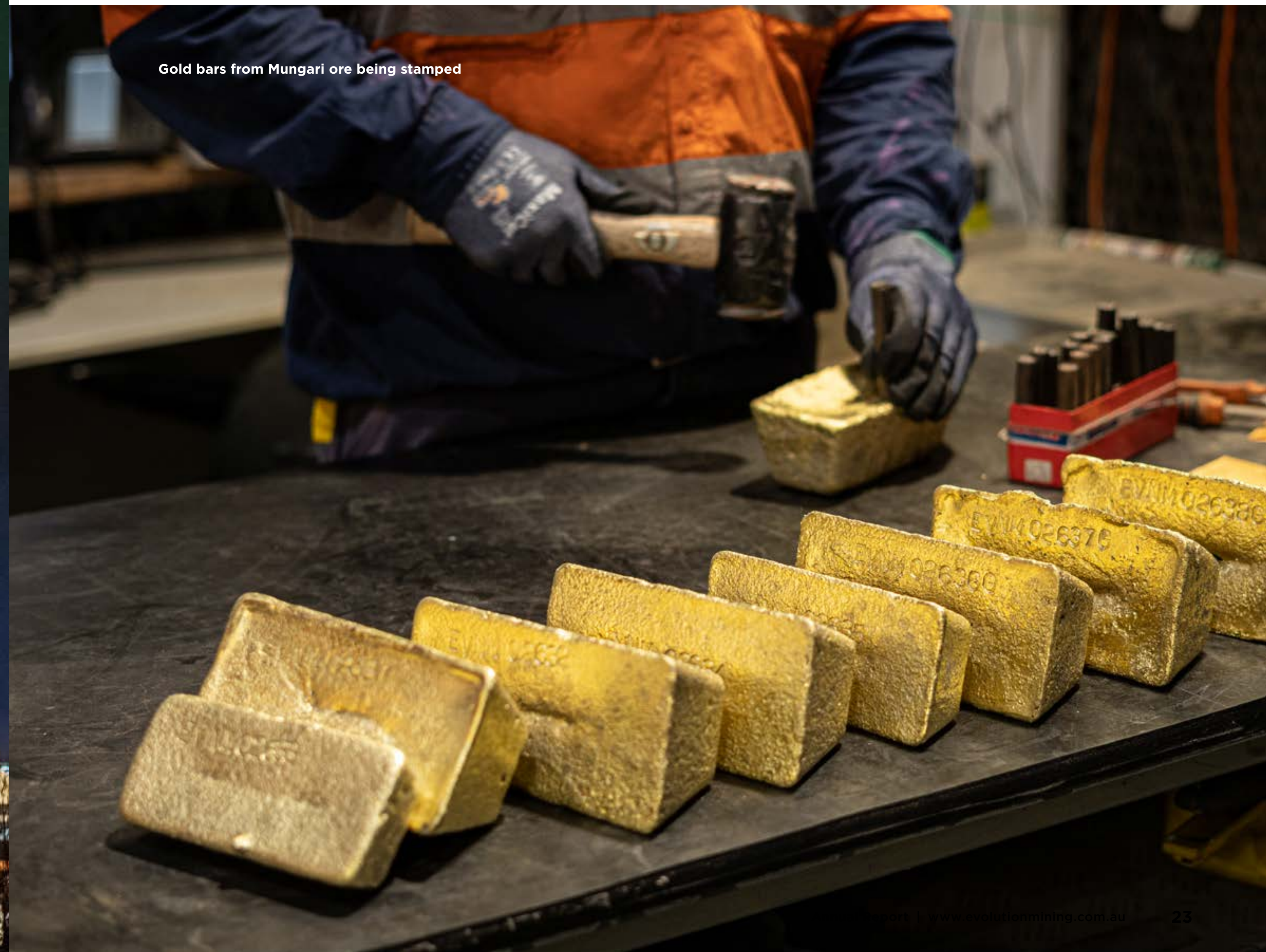
The integration of the Kundana assets is well underway to create "One Mungari" with standardised systems and processes, and the sharing of equipment and workforce across what were previously three separately run operations. Cost reductions are continuing through site synergies and contract consolidations which will continue through FY23.

Mungari contributed 138,035 ounces to the Group's overall gold production, a 19% increase on FY21, at an average AISC of $1,931 per ounce.

Operating mine cash flow was $84.8 million, sustaining capital was $30.3 million and major projects capital was $41.8 million.

Mungari achieved throughput of 1,861,000 tonnes at an average grade of 2.77g/t gold with gold recoveries of 91.2%. Gold production of approximately 127,500 ounces (+/- 5%) is planned in FY23 and FY24. FY23 AISC is guided at $2,040 per ounce (+/- 5%).

The Plant Expansion Feasibility Study currently underway will provide the option to grow to a 4.2 million tonne per annum processing capacity and the pathway to 200,000 ounces per annum, subject to and is due for completion in December 2022.



Gold bars from Mungari ore being stamped

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 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 60,004 ounces of gold at an AISC of $1,782 per ounce in FY22. The production result was lower than plan with extreme weather events creating operational challenges due to instability in the North Wall during the March quarter. Processing throughput was strong but production was impacted due to processing of low grade stockpiles whilst the wall issues were being managed. Access to higher grade ore was re-established in the June 2022 quarter. Operating mine cash flow was $39.8 million, sustaining capital was $8.3 million and major projects capital was $22.6 million.

Gold production is planned to be approximately 75,000 ounces (+/- 5%) in FY23 and FY24. FY23 AISC is guided at $1,950 per ounce (+/- 5%).

Evolution is progressing a Feasibility Study into the Mt Rawdon Pumped Hydro (MRPH) Project, which is reviewing the conversion of the existing open pit into a 1-2GW pumped hydro project post mine life. The Feasibility Study is being completed with our partner, Ironstone Capital Australia, and is due for completion in June 2023. Evolution will retain a 50% share of the MRPH Project if the project proceeds.

The MRPH Project is currently planned to be commissioned in 2028 and will support the Queensland government's target of achieving 50% renewable energy by 2030 as well as the Federal government's 43% 2030 emissions reduction target. The project also delivers on our social responsibility commitment of leaving a positive legacy for the communities in which we operate beyond the life of the mine.

Mt Carlton

Mt Carlton was divested effective from 1 October 2021. For the three months under the Group's ownership, Mt Carlton produced a total of 15,710 ounces at an AISC of $1,823 per ounce. Mine operating cash flow was $11.8 million. Net mine cash flow was $8.2 million, generated post sustaining capital of $2.7 million and major capital of $1.0 million.

FY23 guidance and FY24 outlook

Group production for FY23 is guided to increase 12% on FY22 to 720,000 ounces (+/- 5%) and the outlook for FY24 is expected to increase a further 11% to 800,000 ounces (+/- 5%). This will deliver a total increase of 25% over the two years.

The FY23 AISC guidance and FY24 AISC outlook is expected to be approximately $1,240 per ounce (+/- 5%) (~US$870/oz), continuing to place Evolution as one of the lowest cost, global gold producers.

Sustaining capital is guided to be approximately $190 – $240 million in FY23 with the same outlook for FY24. Capital in FY23 includes fleet replacement at Ernest Henry given the confidence of a mine life extension. The main driver to the change to the FY24 outlook is at Cowal, due to higher underground mine development rates linked to the latest mine plan.

The guidance for FY23 major capital remains unchanged at $530 – $600 million while the outlook for FY24 has been lowered to $330 – $380 million. The majority of this capital is for development of the Cowal Underground mine; the transformation of Red Lake; and progressing studies on growth opportunities at Cowal Open Pits, Ernest Henry Extension, and Plant Expansion at Mungari.

The guidance and outlook for both sustaining and major capital is also being impacted by some investment in FY22 being deferred or delayed into FY23.

For further information on Production Targets and Forecast Financials, refer to the ASX release titled "Business Update" dated 27 June 2022 available to view at www.evolutionmining.com.au. The Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets in the 27 June 2022 release continue to apply and have not materially changed.

FY23 guidance	Gold production (oz) (+/- 5%)	AISC[1] ($/oz) (+/- 5%)	Sustaining capital ($M)	Major capital ($M)
Group	**720,000**	**1,240**	**190 – 240**	**530 – 600**
Cowal	275,000	1,250	40 – 50	325 – 360
Ernest Henry	82,500	(2,600)	65 – 80	35 – 45
Red Lake	160,000	1,880	50 – 60	130 – 150
Mungari	127,500	2,040	30 – 40	40 – 45
Mt Rawdon	75,000	1,950	5 – 7.5	
Corporate			0 – 2.5	

FY24 outlook	Gold production (oz) (+/- 5%)	AISC[1] ($/oz) (+/- 5%)	Sustaining capital ($M)	Major capital ($M)
Group	**800,000**	**1,240**	**190 – 240**	**330 – 380**
Cowal	320,000			
Ernest Henry	80,000			
Red Lake	200,000			
Mungari	125,000			
Mt Rawdon	75,000			

(1) AISC is based on Gold price of $2,400/oz (royalties) and Copper price of $12,500/t (By-product credits)

Discovery

"We have a world-class exploration team and have acquired assets in highly endowed gold districts"

Analysing RC sample spoils using an ASD Terraspec Halo mineral analyser

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 have a world-class exploration team and have acquired assets in highly endowed gold districts.

Our Discovery group had another outstanding 12 months in FY22. This year we brought several projects to decision points (Connors Arc, Murchison, E39) and took over direct management of the rapidly progressing Cue Joint Venture Earn-In. We also staked a large (>750 km^2) new greenfields tenement package in Ontario, Canada called Lake St. Joseph about 200km east of Red Lake. We continued to invest significantly in the technical development of our people and provided opportunities for them to upskill and gain experience across our diverse portfolio.

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:

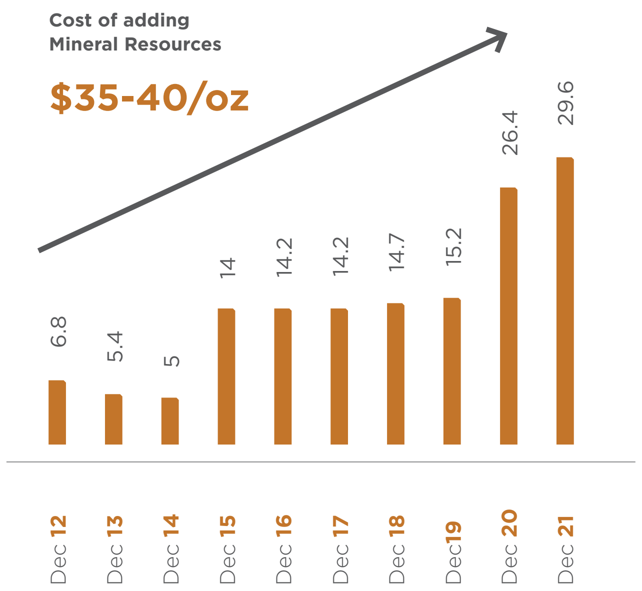
- Key mineral systems elements such as geologic architecture, fluid and metal sources, and the drivers and traps capable of producing world-class gold deposits
- Footprint scales demonstrating size and grade potential for an Evolution-scale mining operation. Distribution patterns of low-level gold, pathfinder 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 FY22, our Discovery team was exploring approximately 6,447km^2 of granted tenements and mining leases with applications for 97km^2 pending. These tenements are either 100% owned by Evolution or subject to earn-in or joint venture agreements.

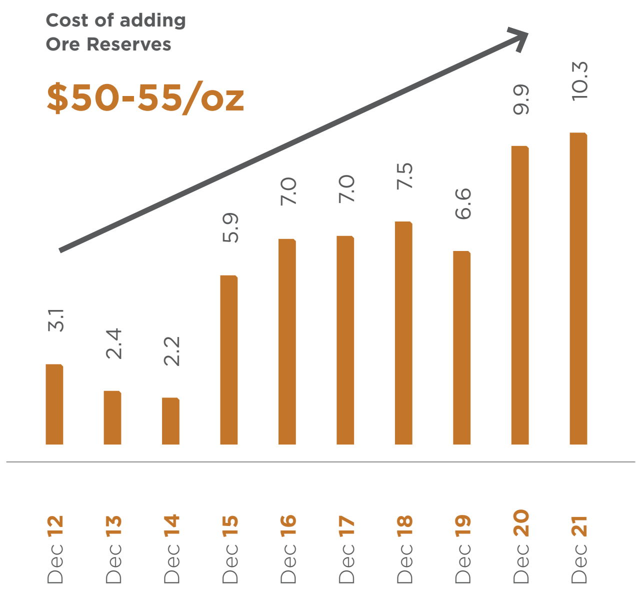
Total expenditure for FY22 was $58.8 million. A total of 140km of drilling was completed across the Group. Drilling expenditure in FY23 is guided to be approximately $60-$65 million.

In FY23, approximately 72% of our discovery investment will be directed to resource growth and to deliver new discoveries near our operating mines.

Mineral Resource growth since inception (Moz)[1]



Ore Reserve growth since inception (Moz)



[1] The Group Gold Mineral Resources are reported as at 31 December 2021 and therefore exclude an additional 405koz in the interim Ernest Henry Mineral Resource update which was depleted to 30 June 2022 (reported on 1 August 2022)

Ernest Henry core yard

Cowal

We have grown the Mineral Resources and Ore Reserves of the world class Cowal orebody since acquisition in 2015 by 6.2 million ounces and 3.0 million ounces respectively[11]. The Cowal Mineral Resource is now estimated at 305.3 million tonnes at 0.98g/t gold for 9.62 million ounces and the Ore Reserve is estimated at 138 million tonnes at 1.03g/t gold for 4.59 million ounces.

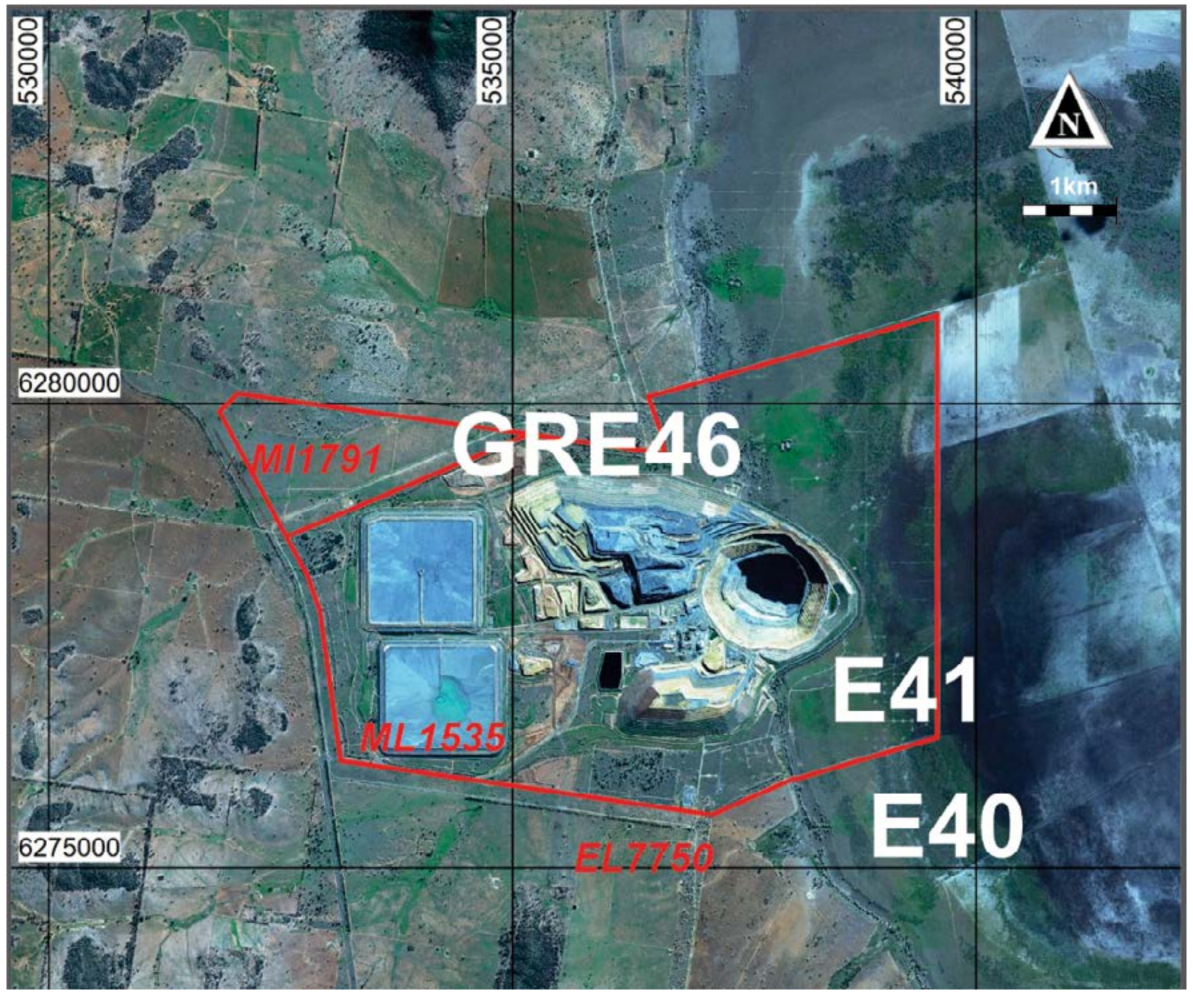
Further growth opportunities include extensions to the Cowal Underground and expansion of the E42 pit and satellite pits.

FY22 drilling resulted in the refinement of the geological interpretation of the Dalwhinnie, Galway and Endeavour zones within the GRE46 underground orebody. The Cowal Underground Mineral Resource is now estimated at 35.7 million tonnes at 2.41g/t gold for 2.77 million ounces and Reserves are estimated at 14.4 million tonnes at 2.31g/t gold for 1.07 million ounces.

Underground diamond drilling ahead of pre-production infill drilling was undertaken to build grade-controlled stopes for early years of the underground production schedule at GRE46. Drilling focused on the Galway and upper Dalwhinnie zones.

Surface diamond drilling to support geotechnical and metallurgical Ore studies into open pit extensions around the E42 open pit was conducted.

Early-stage exploration continued at E39 located 5km south of E42. The drilling targeted porphyry copper style mineralisation and returned strongly anomalous copper intervals over variable widths. A last round of drilling is being planned to test two remaining areas where there is sufficient space to host the scale of intrusive system that would be required to deliver an economic success albeit at higher grades than have been encountered to date.



Location map of Cowal resource definition and regional projects in FY22

[11] Information on Mineral Resources and Ore Reserves is proved on pages 36 to 43 of this Annual Report

Ernest Henry

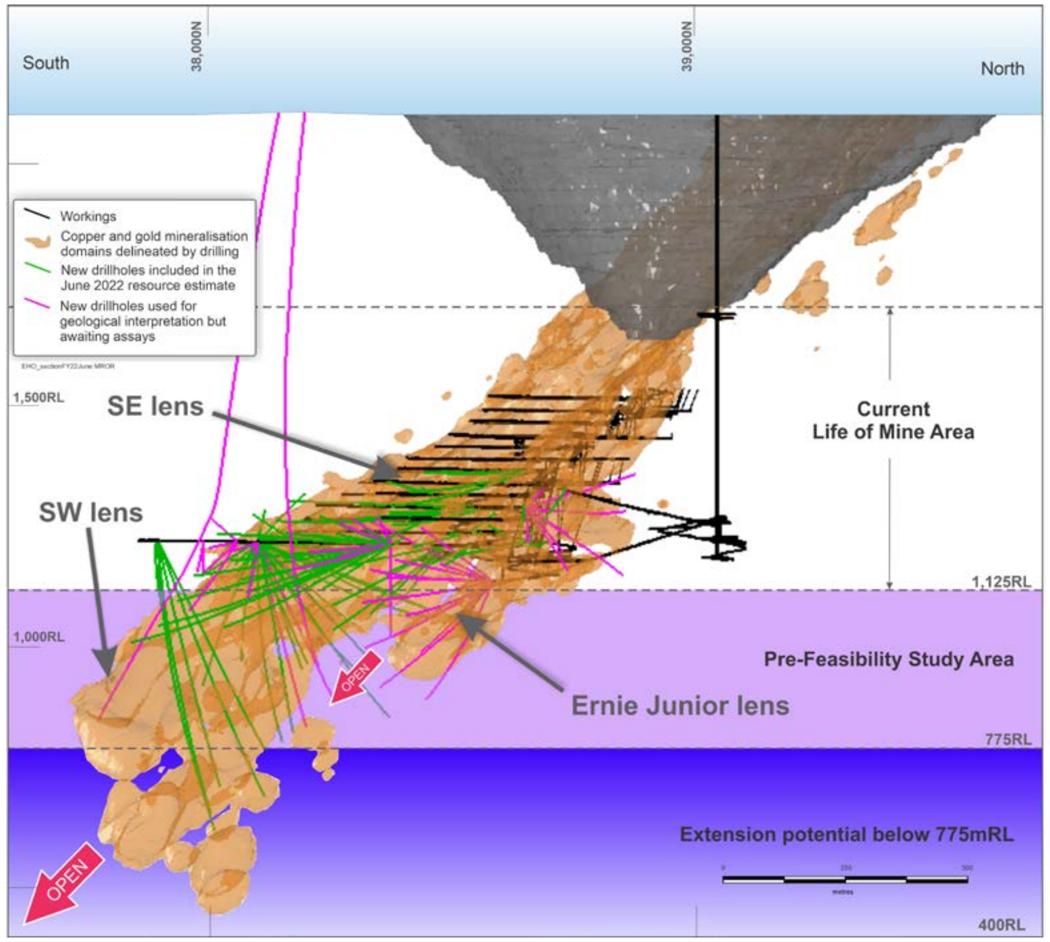
A material increase to the Mineral Resource was reported on 1 August 2022. The Mineral Resource is now estimated at 88.3 million tonnes at 1.28% copper and 0.73g/t gold for 1.13 million tonnes of copper and 2.07 million ounces of gold net of mining depletion as of 30 June 2022 (Dec 2021: 71.4Mt, 885kt copper, 1.67Moz gold). Further growth potential exists with mineralisation intersected 300m vertically below the Mine Extension Pre-Feasibility Study (below the 775mRL).

The Mineral Resource classifications were also significantly upgraded with 10.9 million tonnes (82% increase) of Indicated Mineral Resources upgraded to the Measured resource category and 6.2 million tonnes (19% increase) of Inferred Mineral Resources upgraded to Indicated resource category.

The new model includes 30,159 metres of new drilling from 119 drillholes for a total aggregate increase of 28% in contained copper and 24% in contained gold, along with upgrades to the Mineral Resource classifications. The update includes all drilling results to 31 May 2022 and the model is depleted for mining to 30 June 2022. The Mineral Resource was estimated into an interpreted 0.7% copper grade shell consistent with the previous estimate completed by Glencore.

Surface drilling commenced in the June quarter targeting specific areas between the 1,200mRL and 775mRL which have been difficult to access by the underground drilling. The purpose of the surface holes is to drill the ore body at a more optimal angle, continue upgrading resource classification and to further delineate extensions of mineralisation where they remain open within the Pre-feasibility Study window. Future underground drilling will link to extending the decline and establishing better drill positions to intersect extensions of the orebody at depth.

The Mine Extension Pre-feasibility Study, due for completion by December 2022, will benefit from the results of the current surface drilling programs and the results of the updated Mineral Resource estimate. Drilling results will be included in the December 2022 Mineral Resource and Ore Reserve update.



Schematic north-south section looking west of the Ernest Henry orebody showing a total of 119 drillholes totalling 30,159 metres included in this Mineral Resource update. A total of 71 drillholes (green) totalling 16,726m had assay results while 48 drillholes (pink) totalling 13,433m were awaiting assay results

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. The region has outstanding potential with little exploration in rock types not previously considered prospective and represents some of the greatest resource and exploration upside in the Evolution portfolio.

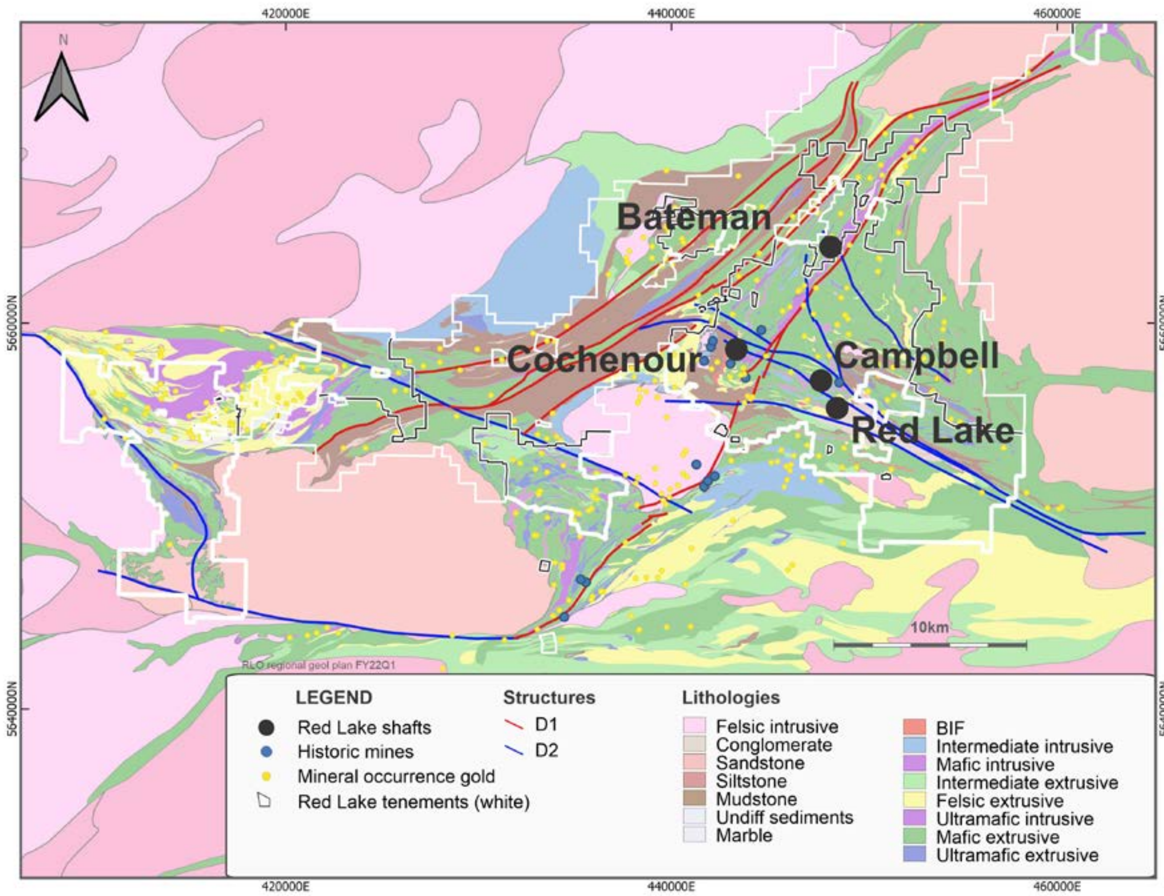
The Mineral Resource at 31 December 2021 is estimated at 53.6 million tonnes at 6.82g/t gold for 11.7 million ounces, an increase of 689,000 ounces (6%) compared to December 2020 estimate. This estimate includes the Maiden Mineral Resource of the Bateman Gold Project of 5.1 million tonnes at 4.60g/t gold for 757,000 ounces.

FY22 resource definition drilling focused on reserve conversion priorities anticipated to come into the production schedule over the next 12 to 24 months at Red Lake and Campbell. Step-out drilling targeted the gap between the Deep Sulphides and Aviation areas as well as the down-plunge extension of Cochenour.

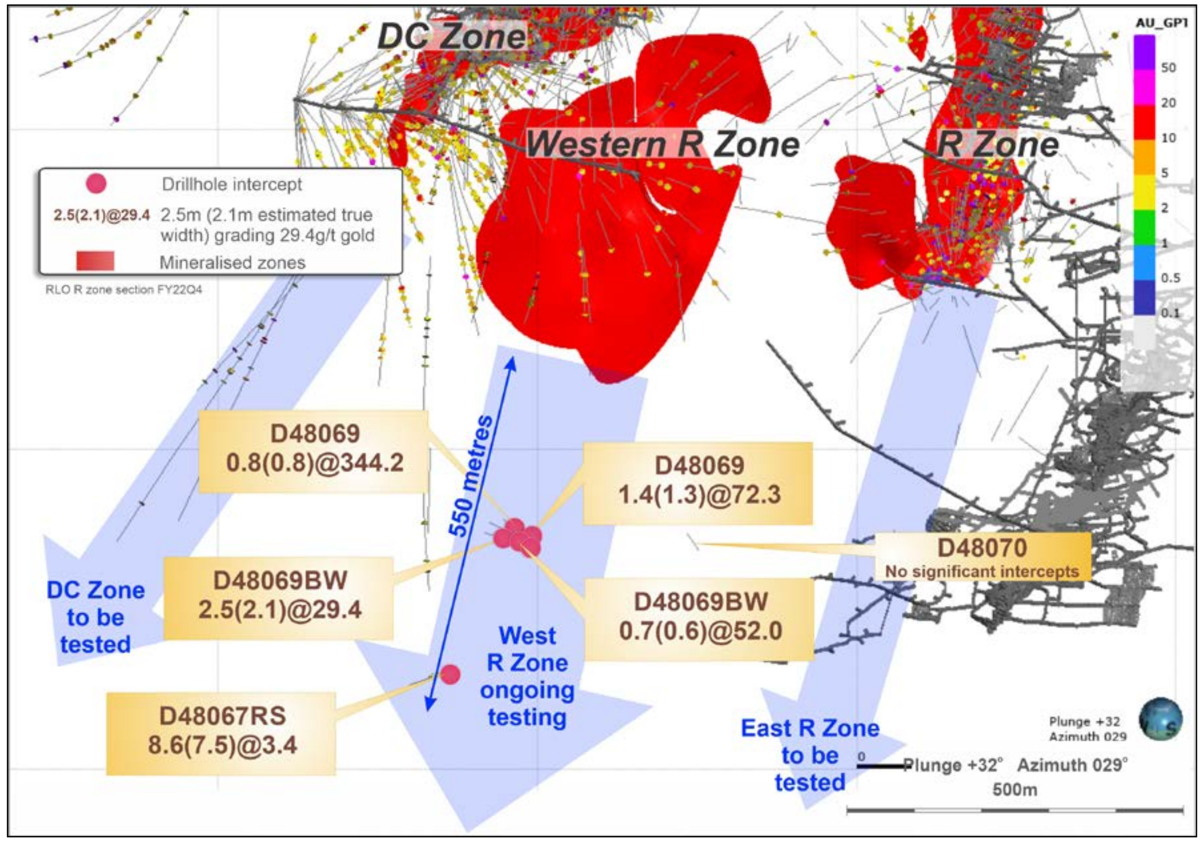
Discovery drilling at Lower Campbell tested the continuity of high-grade mineralisation along the Western R-Zone structural corridor. Results confirmed grade continuity and highlight an opportunity for significant resource potential between these intercepts at the bottom of the Lower Campbell Mineral Resource. Drilling is planned to extend the Mineral Resource into the 550m gap to FY22 drill intercepts.

At the Bateman project, drilling has confirmed extensions to known mineralisation within the McFinley deposit adjacent to the historic property boundary.

In FY23, a focus remains on converting the substantial resource base, especially at the higher grade Upper Campbell orebody, and testing near mine high-grade zone like targets. Regionally, our focus is on targets within younger volcanic packages that show the potential for a stand-alone mine or displace higher cost ounces in the mine plan.



Plan view of Red Lake belt showing extent and location of Evolution tenements



Inclined long section view showing significant intersections (>4g/t gold) from diamond drilling targeting the interpreted extension of the Western R Zone structure at Lower Campbell (development unsliced)

This information is extracted from ASX releases entitled "March 2022 Quarterly Report" dated 21 April 2022 and "December 2021 Quarterly Report' dated 27 January 2022 available to view at www.evolutionmining.com.au. Evolution confirms that it is not aware of any new information or data that materially affects information included in these releases. Evolution confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market release. Reported intervals are downhole widths as true widths are not currently known. An estimated true width (etw) is provided. The Red Lake Competent Person for the reporting of exploration results is Daniel Macklin

Diamond and sonic drilling on East Bay during the 2021-2022 winter, Bateman plant in the background

Mungari

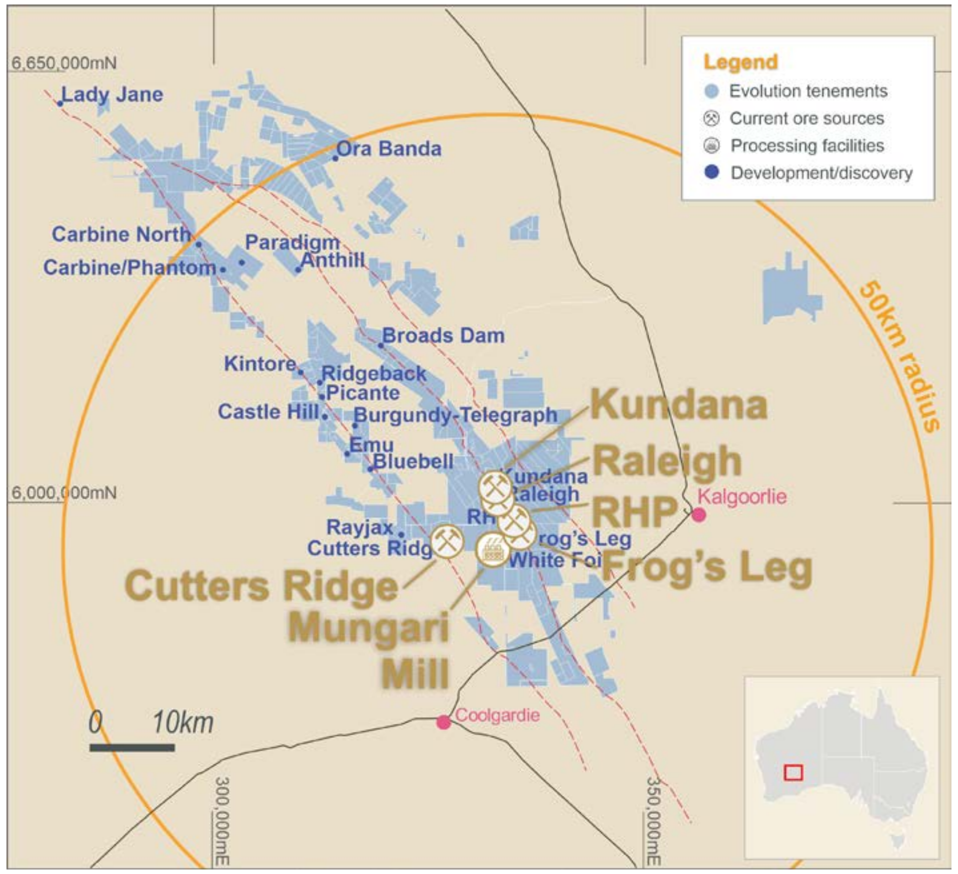
Upside potential at Mungari, particularly Kundana, was reinforced by drilling in FY22 which delineated new areas of high-grade mineralisation very close to existing areas of development.

Resource extension drilling at Kundana included several holes drilled 30 to 50m beyond the main Xmas ore body structure to intersect and extend the Xmas Hangingwall Lode (Genesis). An Inferred Mineral Resource for the Xmas Hangingwall Lode was updated to 65,000 tonnes at 46.7g/t gold for 97,000 ounces at 31 December 2021. Drilling results are important because they locate and extend the vein structure down dip and along strike. Future drilling will target the high-grade lode portion of the structure with the aim of expanding the Mineral Resource into these locations.

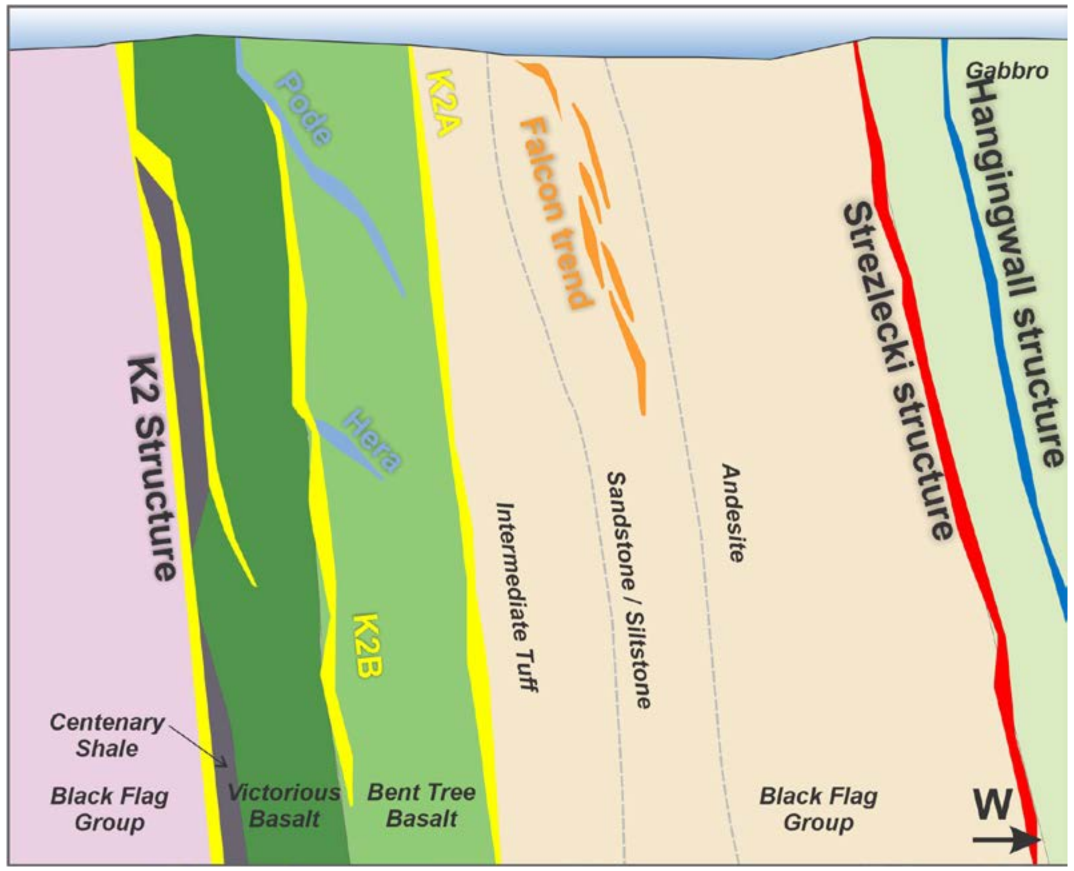
The vein averages 30cm wide and has been modelled along the same structural position as the Skinner's trend at Raleigh and is interpreted to link to a similar position in the hangingwall of the Strzelecki Lode. The Strzelecki hangingwall position has not been effectively tested and represents a new target opportunity at Kundana with a strike potential of 500m.

Mary Fault drilling at Rubicon/Hornet/Pegasus (RHP) underground at East Kundana supports the potential for a future resource.

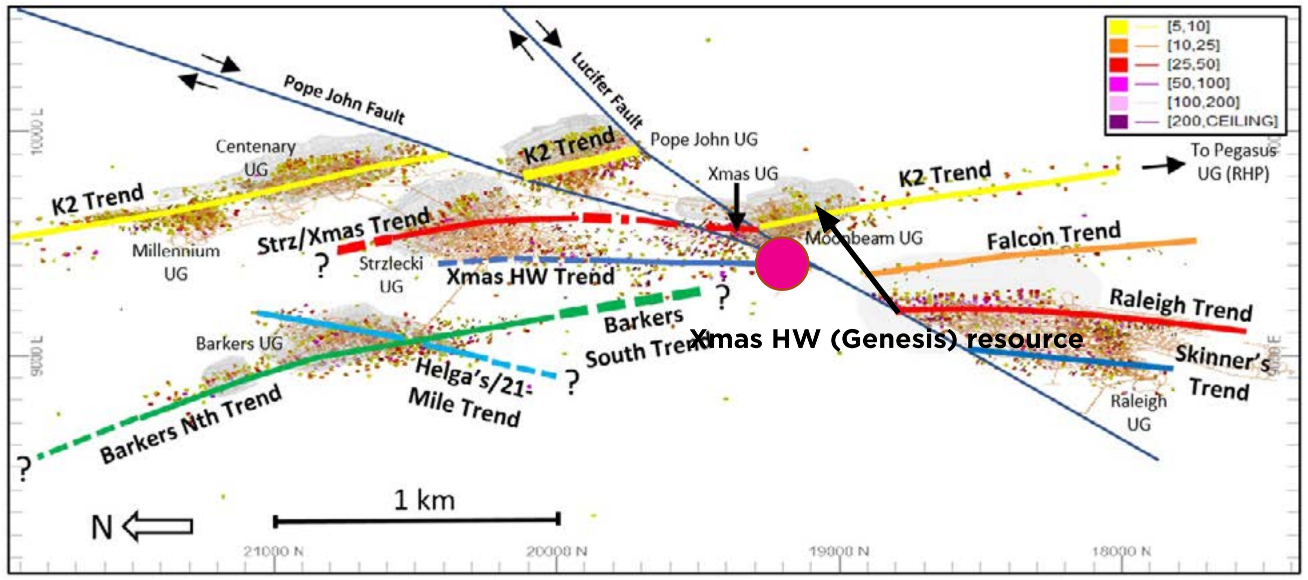
Mungari Mineral Resources are estimated at 76.1 million tonnes at 2.00g/t gold for 4.9 million ounces. Ore Reserves are estimated at 20.6 million tonnes at 1.86g/t gold for 1.2 million ounces.



Location map of Mungari resource definition and regional projects



Schematic cross section of mineralised horizons at Kundana



Plan view of mineralisation trends at Kundana including Xmas hangingwall

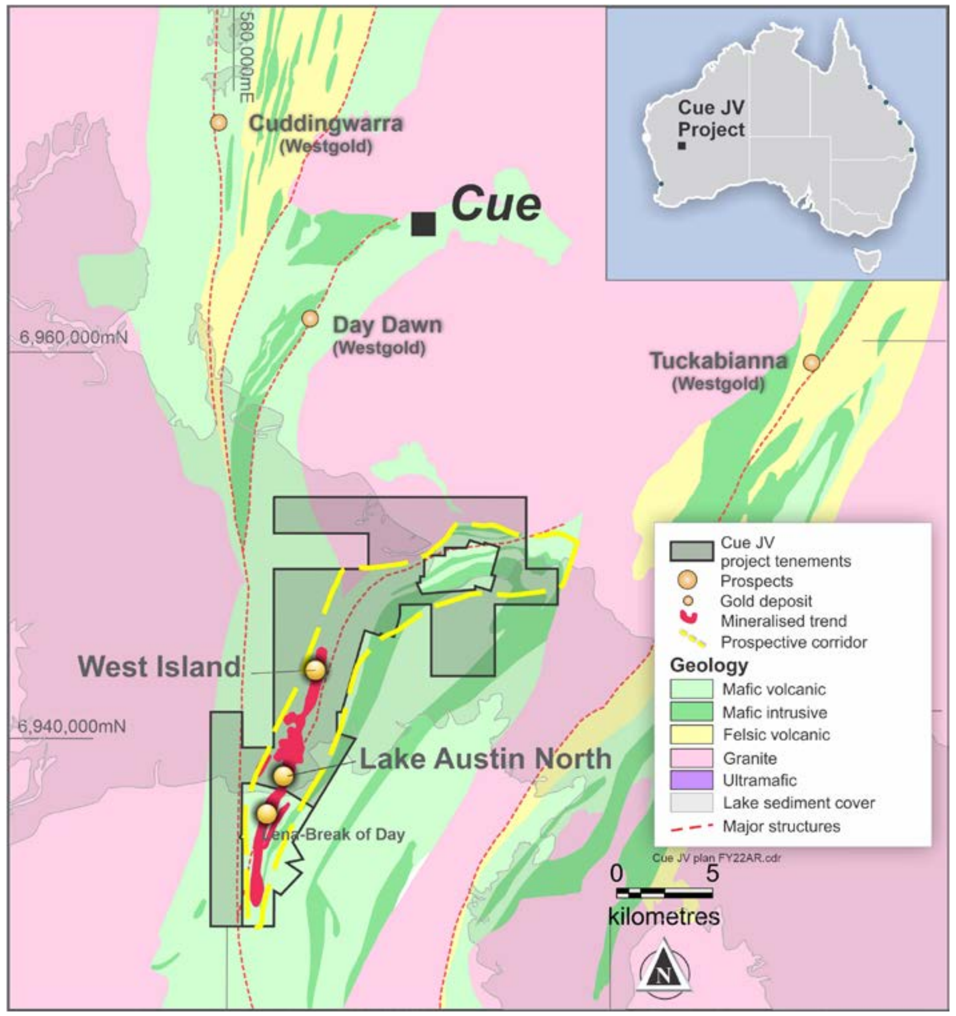
Cue project, WA (earning 75%)

In September 2019, we entered into an earn-in joint venture agreement with Musgrave Minerals Limited (ASX:MGV) ("Musgrave") 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. We commenced to act as the Earn-in Manager from 1 January 2022.

The Cue project is approximately 30km south of Cue and is prospective for Archaean greenstone gold deposits. The Cue joint venture covers a prospective mineralised trend which is north of 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.

Diamond drilling in FY22 focused on delineating the scale of the new high-grade zone identified in FY21 at West Island as well as testing additional gold-in-regolith aircore anomalies and defining new diamond drilling targets through aircore drilling. Diamond drilling confirmed the geological model developed at West Island whereby mineralisation is hosted in multiple mineralised sulphide lodes of limited strike constrained by the favourable dolerite host unit. Results from aircore drilling continues to delineate the favourable dolerite unit along strike which is important for hosting the better grades at West Island and has extended the gold mineralised footprint to 1.6km.

Drilling in FY23 is planned to continue to delineate the potential scale of mineralisation at West Island and to determine how best to domain and model gold mineralisation.



Map showing the location and geology of the Cue project

Mineral Resources and Ore Reserves

Group Mineral Resources

As at 31 December 2021, Group Mineral Resources are estimated to contain approximately **29.6 million ounces of gold and 1.4 million tonnes of copper.** This represents an increase of approximately 3.25 million ounces of gold (~12%) and 541 thousand tonnes of copper (~63%) compared with the estimate as at 31 December 2020.

Group Ore Reserves

As at 31 December 2021, Group Ore Reserves are estimated to contain approximately **10.3 million ounces of gold and 640 thousand tonnes of copper.** This represents an increase of approximately 449 thousand ounces of gold (~5%) and 135 thousand tonnes of copper (~27%) compared with the estimate as at 31 December 2020.

The Group Mineral Resource Statement as at 31 December 2021 is provided in Tables 3 and 5 and accounts for mining depletion of in situ Mineral Resources of 576,000 ounces of gold and 21,000 tonnes of copper. Mineral Resources are reported inclusive of Ore Reserves but exclude mined areas and areas sterilised by mining activities. The Ernest Henry Mineral Resource estimate undertaken by Glencore includes all exploration and resource definition drilling information up to 31 March 2021 and has been depleted for mining to 31 December 2021.

The Group Ore Reserve Statement as at 31 December 2021 is provided in Tables 4 and 6 and accounts for mining depletion of in situ Ore Reserves of 520,000 ounces of gold and 21,000 tonnes of copper.

Commodity price assumptions

Evolution commodity price assumptions used to report the December 2021 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/oz for Ore Reserves, A$2,000/oz for Mineral Resources

Silver: A$20.00/oz for Ore Reserves, A$26.00/oz for Mineral Resources

Copper: A$6,000/t for Ore Reserves, A$9,000/t for Mineral Resources

All open pit Mineral Resource estimates are reported within optimised pit shells which have been developed using a A$2,000/oz price assumption and take into account forecast mining costs and metallurgical recoveries. All underground Mineral Resources (except Ernest Henry) are reported within underground mining shapes (MSOs) using a A$2,000/oz price assumption and take into account forecast mining costs and metallurgical recoveries.

Whilst no cut-off grade has been explicitly applied for reporting the Ernest Henry June 2022 Mineral Resource, only blocks within the 0.7% Cu grade shell were reported. The sub-level caving mining method applied at the Ernest Henry operation does not allow blocks to be selectively mined. Consequently, all blocks contained within the interpreted 0.7% Cu grade shell no matter their estimated grade (inclusive of low grade and waste material) are reported within the reported Mineral Resource. Prior to reporting, the Mineral Resource was depleted for mining activities and sterilisation.

All open pit Ore Reserve estimates are reported within detailed pit designs and all underground Ore Reserves are reported within mineable underground shapes. Pit designs and underground mining shapes have taken into account all applicable modifying factors, forecast mining costs and metallurgical recoveries and have been developed subject to an economic test to verify that economic extraction is justified. The economic test includes all applicable capital 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. Assets may use different assumptions within this range during optimisation or financial modelling stages depending on specific requirements as documented in their individual statements.

Glencore commodity price assumptions used to estimate the Ernest Henry December 2021 Ore Reserves cut-off grades are: gold price of US$1,300/oz, copper price of US$6,500/t and exchange rate of AUD:USD of 0.75.

JORC 2012 and ASX listing rules requirements

This annual statement of Mineral Resources and Ore Reserves 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.

Changes since 31 December 2021 Mineral Resources and Ore Reserves statement

Evolution's Mineral Resources and Ore Reserves Statement as at 31 December 2021 was released to the ASX on 16 February 2022 in the report titled "Annual Mineral Resources and Ore Reserves Statement". Subsequently, an updated Mineral Resource estimate for Ernest Henry as at 30 June 2022 was completed and released to the ASX on 1 August 2022 in the report titled 'Material Increase in Ernest Henry Mineral Resource.' Both releases are available to view at **www.evolutionmining.com.au.**

The Ernest Henry Mineral Resource is now estimated at 88.3 million tonnes at 1.28% copper and 0.73g/t gold for 1.13 million tonnes of contained insitu copper and 2.07 million ounces of contained insitu gold net of mining depletion (Table 1). The new model includes 30,159 metres of new drilling from 119 drillholes for a total aggregate increase of 28% in contained copper and 24% in contained gold, along with upgrades to the Mineral Resource classifications. The Mineral Resource was estimated into an interpreted 0.7% copper grade shell consistent with the previous estimate completed by Glencore.

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 2021 other than changes due to normal mining depletion during the six months ended 30 June 2022. All material assumptions and parameters underpinning the estimates in the original release 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 original releases.

Table 1: Ernest Henry – Total Mineral Resource at 30 June 2022

	Measured	Indicated	Inferred	Total Resource	Dec 2021 Total Resource
Tonnes (Mt)	24.2	38.5	25.7	88.3	71.4
Copper grade (%)	1.38	1.29	1.16	1.28	1.24
Copper insitu tonnes (kt)	335	498	298	1,129	885
Gold grade (g/t)	0.77	0.74	0.68	0.73	0.73
Gold insitu ounces (koz)	600	911	560	2,071	1,674

Note: Ernest Henry Mineral Resource is reported within an interpreted 0.7% Cu mineralised envelope which includes internal dilution of material below 0.7% Cu. 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. Ernest Henry Mineral Resource Competent Person is Phil Micale.

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, Competent Persons experience and qualification are reviewed by Evolution's Mineral Resource and Ore Reserve Committee.

Competent Persons' statement

The information in this report that relates to the 31 December 2021 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 Mining Limited (except for Aaron Meakin and Dean Basile) 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 in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Aaron Meakin and Dean Basile are employed on a full-time basis by CSA Global and MiningOne respectively.

The information in this report that relates to the 30 June 2022 Ernest Henry Mineral Resource is based on information compiled by Phil Micale who is a full time employee of Evolution Mining. Mr Micale is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Micale consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Evolution employees acting as a Competent Person may hold equity in Evolution Mining Limited 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.

Table 2: Competent Persons list for the December 2021 Mineral Resources and Ore Reserve estimates

Deposit	Competent Person	Membership	Status	Member number
Cowal Mineral Resource	James Biggam	AusIMM	Member	112082
Cowal Open Pit Ore Reserve	Dean Basile	AusIMM	Chartered Professional (Mining)	301633
Cowal Underground Ore Reserve	Joshua Northfield	AusIMM	Member	211952
Bateman Gold Project Mineral Resource	Jason Krauss	AIG	Member	4711
Red Lake Mineral Resource	Jason Krauss	AIG	Member	4711
Red Lake Ore Reserve	Brad Armstrong	Professional Engineers - Ontario	Member	100152392
Mungari Mineral Resource	Brad Daddow	AIG	Member	7736
Mungari Open Pit Ore Reserve	Chris Honey	AusIMM	Member	204346
Mungari Underground Ore Reserve	Peter Merry	AusIMM	Member	306163
Ernest Henry Mineral Resource	Aaron Meakin	AusIMM	Member	113056
Ernest Henry Ore Reserve	Michael Corbett	AusIMM	Member	307897
Mt Rawdon Mineral Resource	Justin Watson	AusIMM	Member	205253
Mt Rawdon Ore Reserve	Martin Sonogan	AusIMM	Member	313927
Marsden Mineral Resources	James Biggam	AusIMM	Member	112082
Marsden Ore Reserve	Anton Kruger	AusIMM	Fellow	221292


Drilling at Lake Cowal

Table 3: Group Gold Mineral Resource Statement as at 31 December 2021

Gold			Measured			Indicated			Inferred			Total Resource			CP[7]	Dec 20 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)		Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Cowal[1]	Open pit	0.35	24.8	0.46	367	207.5	0.83	5,555	37.3	0.78	929	269.6	0.79	6,852	1	252.7	0.82	6,645
Cowal	Underground	1.50	-	-	-	22.4	2.47	1,776	13.3	2.32	991	35.7	2.41	2,766	1	37.5	2.50	3,019
Cowal[1]	**Total**		**24.8**	**0.46**	**367**	**229.9**	**0.99**	**7,331**	**50.6**	**1.18**	**1,920**	**305.3**	**0.98**	**9,618**	**1**	**290.2**	**1.04**	**9,664**
Red Lake	Underground	3.30	0.0	4.20	4	29.7	7.30	6,968	18.7	6.66	4,013	48.5	7.05	10,985	2	47.8	7.19	11,053
Bateman	Underground	2.50	-	-	-	2.1	4.93	335	3.0	4.37	422	5.1	4.60	757	2			
Red Lake[3]	**Total**		**0.0**	**4.20**	**4**	**31.8**	**7.14**	**7,303**	**21.7**	**6.34**	**4,435**	**53.6**	**6.82**	**11,742**	**2**	**47.8**	**7.19**	**11,053**
Mungari[1]	Open pit	0.40	-	-	-	44.3	1.18	1,676	10.5	1.36	458	54.8	1.21	2,134	3	44.4	1.22	1,739
Mungari[4]	Underground	1.80	1.7	5.39	295	10.1	4.26	1,387	9.4	3.58	1,086	21.2	4.05	2,767	3	4.7	2.95	448
Mungari[1]	**Total**		**1.7**	**5.39**	**295**	**54.5**	**1.75**	**3,063**	**19.9**	**2.41**	**1,544**	**76.1**	**2.00**	**4,902**	**3**	**49.1**	**1.39**	**2,186**
Mt Rawdon[1]	**Total**	0.21	**6.3**	**0.32**	**65**	**27.2**	**0.55**	**481**	**5.7**	**0.46**	**84**	**39.2**	**0.50**	**630**	**4**	**50.7**	**0.54**	**885**
Ernest Henry[2]	**Total**		**13.3**	**0.69**	**294**	**32.2**	**0.78**	**808**	**25.9**	**0.69**	**572**	**71.4**	**0.73**	**1,674**	**5**	**58.7**	**0.61**	**1,143**
Marsden[5]	**Total**	0.20	**-**	**-**	**-**	**119.8**	**0.27**	**1,031**	**3.1**	**0.22**	**22**	**123.0**	**0.27**	**1,053**	**1**	**123.0**	**0.27**	**1,053**
Mt Carlton[6]																**9.5**	**1.26**	**387**
Total			**46.1**	**0.69**	**1,025**	**495.5**	**1.26**	**20,017**	**127.0**	**2.10**	**8,577**	**668.5**	**1.38**	**29,619**		**629.0**	**1.30**	**26,371**

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.

[1] Includes stockpiles
[2] The reported Ernest Henry Mineral Resources are within an interpreted 0.7% Cu mineralised envelope. The reported Mineral Resource meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Mineral Resource. The gold only component listed here is for presentation purposes only and represents the amount of insitu gold contained within the reported Mineral Resource. The reported Mineral Resource based on a 0.7% Cu cutoff meets reasonable prospects of economic extraction and is justified using Glencore price assumptions: Gold Price ($US/oz): 1300, Copper Price ($US/t): 6500, Exchange Rate (AU:US): 0.75.
[3] Red Lake Mineral Resource cut-off is 3.3g/t Au except for Cochenour (3.0g/t Au) and HG Young (3.2g/t Au) deposit
[4] Mungari Underground Mineral Resource cut-offs vary from 1.56g/t Au to 2.61g/t Au per deposit. The average underground cut-off is1.8g/t Au. The Mungari Mineral Resource estimate excludes the Falcon deposit (142koz) held by the East Kundana Joint Venture (Evolution Mining 51%, Tribune Resources Ltd 36.75% and Rand Mining (12.25%). Information on the Falcon deposit is provided in Northern Star Resources ASX release titled "Strong Growth in Reserves and Resources" dated 3 May 2021 and available to view at www.nsrltd.com
[5] The reported Marsden Mineral Resource meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Mineral Resource. The gold only component listed here is for presentation purposes only and represents the amount of insitu gold contained within the reported Mineral Resource
[6] Mt Carlton divested 15 December 2021
[7] Group Gold Mineral Resources Competent Person (CP) Notes refer to 1. James Biggam; 2. Jason Krauss; 3. Brad Daddow; 4. Justin Watson; 5. Aaron Meakin (CSA Global)

Note on the Ernest Henry December 2020 comparison: Prior to acquisition of full ownership of Ernest Henry (effective as of 1 January 2022), Evolution Mining had 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. The December 2020 Ernest Henry Resource is reported here on the basis of economic interest. The reported December 2020 figures constitute 77% of the total Ernest Henry gold resource.

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 16 February 2022 and available to view at www.evolutionmining.com.au. An updated Ernest Henry Mineral Resource as at 30 June 2022 was released on 1 August 2022. Evolution confirms that it is not aware of any other new information or data that materially affects the information included in the original release and that all material assumptions and parameters underpinning the estimates in the release 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 original release.

Table 4: Group Gold Ore Reserve Statement as at 31 December 2021

Gold			Proved			Probable			Total Reserve			CP[8]	December 20 Reserves[8]		
Project	Type	Cut-Off (g/t)	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)
Cowal[1]	Open pit	0.45	23.9	0.46	356	99.7	0.99	3,164	123.6	0.89	3,520	1	125.3	0.88	3,547
Cowal	Underground	1.80	-	-	-	14.4	2.31	1,069	14.4	2.31	1,069	2	12.6	2.59	1,045
Cowal	**Total**		**23.9**	**0.46**	**356**	**114.1**	**1.15**	**4,233**	**138.0**	**1.03**	**4,589**		**137.9**	**1.04**	**4,593**
Red Lake[3]	**Total**	**4.50**	**-**	**-**	**-**	**13.1**	**7.00**	**2,935**	**13.1**	**7.00**	**2,935**	**3**	**13.2**	**6.90**	**2,929**
Mungari[4]	Underground	4.82	0.8	4.89	132	2.6	4.33	365	3.5	4.46	498	4	0.3	3.57	35
Mungari[1,5]	Open pit	0.73	3.0	1.54	149	14.2	1.29	587	17.2	1.33	736	5	9.7	1.35	419
Mungari[1]	**Total**		**3.9**	**2.27**	**282**	**16.8**	**1.76**	**952**	**20.6**	**1.86**	**1,234**		**10.0**	**1.41**	**454**
Mt Rawdon[1]	Open pit	0.33	3.1	0.39	40	12.6	0.64	260	15.7	0.59	300	6	20.1	0.62	398
Ernest Henry[2]	Underground		9.8	0.77	241	19.2	0.35	217	29.0	0.49	459	7	32.6	0.50	525
Marsden[6]	Open pit	0.30	-	-	-	65.2	0.39	817	65.2	0.39	817	8	65.2	0.39	817
Mt Carlton[7]													6.4	0.81	168
		Total	**40.7**	**0.70**	**919**	**241.0**	**1.22**	**9,414**	**281.7**	**1.14**	**10,333**		**285.3**	**1.08**	**9,884**

Data is reported to significant figures to reflect appropriate precision and may not sum precisely due to rounding
[1] Includes stockpiles
[2] Ernest Henry reported Ore Reserve uses Glencore price assumptions: Gold Price ($US/oz): 1300, Copper Price ($US/t): 6500, Exchange Rate (AU:US): 0.75. December 2021 Ore Reserves reported above 0.7% Cu. The reported Ernest Henry Ore Reserve meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Ore Reserve. The gold only component listed here is for presentation purposes only and represents the amount of gold contained within the reported Ore Reserve.
[3] Red Lake Ore Reserve cut-off is 4.5g/t Au except for Cochenour and Lower Campbell (4.1g/t Au), HG Young (3.0g/t Au) and Upper Campbell (2.5g/t Au)
[4] Mungari Underground Ore Reserve cut-off is 4.82g/t Au except for Kundana (4.08g/t Au) and Frog's Leg (2.90g/t Au)
[5] Mungari Open Pit Ore Reserve cut-offs vary from 0.61g/t Au to 0.80g/t Au per deposit. The average open pit cut-off is 0.73g/t Au
[6] The reported Marsden Ore Reserve meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Ore Reserve. The gold only component listed here is for presentation purposes only and represents the amount of insitu gold contained within the reported Ore Reserve
[7] Mt Carlton divested 15 December 2021
[8] Group Gold Ore Reserve Competent Person (CP) Notes refer to 1. Dean Basile (Mining One); 2. Joshua Northfield; 3. Brad Armstrong; 4. Peter Merry; 5. Chris Honey; 6. Martin Sonogan; 7. Mike Corbett; 8. Anton Kruger

Note on the Ernest Henry December 2020 comparison: Prior to acquisition of full ownership of Ernest Henry (effective as of 1 January 2022), Evolution Mining had 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. The December 2020 Ernest Henry Reserve is reported here on the basis of economic interest. The reported December 2020 figures constitute 86% of the total Ernest Henry gold reserve.

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 16 February 2022 and available to view at www.evolutionmining.com.au. Evolution confirms that it is not aware of any new information or data that materially affects the information included in the original release and that all material assumptions and parameters underpinning the estimates in the release 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 original release.

Table 5: Group Copper Mineral Resource Statement as at 31 December 2021

Copper			Measured			Indicated			Inferred			Total Resource			CP[1]	Dec 20 Resources[2]
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)		Copper Metal (kt)
Marsden	**Total**	**0.2**	**-**	**-**	**-**	**119.8**	**0.46**	**553**	**3.1**	**0.24**	**7**	**123.0**	**0.46**	**560**	**1**	**560**
Ernest Henry	**Total**	**0.7**	**13.3**	**1.25**	**165**	**32.2**	**1.29**	**416**	**25.9**	**1.17**	**304**	**71.4**	**1.24**	**885**	**2**	**331**
Mt Carlton[2]																**13**
	Total		**13.3**	**1.25**	**165**	**152.1**	**0.64**	**969**	**29.0**	**1.07**	**311**	**194.4**	**0.74**	**1,445**		**904**

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.
[1] The reported Marsden Mineral Resource meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Mineral Resource. The copper only component listed here is for presentation purposes only and represents the amount of insitu copper contained within the reported Mineral Resource
[2] Ernest Henry reported Mineral Resource uses Glencore price assumptions: Gold Price ($US/oz): 1300, Copper Price ($US/t): 6500, Exchange Rate (AU:US): 0.75. Ernest Henry reported Mineral Resources are above a 0.7% Cu cut-off within an interpreted 0.7% Cu mineralised envelope The reported Ernest Henry Mineral Resource meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Mineral Resource. The copper only component listed here is for presentation purposes only and represents the amount of insitu copper contained within the reported Mineral Resource
[3] Mt Carlton divested 15 December 2021
[4] Group Mineral Resources Competent Person (CP) Notes refer to: 1. James Biggam; 2. Aaron Meakin (CSA)

Table 6: Group Copper Ore Reserve Statement as at 31 December 2021

Copper			Proved			Probable			Total Reserve			CP[4]	Dec 20 Reserves3
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)		Copper Metal (kt)
Marsden[1]	Total	0.3	-	-	-	65.2	0.57	371	65.2	0.57	371	1	371
Ernest Henry[2]	Total	0.7	9.8	1.41	139	19.2	0.68	130	29.0	0.93	269	2	129
Mt Carlton[3]													5
Total	9.8	1.41	139	84.4	0.59	501	94.2	0.68	640			505	

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

[1] The reported Marsden Ore Reserve meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Ore Reserve. The copper only component listed here is for presentation purposes only and represents the amount of insitu copper contained within the reported Ore Reserve

[2] The Ernest Henry reported Ore Reserve uses Glencore price assumptions: Gold Price ($US/oz): 1300, Copper Price ($US/t): 6500, Exchange Rate (AU:US): 0.75. Ore Reserves reported above 0.7% Cu. The reported Ore Reserve meets reasonable prospects of economic extraction taking into account both the copper and gold component of the reported Ore Reserve. The copper only component listed here is for presentation purposes only and represents the amount of copper contained within the reported Ore Reserve.

[3] Mt Carlton divested 15 December 2021

[4] Group Ore Reserve Competent Person (CP) Notes refer to: 1. Anton Kruger; 2. Mike Corbett

Note on the Ernest Henry December 2020 comparison: Prior to acquisition of full ownership of Ernest Henry (effective as of 1 January 2022), Evolution Mining had 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. The December 2020 Ernest Henry Reserve is reported here on the basis of economic interest and not the entire mine reserve. The reported December 2020 figures constitute 38% of the total Ernest Henry copper resource and 35% of the total Ernest Henry copper reserve.

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 16 February 2022 and available to view at www.evolutionmining.com.au. Evolution confirms that it is not aware of any new information or data that materially affects the information included in the original release and that all material assumptions and parameters underpinning the estimates in the release 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 original release.

FY22 Sustainability Report

"Guided by our Sustainability purpose, we foster trusted partnerships that enable safe, reliable and sustainable operations centred on the wellbeing of our people, the environment and the communities in which we operate. We take pride in managing our business in a way that creates value for all stakeholders"

James Askew
Board Risk and Sustainability Committee Chair

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

FY22 sustainability snapshot

Safety, Wellbeing and Risk

$2.5M
in direct and indirect support to our people and community since COVID-19 pandemic began

100%
of material and critical actions closed as per target

34%
reduction in Injury Severity (compared to FY21) during a period of significant change

Safe and successful integration of two new acquisitions and one divestment

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

84%
increase in hazard reporting compared to FY21

Environment

752 hectares
of land rehabilitated on mine sites

Progress on Net Zero commitments

43%
reduction in fresh water demand per dry tonne milled (compared to FY20 baseline)

7%
reduction in emissions intensity per tonne of material mined (compared to FY20 baseline)

Detailed climate scenario study for Cowal

>70%
renewable electricity at Red Lake

Community and First Nation engagement

Active engagement with Local Communities, First Nation Partners and Indigenous Peoples

Strong partnerships through locally supported projects and engagement

2
specific First Nation Partner Shared Value Projects (SVPs) implemented - the Galari Agricultural Company and Gidarjil Murra Wolka Creations Indigenous Art business.

Upgraded the Mt Perry Summit walk to a safe and marketable Class 3 Standard, stimulating local tourism and economic development and providing training to 15 Gidarjil Indigenous trainees

4
Indigenous trainees engaged for two-year Certificate of Agriculture, accredited through on the job training with Galari Agricultural Company

High approval
Social Licence to Operate score of 4.00 out of 5 in 2022 Independent Stakeholder Perception Survey, and a high 'Reputation' which was rated 4.04 out of 5

Economic

$3.5M[1]
in direct community investment (9% increase compared to FY21)

$2.38M[2]
committed to six Shared Value Projects (-34% increase compared to FY21)

$2.03B
contribution to the Australian and Canadian economies[3]

$133M
in local spend (32% increase compared to FY21)

$164M
contribution to local and regional businesses[4] and organisations (26% increase compared to FY21)

[1] All amounts are expressed in Australian dollars unless stated otherwise

[2] Shared Value Project spend was $885K in FY22

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

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

People

30%
of the Graduate Development program hires in FY22 were females

Introduction of leader-led Inclusion and Diversity initiatives

72%
local employment across our operations (compared to 67% in FY21)

20%
females in management positions (increase from 17% in FY21)

100%
of employees had meaningful values and culture conversations with a senior people leader

Analysis and alignment of gender pay parity as a key component of the FY22 Remuneration review

82%
of employees choosing to stay in a competitive market

Governance

Transparency with ESG reporting agencies including being recognised for transparent and quality reporting by the Australasian Reporting Awards (ARA)

100%
of all integrated assets[5] internally and externally audited and verified with oversight from the Board Risk and Sustainability Committee

Published 2021 Modern Slavery Statement, and updated Supplier Code of Conduct and Procurement Statement

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

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

[5] Ernest Henry was integrated into Evolution during second half of the financial year and will be audited following completion of integration as part of the FY23 assurance plan

Environmental, Social and Governance ratings performance

S&P Global

CSA SAM Corporate Sustainability Assessment S&P Global: Inclusion in 2021 Dow Jones Sustainability Index Australia and 4% improvement in year-on-year score.

SAM
Now a Part of S&P Global

MSCI

MSCI rating score of 'AA' for resilience to long-term ESG risks.[6]

MSCI ESG RATINGS AA

CCC	B	BB	BBB	A	AA	AAA

ISS

Achieved increased ESG scores[7], including a Level 1 (the highest) for Environment and a Level 2 for Social.

ISS ESG

Sustainalytics

Significant upgrade in ESG Rating moving from a 'Severe Risk' rating to a 'Medium Risk' Rating; ranked in the top 21st percentile[8] globally.

SUSTAINALYTICS a Morningstar company RATED

ARA – Australian Reporting Awards

Australasian Reporting Awards SILVER AWARD 2022
Australasian Reporting Awards BRONZE AWARD 2022

'Silver' award for the 2021 Annual Report and 'Bronze' Award for the 2021 Sustainability Report

Shared Value Projects

New

- Yalga-binbi Girls Academy Program
- Kalgoorlie-Boulder Chamber of Commerce & Industry (KBCCI) treasure trail
- University of Queensland's Research for Early Cancer Diagnosis Using Gold (extending to long haul COVID-19)
- Murra Wolka Project
- Burnett Mary Regional Group Elliot Heads Wetlands, research centre and seagrass nursery
- Galari Agricultural Company[9] – Progress from study phase to business set up and launch

Ongoing

- University of Queensland sustainable transformational reuse and economic alternatives for mine waste study
- 1770 Cultural Immersion festival
- Mt Rawdon Pumped Hydro
- Red Lake Fire Recovery Support – Emergency services capability uplift

[6] The use by Evolution 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 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

[7] October 2021

[8] Gold Industry

[9] In FY21, the Galari Project was in feasibility stages and has now been launched as of FY22

The Executive Chair on Sustainability at Evolution

The Executive Chair on Sustainability at Evolution

On behalf of the Evolution team, I am pleased to present our FY22 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.

Evolution's commitment to Sustainability has always been core to us. It drives our thinking about who we are and how we maintain our relevance for the future. Work is such a big part of people's lives, so we create a place where we have a positive impact on the lives of our people and communities.

On a global scale, we collectively experienced many challenges throughout FY22. The COVID-19 pandemic has impacted each of us in some way and is likely to continue to do so throughput FY23. We adapted to the challenges of COVID-19, floods and fires and adopted new ways to accomplish key goals whilst supporting the people and local communities to remain healthy and safe. I'm proud of Evolution's collective response and ongoing resilience, care and dedication. I also reflect on the collective world's response which has demonstrated the importance of collaboration, and that acting together, we have the best chance to solve some of the world's biggest problems.

The past year was a milestone for Evolution's progress on Sustainability. It marked the fifth year of publishing the annual Sustainability Report and the tenth anniversary of our business. We also acquired Ernest Henry in Queensland, and the Kundana Assets in Western Australia, and divested Mt Carlton in Queensland.

Acting on the Evolution Values of Safety, Excellence, Accountability and Respect, we worked throughout FY22 to deliver strong Sustainability performance focused on the health, safety and wellbeing of our people and local communities. The relationships we have built with the local communities and our First Nation Partners are strong, and the Shared Value Projects reflect that we have listened and worked collaboratively with the communities in which we operate. It is this improvement and ongoing commitment that will continue to underpin the mutual respect that exists.

We were pleased to see the performance for Sustainability was delivered to target or better across all key metrics of health, safety, environment, water, emissions, First Nation engagement, community, risk and progress on Net Zero. However, we are never satisfied with our performance in this area, so our focus to improve is relentless. We recognise the right to work for fair wages in safe and healthy conditions as a fundamental human right and we ensure that the sites are designed to protect the safety and health of all workers. We will continue to protect the health and safety of all employees and local communities.

Our people are our most important asset and we remain committed to fostering a more diverse and inclusive workplace where all people feel respected, connected, and are able to do their best work. In FY22, close to 200 of our leaders completed Leading Inclusion training on inclusive practices, behaviours and processes including hiring practices. We are also committed to increasing female and Indigenous participation across the business to benefit from the different perspectives and experiences that people from different backgrounds bring.

At Evolution, we want our workplace to be free of any prejudice, bullying and harassment, where people are physically and psychologically safe, healthy, and well. As such, we have also reviewed and acted on learnings from the inquiry held by the West Australian government into sexual harassment against women in the fly-in, fly-out workforce and Rio's external review of its workplace culture.

Significant social contributions through business activities included a $2.03 billion contribution to the Australian and Canadian economies, with a $164 million contribution to the local and regional businesses and organisations. Examples of Shared Value Projects and partnerships are highlighted in this report, which we are proud and excited to showcase.

Protection of the environment is one of the greatest challenges the world faces and climate change is one of largest issues accelerating the focus towards greater ESG action. Whether protecting biodiversity, ensuring climate resilience at our operations, managing water use or delivering reductions in emissions, Evolution acknowledges action is critical for a transition to a net zero carbon emissions business.

We have a pathway to decarbonisation which includes the assessment of potential investment in renewable energy and investment in green technologies. We have continued to focus on addressing greenhouse gas emissions by assessing initiatives to improve energy efficiency, and to identify lower carbon energy sources. In FY22 we achieved a reduction in our emissions, both absolute and intensity (per tonne of material mined) compared to the FY20 emissions baseline. We also commenced a feasibility study for the pumped hydro energy storage scheme which could extend the commercial activity at Mt Rawdon and deliver a material amount of renewable energy and storage to the Queensland grid.

Investor focus on ESG factors continues to accelerate. Improving the quality of our Sustainability reporting and disclosure has been a priority in recent years. To enhance transparent and efficient communication, we continued to align reporting with the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC), Sustainable Development Goals (SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD).

Our enhanced reporting has been recognised by key ratings agencies including the Dow Jones Sustainability Index Australia and maintaining our 'AA' rating from MSCI. We published a second Modern Slavery Statement and continued work towards meeting our compliance obligations arising from the Australian Modern Slavery Act 2018. We are also pleased to include the second United Nations Global Compact "Communication on Progress" within this Report. We believe that appropriate disclosure is essential to the management of Evolution's sustainability strategy and targets. We are confident that this Report is accurate, balanced, and informative and provides the level of accountability and transparency that we continually strive for.

Looking ahead to FY23 and beyond, we will continue to listen to our stakeholders and protect our people and the environment. We will enhance the ESG risk mitigation processes and develop a more comprehensive approach to addressing climate-related risks and exploring opportunities around increasing renewable sources, and investment in technology and biodiversity management, linked to our Net Zero roadmap.

Sustainability is at the heart of who we are, and we are committed to continually improving our performance in FY23. I would like to acknowledge and thank all staff, contractors, our First Nation Partners and local communities for their dedication and ongoing contribution to Evolution's sustainability efforts which are making a measurable impact.

Yours faithfully,

JAKE KLEIN
EXECUTIVE CHAIR

About Evolution

Evolution Mining (Evolution) was formed in November 2011 and has evolved to become a leading, globally relevant gold mining company. Evolution operates five wholly owned mines in Australia and Canada and in FY22 produced 640,275 ounces of gold at a sector leading low All-in Sustaining Cost of $1,240 per ounce:

- Cowal in New South Wales on the lands of the Wiradjuri People
- Ernest Henry in Queensland on the lands of the Mitakoodi People
- Red Lake in Ontario, Canada on the traditional territory of Treaty 3 on the lands of the Wabauskang and Lac Seul First Nations
- Mungari in Western Australia, on the lands of the Maduwongga People and the Marlinyu Ghoorlie People
- Mt Rawdon in Queensland located within the traditional lands of the Byelee, Gooreng, Gurang and Taribelang Bunda People who make up the Port Curtis Coral Coast (PCCC) native title claim group

Company vision

Inspired people creating a premier global gold company

Sustainability purpose

To deliver long-term stakeholder value through safe, reliable, low-cost gold production in an environmentally and socially responsible way

Corporate strategy

Our Corporate strategy has remained consistent, founded on:

- A business that prospers through the cycle
- Creating sustainable value for stakeholders in an environmentally and socially responsible way
- A high performing culture with values and reputation as non-negotiables
- Being willing to take appropriate geological, operational and financial risks
- A portfolio of up to 8 assets in Tier 1 jurisdictions generating superior returns
- Financial discipline centred around margin and appropriate capital returns

> "We are committed to operating in a way that protects and empowers people, respects human rights, fosters socio-economic development and safeguards the environment"

Fiona Murfitt, VP Sustainability

Our values

Our values guide behaviours and decisions in the workplaces every day

Safety
Think before we act, every job, every day

Accountability
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 opinions

Our approach to Sustainability

This Sustainability Report discloses Evolution's Sustainability related performance for the financial year ended 30 June 2022.

Boundary and scope

Our FY22 Sustainability Report (Report) marks the fifth year of annual reporting on the Sustainability topics that are most material to the business and stakeholders. This Report is for the period from 1 July 2021 to 30 June 2022 and discloses the Sustainability-related performance of businesses within Evolution. It has been approved for release by our Board of Directors.

The Report covers operations at our 100% owned gold mines in Australia and Canada: Cowal in New South Wales, Mt Rawdon in Queensland, Mungari in Western Australia, Red Lake in Ontario and exploration activities in Australia and Canada. In FY22, we acquired full ownership of the Ernest Henry operation[10] in Queensland, Kundana Assets[11] in Western Australia and divested the Mt Carlton operation[12] in Queensland. Due to the period of ownership, summaries on Ernest Henry and Mt Carlton are provided in relevant sections. Unless specified, all figures in the report include the abovementioned operations for the period of ownership.

The Report should be read in conjunction with our FY22 Annual Report for information pertaining to our financial Sustainability and performance.

Reporting approach

This Report is prepared in accordance with the Global Reporting Initiative (GRI) standards (Core Option), ensuring it presents a full and balanced picture of our material topics and related impacts, as well as how these impacts are managed. We engage with key internal and external stakeholders to ensure we understand, and report on, material Sustainability risks and opportunities. The comprehensive independent materiality assessment ensures the Sustainability performance and reporting continues to align with the priorities of key stakeholders.

This Report is also aligned with the Task Force on Climate-Related Financial Disclosures (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 our material topics 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

We are committed to reporting our Sustainability performance annually and consistently improving data and information collection processes to ensure better quality data, transparency and insights.

In the preparation of the Report, quality and relevant information was gathered, recorded, analysed and disclosed to prepare it 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 and external audit processes.

Contact

We welcome feedback and invite readers to send any comments or enquiries about this report to Fiona Murfitt - VP Sustainability at esgreporting@evolutionmining.com.au

10 Effective date 1 January 2022

11 Effective date 18 August 2021; Kundana Assets represent 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

12 Effective date 15 December 2021

Environment

"Being responsible environmental stewards is a critical part of our business. By using natural resources and energy efficiently, recycling and reusing waste, and working to protect nature, we deliver long-term value to all stakeholders and leave a positive legacy"

Lawrie Conway, Finance Director and Chief Financial Officer

FY22 highlights:

- Environmental standards embedded at all operations with a focus on environmental stewardship
- Further aligned disclosures with the recommendations of TCFD through climate scenario study
- Progress on Net Zero commitments
- 7% reduction in emissions intensity per tonne of material mined (compared to adjusted FY20 baseline)
- Detailed climate scenario study and decarbonisation roadmap for Cowal
- 42% reduction in fresh water demand per dry tonne milled (compared to FY20 baseline)
- No catastrophic or major (material) environmental events (including tailings)
- Zero significant environmental fines
- Over 70%[13] of electricity at Red Lake coming from renewable sources
- Enhanced environmental stewardship through governance and assurance practices
- 7,038 hectares of land within the current mining footprint
- 752 hectares of land rehabilitated on mine sites
- Over $275,000 contributed to improve or enhance environmental outcomes

[13] Renewable electricity purchased from grid

Approach

Environmental stewardship is essential in maintaining our social licence and trust within the communities in which we operate. In accordance with the Sustainability and Strategic Planning Policy 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 Evolution risk framework to deliver against the social licence obligations.

Mining life cycle

EXPLORATION
- Brownfield and Greenfield projects
- Jurisdictions include Canada, Australia and Joint Ventures

DEVELOPMENT
- Cowal Underground
- CYD Decline development at Red Lake

PRODUCTION
- Cowal
- Ernest Henry
- Mt Rawdon
- Mungari
- Red Lake

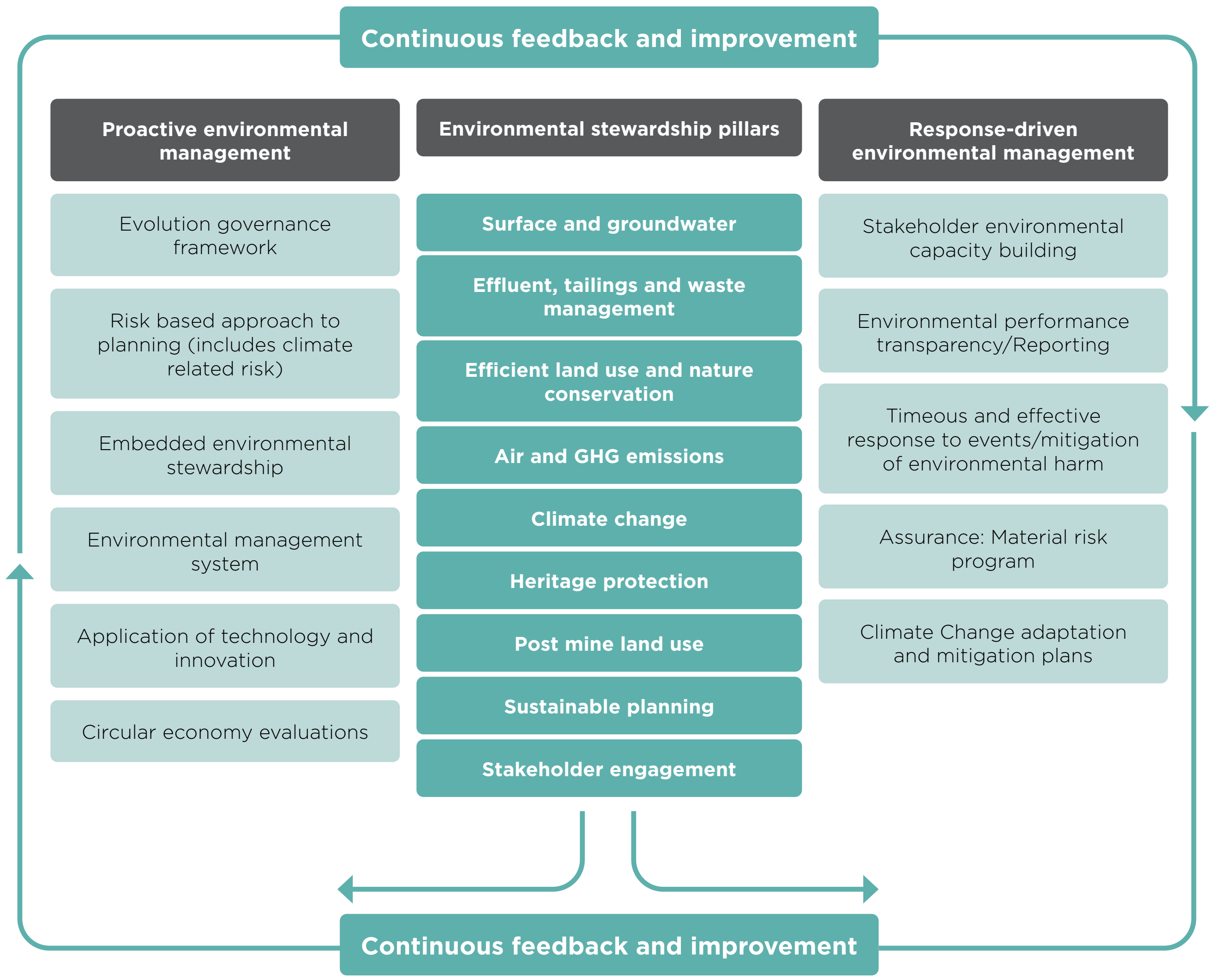
PROGRESSIVE REHABILITATION
- Cowal Waste Rock emplacements
- Pumped Hydro Energy Storage for Mt Rawdon
- All operations have historic and ongoing progressive rehabilitation
- Rehabilitation of Exploration sites undertaken in accordance to the schedule

POST-CLOSURE
- No mines are at the closure stage

We strive for sustainable consumption and production processes at all sites, to ensure we leave a positive legacy that supports the needs of present and future generations.

Our strategic approach on environmental stewardship comprises both proactive and sustained environmental management, underpinned by continuous feedback and improvement.

Environmental stewardship strategic approach



During FY22, we continued to:

- Embed environmental stewardship across all operations through integration of our Sustainability Performance Standards and Strategic Planning Standards
- Build capability and environmental awareness through alignment with global standards and frameworks
- Address climate related risk including water security risk to reduce raw water demand
- Plan for and manage extreme weather events such as flooding and forest fire
- Monitor surface water, groundwater, land and nature to protect and enhance environmental values
- Assess and implement energy efficiency and greenhouse gas (GHG) emissions reduction initiatives
- Monitor noise, vibration and air emissions to confirm the effectiveness of the mitigating measures for the protection and well-being of the environment and local communities
- Follow strict protocols for storage, handling, labelling, and disposal of hazardous materials, including fuels, chemicals and wastes for the protection of the workforce and the environment
- Consult with stakeholders including the local communities on mine planning and post mine land use

“We all want energy that is reliable and affordable, but that is no longer enough. It must also be cleaner and therefore we need to reimagine energy as we know it. This is a both a challenge and an opportunity. It is clear to me, and to our stakeholders, that if we are to play our part, we must act now – this is the right thing for the world and the smart thing for Evolution”

Bob Fulker, Chief Operating Officer

Climate risk and Net Zero commitment (material topic)

Approach

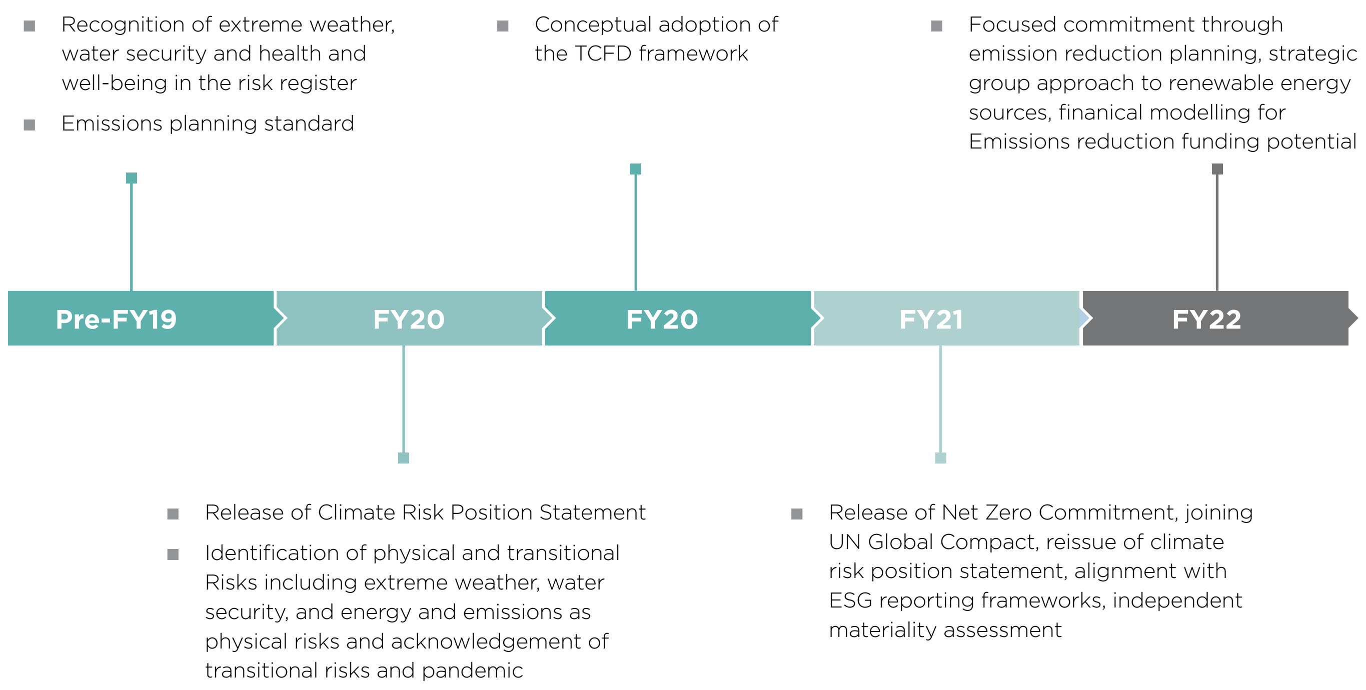
We acknowledge that climate change presents an emerging and increasing risk that will impact our operations, stakeholders and the communities within which we operate. It is an increasingly important issue for investors and stakeholders, who are seeking to understand the impact of climate change across their portfolios. A changing climate also threatens the well-being of local communities.

We are committed to understanding and managing the potential implications of climate change on the business and stakeholders.

Responding to climate change is governed at Board level through the Risk and Sustainability Committee. The Leadership Team has primary responsibility for the design and implementation of an effective position on, and response to, climate change related risk. Robust engagement with a variety of stakeholders (including investors, policymakers, peer companies, non-governmental organisations and communities) informs our climate change strategy and operational objectives.

Milestone commitments in addressing the global issue of climate change include:

Evolution’s climate change milestone commitments



Net Zero commitment

In FY21, we committed to reducing our carbon emissions by 30% (by 2030) and Net Zero by 2050 in line with the Paris Agreement. This commitment recognised that climate change is one of the most pressing problems facing all of us and that we need to take serious action if we are to have a future business, clean and productive environment and healthy society.

The figure below illustrates the key levers and actions that will guide us on our pathway to achieving our Net Zero commitment. The key levers are:

1. Transition to renewables

- Development of renewable solutions such as pumped hydro at Mt Rawdon (refer to Case Study below)
- 2/3 of our emissions are Scope 2

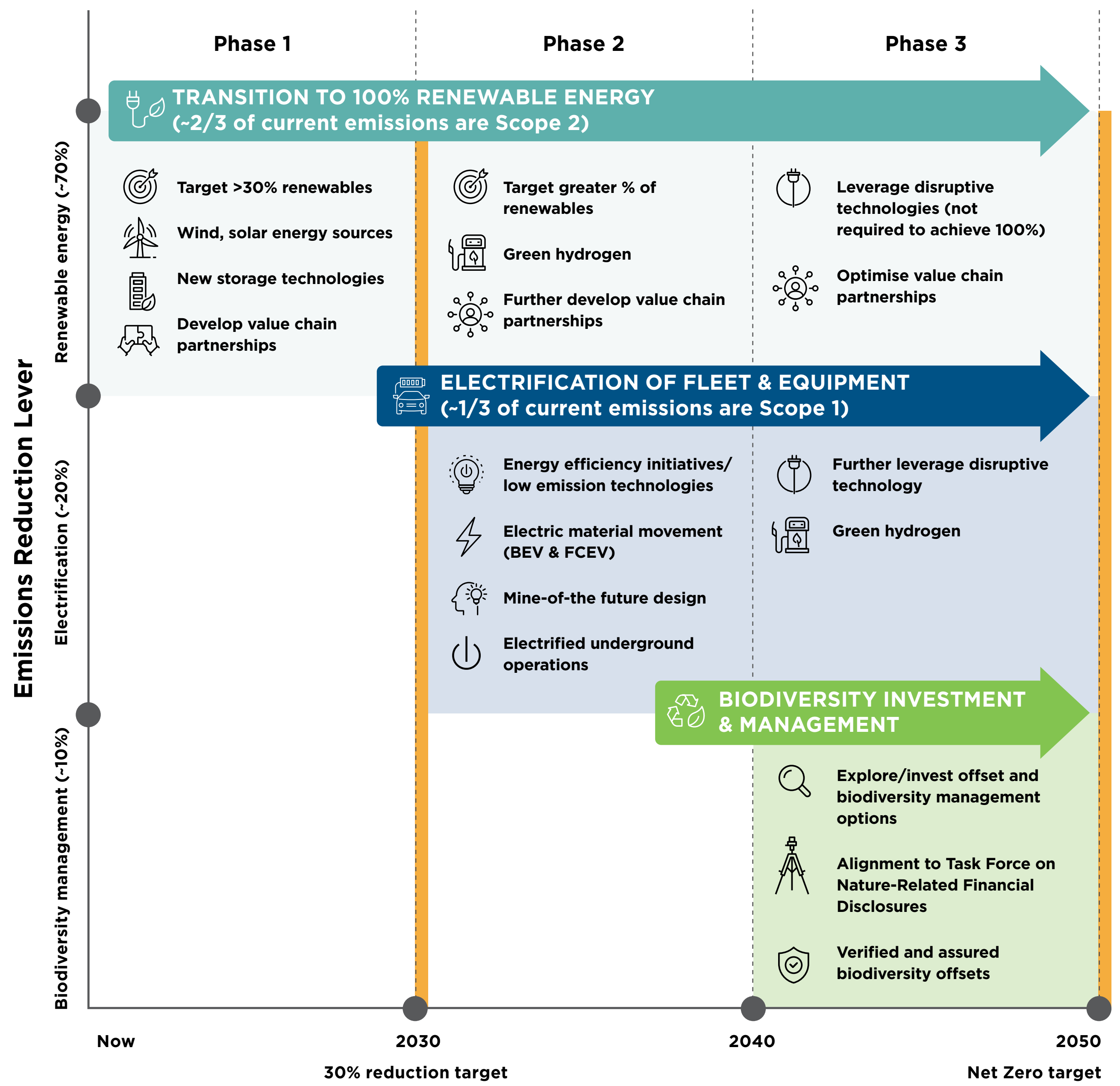
2. Investment in low-emissions technologies

- Transition to electric fleet or gaseous based fleet
- Driven by industry and other key partners incl. government, industry associations, community groups etc
- 1/3 of our emissions are Scope 1

3. Biodiversity investment and management

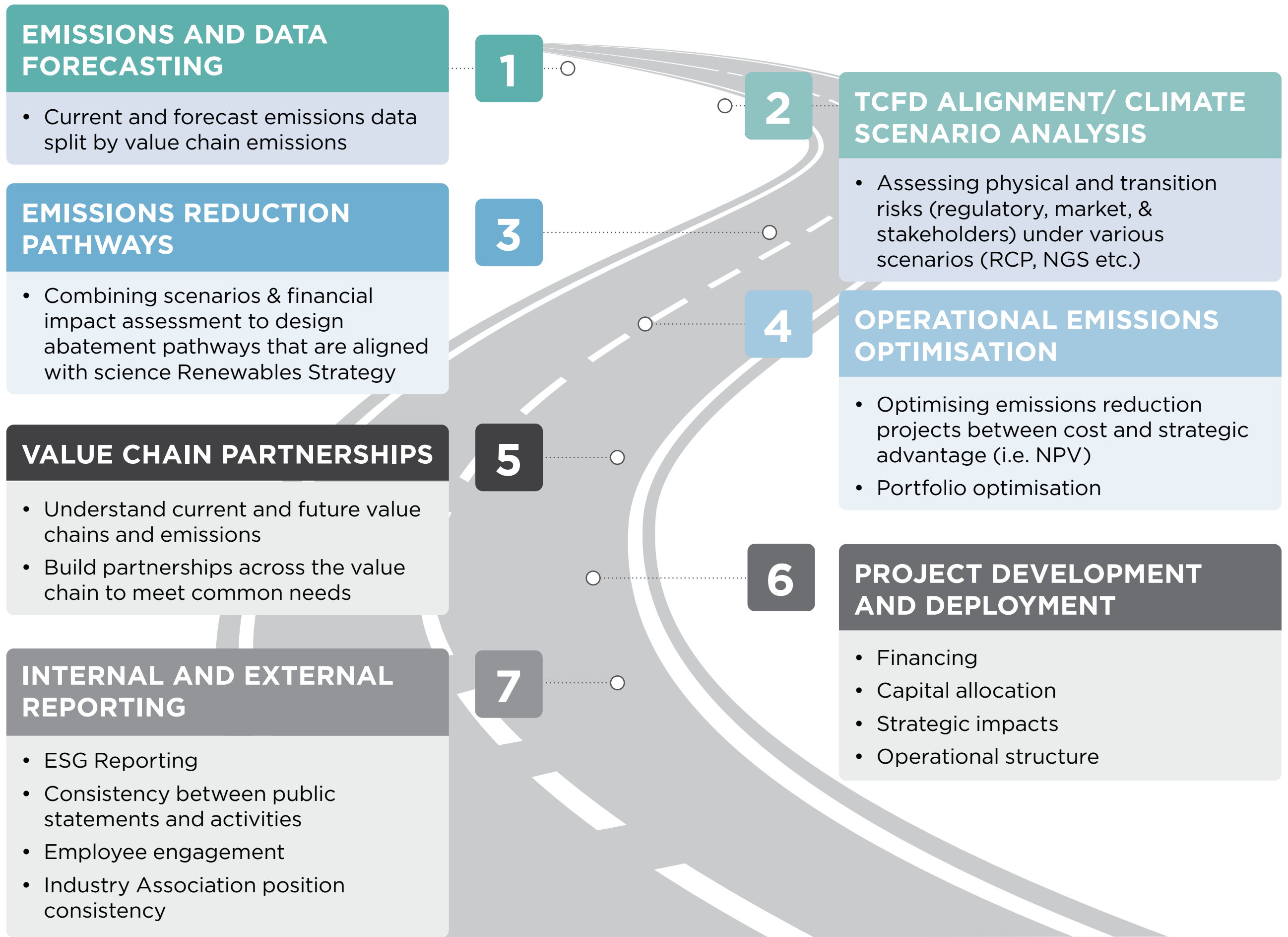
- Changing value of our ecosystems including nature, biodiversity and rehabilitation (linked to Task Force on Nature Related Financial Disclosures)

Conceptual pathway to Net Zero commitment



The key pillars of work that shape our approach to achieving our Net Zero commitment are presented in the figure below.

Evolution's approach to Net Zero



In FY22, our mitigation and adaptation strategies to climate-related risks were further strengthened including: mapping our value chain emissions to better understand emissions-intensive activities; integrating climate change measures into strategic planning; increased focus on value chain partnerships; and continued education and awareness-raising on our Net Zero approach and performance.

To align with climate science and the curbing of climate change aligned with the Paris Agreement targets, additional validation of the decarbonisation roadmap was completed. In the medium-term, this will focus primarily on the energy value chain, with a reduction in reliance on fossil fuels, moving to electricity generated by renewables. The longer-term focus will be on storage and ways to replace diesel fuel in mobile fleets.

We have also established a dedicated Net Zero Project as part of the FY23 Balanced Business Plan, which will build upon progress made in FY22. It will continue to embed our commitment to Net Zero into the capital investment process as well as the business planning and operational delivery processes.

Progress made in FY22 toward achieving our Net Zero commitment is summarised in the figure below.

FY22 actions undertaken toward achieving Net Zero

1 EMISSIONS AND DATA FORECASTING

- Validated emissions baseline on Life of Mine forecast dataset
- Validation against the Greenhouse Gas Protocol
- Value chain emissions mapped - focused on grinding, ventilation and surface haulage

2 TCFD ALIGNMENT/ CLIMATE SCENARIO ANALYSIS

- Conducted gap analysis against Task Force on Climate-Related Financial Disclosures - currently at 90%
- Climate Scenario analysis at Cowal - water security and energy & emissions

3 EMISSIONS REDUCTION PATHWAYS

- Developed high-level site decarbonisation roadmaps
- Cowal Energy Audit undertaken and findings fed into decarbonisation roadmap
- Renewables Approach: a draft sourcing strategy with renewables component developed for all assets

4 OPERATIONAL EMISSIONS OPTIMISATION

- Decarbonisation Evaluation Tool: draft NPV and decarbonisation tool developed for assessing investment potential of decarbonisation projects
- Decarbonisation opportunities identified across the operations

5 VALUE CHAIN PARTNERSHIPS

- Member of Electric Mine Consortium: focused on emissions reduction through electrification and other technologies
- Sustainability Advantage: participation in the Net Zero Emissions Leadership Accelerator Pilot
- Sustainable Procurement Framework developed focused on energy procurement (renewables)

7 INTERNAL AND EXTERNAL REPORTING

Performance: emissions (intensity) performance tracking well against the readjusted FY20 carbon emissions baseline

Governance

We integrate climate change considerations into the overall business strategy through strong governance and risk management, supported by risk management protocols and the Climate Risk Position Statement[14]. The management of this applies ongoing continual improvement reflecting the transitional risk nature connected to emissions, which includes a dynamic reporting environment. We support the Paris Agreement to avoid climate change and recognise activities either directly or indirectly generate GHG emissions.

Climate-related risks are actively reported and supported by FY22 targets established to reduce emissions and improve water security; prepare for extreme weather and health events; and to adopt responsible water management practices. The Board is informed, via the Risk and Sustainability Committee, on progress against our climate risk targets as a minimum three times a year. In FY22, the Board approved our approach towards a Net Zero future and also approved a Net Zero strategic project for FY23 (as part of the Balanced Business Plan).

In alignment with the TCFD framework strategy and risk management pillars, we consider short, medium, and long-term risks as noted below[15]:

- 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 legacy extending 5-10-20 years

The inclusion of ESG factors within the remuneration strategy (referenced in the Remuneration section of the 2022 Annual Report) reinforces the importance we place on delivering on our ESG commitments. This strengthens the link between management remuneration and the management of climate risks.

[14] Climate Risk Position Statement

[15] All time horizons (i.e. short, medium and long term) were considered for each risk e.g for extreme weather events, we looked at cyclone (short term), droughts (medium-term) and climate change long term

Strategy

We are acutely aware of the potential social, environmental, infrastructure and financial impacts that the effects of climate change have on our operations. We also recognise the crucial role of the mining sector in contributing towards the shift to operating in a low-carbon economy.

Our response to climate change is integrated into our business strategy. A strategic approach to managing environmental impacts and conserving natural resources for climate related risk management has been developed. Our approach acknowledges that climate change influences the overall business through:

- Physical climate-related parameters
- Regulatory pressures from host countries
- The Paris Agreement and alignment to science-based climate targets
- Community vulnerability in countries of operation

Climate scenario analysis

While accurately predicting how future policies and climate impacts would unfold is challenging, scenario analysis can help highlight the range of risks that climate change may present.

In FY22, we completed scenario analysis of our largest asset, Cowal. Cowal was selected to allow a comparison of outcomes and to develop a deeper understanding to inform future scenario analysis activities across the portfolio.

The scenario analysis exercise was aligned with the recommendations of the TCFD. Scenarios included:

1. Business-as-usual scenario where the world warms over 4°C above pre-industrial temperatures (SSP5-8.5 'Hot House World')
2. Mid-range scenario (SSP2-4.5 'Slow and Steady')
3. Well-below 2°C-aligned scenario (SSP1-2.6 'Speedy Net Zero')

The main sources of information for the scenario analysis were the Intergovernmental Panel on Climate Change (IPCC) (for physical risks) and the Network for Greening the Financial System (NGFS) (for carbon pricing).

The analysis identified risks such as decreased annual precipitation and water shortage from extended drought and river flooding due to precipitation extremes, electricity grid reliability and the potential impact of a carbon price, at Cowal. These risk factors had previously been identified and were further assessed.

In stress-testing against these scenarios, we've focused on indicators that can be used to support internal decision-making, while also informing stakeholders of our position. Resilience measures will continue to be reviewed and refined as the analysis evolves over time, including options to incorporate more quantitative information.

Climate-related risks and opportunities

Our sites are in a range of climatic zones with varying vulnerabilities to both acute and chronic physical risks, including extreme weather events; natural disasters; resource shortages; changes in the patterns and intensity of rainfall and storms; water shortages; and changing temperatures.

Risk	Risk description
Physical – chronic	**Water security:** ■ If extreme climatic events worsen with increased water stress, floods, droughts, sea level rises, as predicted by the climate models, further proactive management and mitigation measures may be required to ensure that operations do not experience business interruption and loss of production ■ Water-related infrastructure such as water supply reservoirs, dam spillways and river levees have been designed for historic rainfall patterns
Transition – policy	**Carbon pricing:** ■ In response to climate change, governments will seek to reduce emissions from industry through the implementation of rapidly rising carbon pricing mechanisms, such as emission trading schemes or a carbon tax ■ This change presents a risk as there may be a period when increased carbon costs cannot be passed through to customers

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

- Site Emergency Response Plans inclusive of Trigger Action Response Plans at all operations
- Pre-wet season planning at Ernest Henry and 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 extreme weather preparation training at Mt Rawdon are examples of Evolution's resilience methods to managing extreme weather events (or extreme climate-related natural hazards).

Each operation coordinates regular emergency scenario drills in preparation for extreme weather events. Examples of the scenario drills include inrush, fire, flood, cyclone and significant hazardous spill response.

Opportunities associated with emerging low-carbon and more energy-efficient technologies are being tracked and assessed by operations and integrated into the business strategies, including fuel-switching, negotiation of contracts to increase the use of renewable and lower-carbon energy sources, and improving energy efficiency.

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.

Opportunity	Opportunity description
Resource efficiency	**Operational efficiency** ■ Driving decarbonisation through operational efficiency will play a key role in mitigating climate change ■ Energy savings in diesel consumption can be gained through activities such as improved payload management, idle time management and logistics and haulage optimisation ■ Opportunity to return economic value while also reducing air pollutants emitted from construction and mining operations -generating greater income or returns for the same or lower cost than an alternative may present commercial advantage to Evolution **Water** ■ Potential for long-term climate change to impact water availability and quality ■ Demon strated efficiency in water use and management which provide enhanced corporate reputation and/or investor ratings and new business opportunities and commercial advantage to Evolution
Markets	**Carbon pricing** ■ Acknowledged global and national carbon price trends (operations are subject to an environmental levy payment for Scope 2 emissions) ■ Developed a robust direct (Scope 1) and indirect (Scope 2) accounting program, including resetting an emissions baseline and validating it in accordance with the GHG Protocol ■ Conducted a CO_2 abatement cost review focussing on marginal abatement cost curves (MACC) ■ Working on short and long-term plans to decarbonise the operations by 2050 (despite exposure to carbon price being lower than others in the industry due to Evolution's lower emissions intensity). This includes plans to migrate to renewable energy sources and the consideration of renewable fuel, electric fleet and/or hydrogen fuel adoption ■ Tested various carbon price forecasts for Australia and Canada as part of pre-feasibility and feasibility projects

Risk management

Risk management (including that of climate change related risks) is embedded into the day-to-day operational business processes. Business risks associated with climate change impacts (including regulatory risks, physical climate parameter changes and others) are noted as significant risks to operations.

Various risk management measures have been implemented, including conducting climate change risk and vulnerability assessments to be continuously updated, integrating climate-related risks into mainstream risk management plans and processes.

Climate-related risks and opportunities have been included in the strategic planning integrated across the business. We manage physical climate risks through a risk management framework and in alignment with the Sustainability and Strategic Planning Policy[16] and TCFD. The potential likelihood, severity, and materiality of these risks and opportunities to 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 founded on 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 climatic regions. We are actively managing 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 and Strategic Planning Policy
- Sustainability Performance Standards
- 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 applied to all 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 transitional) risks
- Critical controls for climate risk are being managed effectively
- Learning and continual improvement

[16] Sustainability and Strategic Planning Policy

The climate-related physical risks and mitigation identified as applicable to the 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 to support communities and agriculture ■ Increase reuse of mine affected water through design, construction and operation of process plant and tailings facilities ■ Reduce total water demand through mine design and process improvements ■ Investigate water saving technologies such as dry stacking of tailings and optimised 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 open cut and underground mine and tailings ■ Mitigation barriers to protect sensitive receptors ■ Innovative dust suppression e.g. engineered tailings cover pre-snow fall at Red Lake ■ Engineered design, construction and operation of all significant infrastructure including buildings and plant ■ 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/assessment ■ 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 and Indigenous Peoples ■ Personal proximity devices for close contact tracing ■ Specialist support and advice

These risks and uncertainties could materially affect performance, future prospects or reputation. Material risks are escalated to the Risk and Sustainability Committee and, as appropriate, to the Board.

Metrics and targets

We calculate key metrics and use targets to measure and monitor our performance and progress in managing climate-related risks and opportunities in line with our strategy and risk management process. Our FY22 performance is presented in the table below.

Metrics and targets	Status	Summary of progress in FY22
Goal: 30% reduction in emissions by 2030 and Net Zero by 2050 (Scope 1 and 2)	On track	■ Validated emissions baseline and forecast (in accordance with the Greenhouse Gas Protocol) ■ Developed value chain emissions map ■ Modelled Net Zero pathway under a 1.5 degrees celsius and 2 degrees celsius scenario ■ Developed site decarbonisation roadmaps which will be integrated into site level emissions reduction plans in FY23 ■ Conducted scoping and feasibility studies for electric vehicle use at sites
All operations complete 100% actions in emission reduction plans	Achieved	Key highlights: ■ CGO: 100% of underground vents work on demand, monitored by sensors ■ CGO: Emission Reduction management plan developed against life of mine plan ■ MGO: 100kg of old uniforms recycled via 'Upparel' ■ MGO: Plastic wrap changed to a biodegradable wrap ■ MRO: Processing Plant Compressors were upgraded and improved the energy efficiency by 16% ■ MRO: Wind turbine and solar options trialled for telecommunications and weather towers. ■ RLO: Ventilation on Demand; ON post blasting only ■ RLO: New BEV Scoop ordered to site with a total of four BEVs in service.

CASE STUDY: Electric Mine Consortium

The Electric Mine Consortium (EMC), comprising Evolution and other partner companies, has been collaborating for over 12 months towards the goal of fully electrified mines.

In this short period, the collaborative approach has been heralded as an example of inter-company collaboration on key global challenges. The EMC noted that "never in our experience have we seen this level of depth in engagement and sharing between companies in such a short space of time".

Throughout the consortium process, significant understanding has been gained of the broader industry challenge of decarbonisation, and the role in which electrification of mining operations can play. The EMC has developed six working groups, each of which aim to address a certain challenge area associated with the transition to electrification. These are as follows:

1. Energy storage
2. Heavy underground equipment
3. Light and auxiliary equipment
4. Surface and long haulage
5. Mine design
6. Electrical infrastructure

The EMC is emerging as a key vehicle for the decarbonisation of the mining industry and will remain dynamic as the external environment continues to shift.

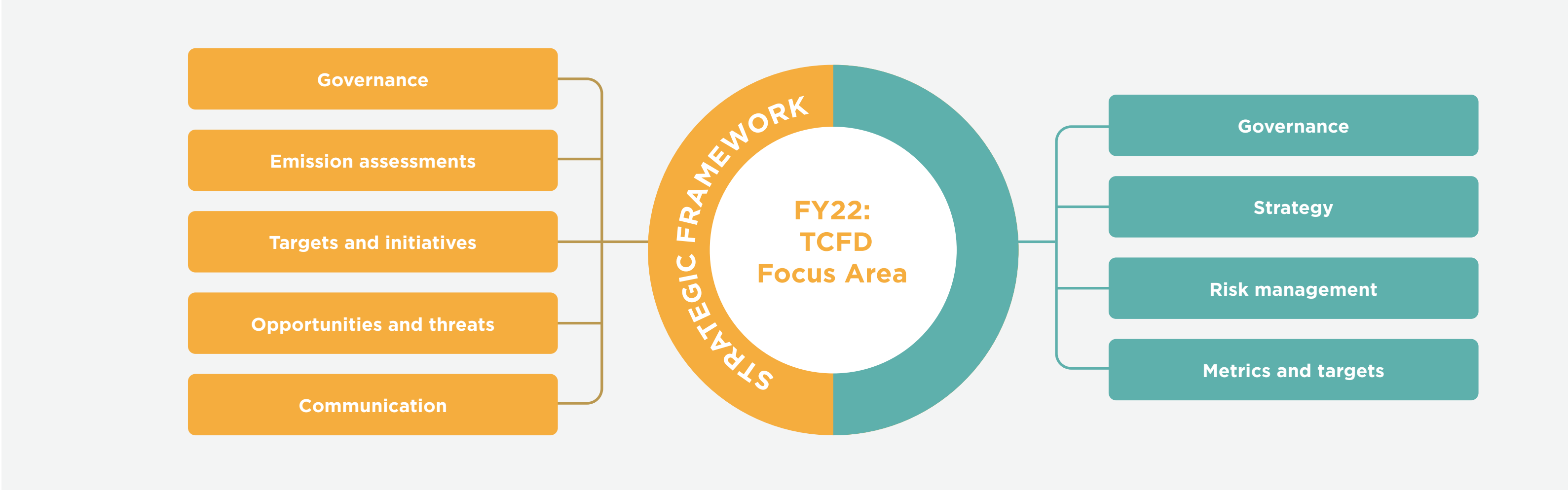
Task Force on Climate-Related Financial Disclosures

We recognise the recommendations of the TCFD, and that operations may be impacted by future changes in climate. In FY19, a strategic framework for climate change which addressed governance, emissions assessments, targets and initiatives, opportunities and threats and communication was developed. Since then, we have integrated a strategic climate focus to align with the TCFD recommendations on Governance, Strategy, Risk Management, and Metrics and Targets.

In FY22, a gap analysis of our TCFD disclosures was independently conducted. The analysis validated Evolution's alignment to the TCFD framework as over 90% compliant.

Disclosure alignment with the recommendations of the TCFD framework has been enhanced. This included stress testing climate scenarios for Cowal and advance understanding and disclosures of climate-related financial impacts to the business. Clarifying the impact of climate-related issues on operations and communicating mitigation measures support our relevance for the decades to come.

Evolution's approach to TCFD alignment



"Clarifying the impact of climate-related issues on operations and communicating mitigation measures supports our relevance for the decades to come"

Fiona Murfitt, VP Sustainability

Criteria for updating baseline

Based on guidance from the GHG Protocol[17], we will update the baseline if there is a change greater than +/- 10 percent to our Scope 1 and 2 baseline year emissions as a result of a major change in calculation methodology or a change in Company profile (divestments/acquisitions).

Refer to the FY22 **ESG Performance Summary Data** document for our TCFD index and detailed disclosures.

Near-term emissions reduction strategy

In the near-term, electricity supply greening is the main source of decarbonisation. As site decarbonisation roadmaps are further developed and executed, energy and emissions reduction work is being done at each site to reduce consumption and wasted energy, and improvement mechanisms are being shared across the business. Options for renewable energy projects, site-level efficiencies and conversion of power purchase agreements are being studied. This includes the Pumped Hydro Project at Mt Rawdon which has the potential to make a significant contribution towards Queensland's renewable energy ambitions. Four major areas of emissions present opportunities for decarbonisation: power supply, mobile equipment, stationary combustion and process emissions. To decarbonise these emission sources and ultimately achieve the goal of Net Zero emissions, activities to deliver cost competitive reductions have been prioritised.

[17] GHG Protocol refers to a set of comprehensive global standards issued by the World Resources Institute and World Business Council for Sustainable Development to provide a framework to measure and report Scope 1, 2 and 3 GHG emissions from private and public sectors and across value chains.

Our progress on reducing emissions and supporting climate action to date includes:

- ~30% of all electricity purchased from the grid was renewable
- Increasing transparency on climate disclosure by formally supporting the TCFD
- Collaborating with the Electric Mine Consortium to reduce our carbon footprint through learning and sharing planning and evaluation techniques and technology and innovation

Existing solutions are actively being evaluated and emerging technologies are being monitored to determine the current and future viability of options. To work towards Net Zero, we also continue to evaluate, monitor and advance opportunities to:

- Apply technology and innovation to lower emissions (e.g. software monitoring of grinding efficiency, adoptions of alternate/green reagents in processing)
- Assess the potential for using emerging technologies such as carbon capture and storage
- Work with industry partners to advance carbon-reduction technologies for mining

We continue to collaborate with partners as well as our supply and value chain partners to identify emissions reduction opportunities, including membership with the Electric Mine Consortium.

CASE STUDY: Renewable powered weather station and the Mt Rawdon Pumped Hydro project

In keeping with our commitment to Net Zero and local community engagement, the Mt Rawdon operation is focused on a transition to renewable energy. Initiatives during the operating phase include a renewable powered weather station and for the post mine transition a Pumped Hydro Feasibility Study for energy storage.

Mt Rawdon operation partnered with a regional wind power company, Diffuse Energy, in a project to transition their weather station fuel free. The weather station is currently run on solar and has a backup that uses a diesel generator to provide electricity.

The Maintenance team collaborated with Diffuse Energy to install a wind turbine fan onto the weather station. The $2,500 project supports a study into the feasibility of similar equipment at the site.

The project further boosts the onsite usage of solar energy and strengthens it with wind-generated electricity. The weather station is set to be completely emissions-free, and reliant on 100% renewable energy, contributing to emissions reductions and leading to a reduction in operating costs.

Integrated solar and wind will help to support the installation of a regulator and battery capable of storing energy generated by both renewable sources.

We are progressing a Feasibility Study on the Mt Rawdon Pumped Hydro (MRPH) Project, which is reviewing the conversion of the existing open pit into a 1-2GW pumped hydro project at the end of the mine's operating life. The MRPH Project is being progressed in partnership with Infrastructure Capital Australia Partners and the Feasibility Study is expected to be completed in FY23.

Over the past year the MRPH Project has progressed its design, stakeholder engagement, environmental surveys and connection to the grid and while also commencing in parallel with the permitting process, with the results to date giving us further confidence in that the viability of the MPRH project.

The MPRH Project is currently planned to be commissioned in 2028 and can support the Queensland government's target of achieving 50% renewable energy by 2030 as well as the Federal government's 43% 2030 emissions reduction target by potentially providing support to firm the supply of up to 6,000MW of additional renewable generation (subject to the MRPH project's final configuration).

The MRPH use of the lower pit will be integrated into the site's progressive closure and rehabilitation, providing ongoing jobs for the local community and extend the mines contribution to the State economy and the broader National Electricity Market (NEM). Planning with decision-makers and experienced partners is ongoing.

Further information is provided on our website.

Solar and wind powered weather station at Mt Rawdon

Mt Rawdon mine site - potential future pumped hydro electricity generation plant

Energy and emissions (material topic)

Approach

We aim to reduce energy consumption and increase the use of renewable energy, while enhancing operational productivity. When measuring emissions performance we apply a location-based method[18], which reflects the average emissions intensity of grids on which energy consumption occurs. Detailed monthly capture and analysis of the energy and emissions performance is conducted in alignment with the Evolution Sustainability Standards[19].

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 and aligned with the GHG Protocol due to the divestment of Mt Carlton and acquisition of Ernest Henry and Kundana assets. This adjustment is reflected below in our emissions performance.

Operations are proactively engaged in achieving the 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 recognise our contribution to greenhouse gas emissions, not only in terms of direct emissions, but also in terms of the value chain and indirect emissions. Our Scope 1, 2 and 3 emissions are externally validated, with Scope 1 and 2 included in this Report. The Scope 3 emissions are estimated values in anticipation of increasing data collection and achieving greater transparency in our greenhouse gas reporting and we will continue to review and evaluate these over the coming year.

Performance

The FY22 Group emissions performance compared to FY20 is provided in the table below.

GHG emissions	FY22*	FY20 (adjusted baseline)**	Change (%)
Greenhouse gas emissions Scope 1 (t CO_2-e)	221,168	222,928	-1%
Greenhouse gas emissions Scope 2 (t CO_2-e)	463,753	477,450	-3%
Total of Scope 1 and Scope 2 (t CO_2-e)	684,921	700,378	-2%

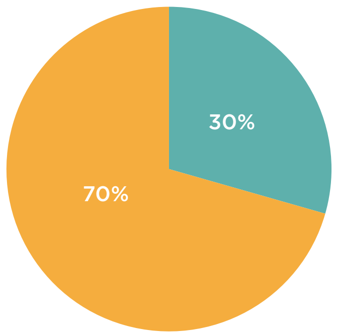
*FY22 emissions actuals exclude three-month control of Mt Carlton and include 12-month data for Ernest Henry noting only six months of control
**FY20 emissions baseline validated in accordance with the GHG Protocol
**FY20 emissions baseline includes current/acquired assets and excludes divested asset (Mt Carlton)

GHG emissions broadly correlate with the energy-consumption trends because Scope 1 reflects emissions from consumption of fuel while Scope 2 reflects emissions from consumption of electricity. In FY22, the total consumption of energy from fuels and electricity continued to trend downwards with a 2% net reduction.

Red Lake are currently benchmarking the adoption of renewable energy for Evolution with 72% of their electricity from renewable sources. Direct investment in renewable energy is the preferred strategy to address the transition to Net Zero emissions with opportunity presenting through continuous greening of the grid in each jurisdiction Evolution operates in.

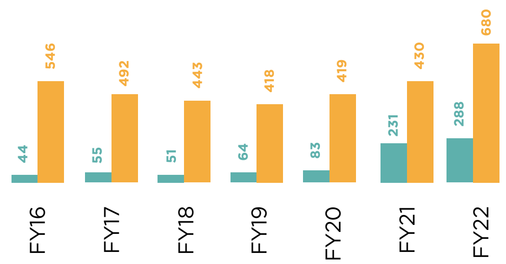
[18] Greenhouse Gas Protocol
[19] Sustainability Performance Standards

FY22 renewable vs non-renewable electricity (GJ) consumption (%)



- Renewable electricity
- Non-renewable electricity

Renewable vs non-renewable electricity consumption FY16 - FY22 (GWh)

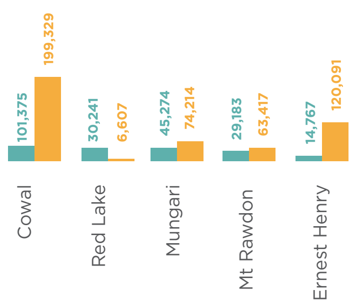


- Renewable electricity (GWh)
- Non-renewable electricity (GWh)

Scope 2 emissions

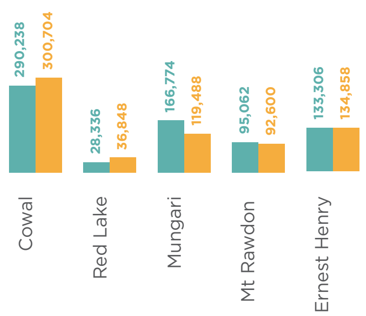
Scope 2 emissions reflect two thirds of emissions, with Cowal operations in NSW contributing almost half of all emissions. There will be an increased focus in FY23 on efficiencies improvement plans, looking to integrate solutions where they will have the most impact.

FY22 Scope 1 and Scope 2 emissions by operation (t CO_2-e)



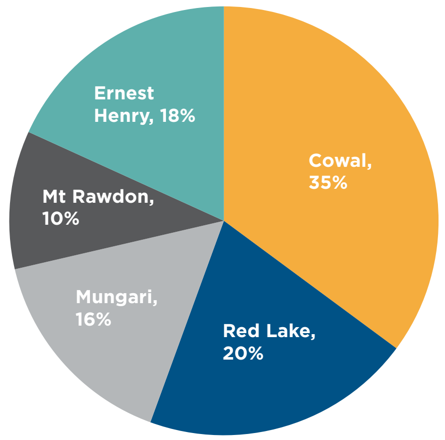
- Greenhouse gas emission Scope 2 (t CO_2-e)
- Greenhouse gas emission Scope 1 (t CO_2-e)

FY21 vs FY22 Total emissions (Scope 1 and Scope 2) by operation (t CO_2-e)



- FY22
- FY21

FY22 Total energy consumption by operation (GJ)



Scope 3 GHG Emissions

Our (internal) Scope 3 emissions reporting is underpinned by the following principles:

- Transparency in the methodology and selection of material sources – since Scope 3 is voluntary, we are very clear about the path we've taken
- Setting a good foundation and structure for reporting
- Continuous improvement around disclosures in future years

According to the GHG Protocol, there are 15 reporting categories to consider when calculating Scope 3. In FY22, as a step towards progress around Scope 3 GHG emissions associated with the value chain, we have:

- Internally calculated Scope 3 emissions across five categories aligned with the Greenhouse Gas Protocol, including four categories from upstream activities and one category from downstream
- Identified which categories should be included and which can reasonably be excluded without significantly impacting Evolution's final emissions footprint
- Validated data through third party

Scope 3 emissions will continue to be tracked and audited and will be fully disclosed in future reports.

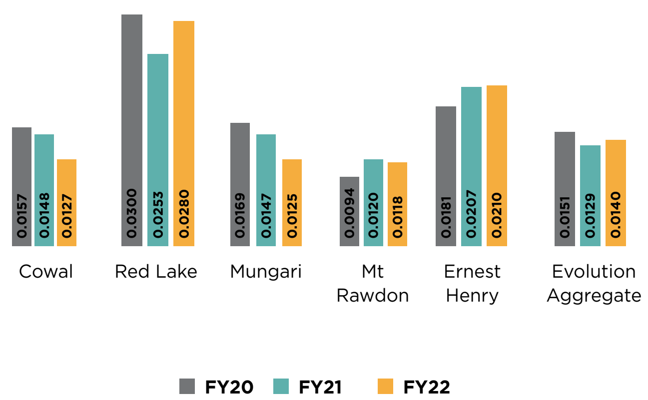
Energy and GHG emissions intensity

Intensity ratios allow the analysis of energy consumption and GHG emissions data in the context of an organisation specific metric. We use the "per tonne mined" intensity metric, as it enables us to analyse data in the context of activity at all sites. The FY22 emissions intensity performance compared to FY20 baseline is presented below.

Emissions intensity (CO_2-e)	FY22	FY20 (adjusted baseline)*	% change
Emissions intensity per tonne material mined (t Scope 1 and Scope 2 CO_2-e/tonne)	0.0140	0.0151	7%

* Adjusted FY20 emissions baseline to include current assets and exclude divested asset (Mt Carlton)

GHG emissions intensity FY20 - FY22 (t CO_2-e/tonne of material mined)



A 7% reduction in emissions intensity (per tonne of material mined) was achieved in FY22 compared to the FY20 baseline (0.015 CO_2-e/t). The performance of 0.014 CO_2-e/t material mined was within the target range. The decrease in emissions intensity per tonne of material mined are mainly attributed to efficiency improvements at Cowal (19%), Mungari (26%) and Red Lake (7%). These efficiency improvements can be attributed to a lower demand for diesel and electricity per tonne of material mined.

Evolution assumed control of Ernest Henry in January 2022 and are exploring opportunities to improve performance in coming years through a transition to renewables and application of innovative technology.

Case Study: Reducing emissions through battery electric vehicles and operational shifts

Each operation is empowered to implement emission reductions specific to their operating strategy. For example, Red Lake is pursuing fleet replacement and energy efficiency through deepening partnerships with Epiroc and Prairie Machine (Rokion) who are battery electric vehicle (BEV) service providers, and through operational changes via fan timers for the underground ventilation.

Red Lake has leveraged off Epiroc's offering of conversion kits to transform diesel-powered loaders easily and seamlessly to battery-electric driven. Two converted diesel-powered Scooptram ST1030 machines have been ordered for deployment underground. Two Scooptram ST14 battery loaders designed based on the diesel ST14 version have also been ordered and are scheduled for delivery in 2022. Three Rokion electric light vehicles, two R100s and an R400 have also been ordered. These items have been risk assessed in the field, have dedicated charge stations and are capable of online data capture and storage. The electric fleet brings the opportunity to save on maintenance, cooling, and ventilation costs with reducing expenditures related to diesel and power usage.

This cost-saving and energy efficiency has similarly been seen in the recent changes to the underground vent fan timers which are vital in clearing the drives post blasting of headings. After assessing the timer programming, the functionality of the fan timer switch was altered so that operators can run them when needed rather than running automatically. This project resulted in a 10% decrease in total site electricity demand for two (2) 1-hour events each day. This is now an embedded practice.

Scooptram ST14 battery loaders

Effluents and waste (material topic)

Approach

We ensure that the waste and product materials generated from mining and processing are handled, stored and disposed of appropriately. The most substantial waste stream was 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 were handled in accordance with the Evolution Sustainability Performance Standards and licence conditions.

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

Each operation is unique in terms of potential for acid mine drainage (AMD), neutral mine drainage (NMD) and saline drainage (SD) potential generation through mineral waste movement and placement. Where management of potentially problematic material is uncertain or known to occur, the operation implements progressive rehabilitation activities to ensure the receiving environment is not impacted during the operational and closure phases. Management of mineral waste was achieved by application of an integrated planning approach.

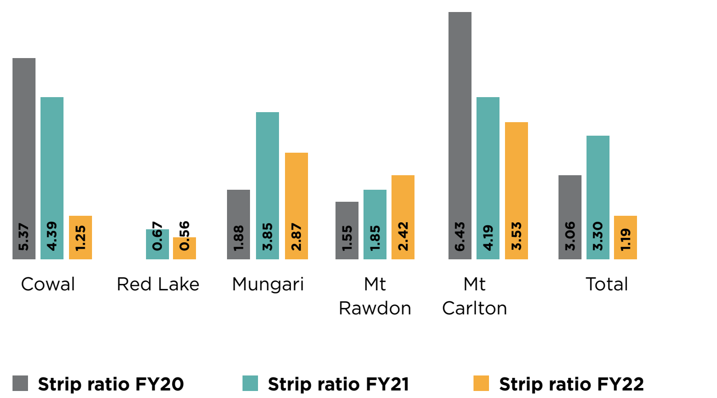
All mineral waste was geochemically categorised prior to mining, haulage, treatment, placement and encapsulation prior to rehabilitation. The integrated planning approach ensures protection of environmental values of the natural environment where we operate.

Performance

In FY22, the operations produced 27,088,189 tonnes of waste rock to extract 22,815,747 tonnes of ore. This represented a 1.19 ratio of waste to ore and a decrease from the 3.3 FY21 ratio[20]. Moving less waste rock has contributed to the efficiency across the operations.

The strip ratio decreased largely due to the inclusion of Ernest Henry which uses a block caving mining methodology. All material mined at Ernest Henry is combined and processed thus zero waste is reported for Ernest Henry. The strip ratio at Cowal reduced from 4.39 in FY21 to 1.25 in FY22. A higher proportion of waste was mined in FY20 and FY21 due to the mining of the cutback. The strip ratio at Mungari also reduced from 3.85 in FY21 to 2.87 in FY22.

Waste to ore strip ratio by operation FY20 - FY22*



*The strip ratio for Ernest Henry is 0 due to the Block cave mining method; all the material being mined is considered ore.

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

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 activities are to be managed, including identification of opportunities for waste minimisation, recycling and reuse.

During FY22, approximately 16,015 tonnes of non-mineral waste was generated, of which 68% 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. Recycling of non-mineral waste increased by 15% in comparison to FY21, resulting 38% of the total non-mineral waste being recycled across our operations.

CASE STUDY: Recycled core trays & biodegradable sump lining

In line with growing discussions on circular economies and reducing waste, we remain committed to being innovative in the management of waste. At exploration sites across Australia, this innovation has been seen with trays that hold the core samples.

A few exploration sites have started utilising Discoverer core trays which are made of recycled plastics. By utilising Discoverer's products, we are contributing to the 1.5 million kilograms of kerbside plastic saved from landfills by Discoverer each year.

Tailings management (material topic)

Approach

We are committed to tailings management aligned with global best practice for safety, the environment and communities during all phases of the facility lifecycle. The tailings management approach is open and transparent, including a full list of tailings facilities (provided in the Church of England Tailing Disclosure[21]).

The tailings facilities are planned, designed, constructed and operated in alignment with leading industry practices and guidelines. In alignment with the Global Industry Standard on Tailings Management Standard (GISTM)[22], tailings management further integrates climate change, stakeholder engagement, emergency management, local communities, receiving environment, dam safety and post mine land use.

Review and Assurance

Tailings risk assurance is achieved through rigorous design, construction and operations management, routine inspections and monitoring and independent review and audit processes. Risk reduction is our highest priority, and we are working toward this through continual review and improvements of design and operation practices to reduce the risk. Currently, a portion of the tailings is repurposed at Mungari and Red Lake to stabilise underground operations. This practice will include the Cowal operation in 2023 as the underground mine is developed.

Discovery team looking at core samples

[21] Church of England Tailing Disclosure

[22] Global Industry Standard on Tailings Management Standard

Environment

Performance

Material risk management: All sites have a Critical Control program and regularly report on verification outcomes.

Monitoring and surveillance: All sites employ monitoring and surveillance systems to monitor the facility performance over time. Where applicable, real-time monitoring is utilised and satellite monitoring is also included for all the facilities. This information is integrated into a management system with triggers and response by all sites for active facilities.

Site-based responsible person: Sites are required to identify a Responsible Person to ensure ownership and proper management of the tailings facility.

Dam safety inspections: Formal dam safety inspections are conducted at least annually by the Designer/Engineer of Record, and reports are issued to the Responsible Person for action on recommendations.

Independent review: We require operations to review all designs and conduct dam safety reviews at regular intervals. Where facilities have a High or Extreme Consequence Classification it is required that the operation engage an Independent Tailings Review Board (ITRB) (LOD3). Red Lake established an ITRB in 2020 and other operations that complete annual tailings dam risk reviews aligned with the requirements of GISTM. Mt Rawdon will complete an ITRB in 2023.

Tailings governance: LOD2 tailings assurance is undertaken annually with each operation conducting a quarterly performance review focusing on impoundment stability, integrity, risk review and the planning coordination. Evolution Group, supported by external advisors, provide oversight as to whether the tailings facility design and performance meet accepted standards/codes of practice. Performance reports are provided to the Tailings Governance Committee and Risk and Sustainability Committee.

7
active tailings facilities globally

14Mt ORE
mined from open pit

8.8Mt ORE
mined from underground

640,273
gold ounces recovered

21.3Mt
discharged to tailings

24%
tailings reuse at Red Lake for paste fill – 162 kt

14%
tailings reuse at Mungari for paste fill – 267 kt

Tailings risk was controlled and further reduced in FY22 by:

- Improved drainage 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
- Independent 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
- Studies – dry stacking, enhanced thickening, reprocessing of tailings, in-pit deposition
- Board and Leadership Team Tailings Awareness workshop
- Tailings Community of Practice – Material risk review; collaborative development of Bowtie and Critical Control Plans

Environmental compliance (material topic)

Approach

The operations are subject to environmental regulation in the various jurisdictions in which it operates. Permitting, approvals and legal compliance are crucial for the effective management of mining-related activities to protect environmental values as well as the interests and rights of local communities.

Permit and licence provision supports minimum requirements to ensure the health and safety of the communities and the protection of the 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.

A uniform internal reporting system is used across all sites. All environmental events, including non-conformance 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).

Performance

In FY22, there were no significant fines paid (> US$10,000) related to environmental impacts. There were no material environmental incidents in FY22 (major or catastrophic) and one reportable event (classified at a moderate level) were notified to the relevant government authority and the relevant agreed action was taken.

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

Air quality

Approach

We are committed to monitoring and mitigating its impacts on air quality. The management of dust and other airborne pollutants mitigates the impact on sensitive receptors and occupational health issues.

The management and minimisation of air emissions by mining operations is required to protect sensitive receptors in the vicinity of the operations. Air quality is managed according to the Sustainability Performance Standards, sites' licence to operate and regulations to ensure that air emissions remain within the specified emissions limits.

Air quality monitoring equipment is used to track and validate the performance and efficiency in of air quality management. Air quality monitoring is carried out by third-party accredited laboratories on a quarterly basis and externally reported. We continually seek ways to improve air quality at all operations.

Performance

In FY22, all operations were in full compliance with regulated limits for particulate emissions. Monitoring of depositional dust at the operations met licence conditions.

Refer to the FY22 **ESG Performance Summary Data** document for performance around air emissions related to GHG emissions.

Water management (material topic)

Approach

We acknowledge access to safe, clean water is a basic human right and central to maintaining healthy ecosystems, to communities' livelihoods and quality of life and to the business' Sustainability.

Globally, the social, cultural, environmental, ecological and economic value of water has led to greater scrutiny of responsible water use and expectations from stakeholders for improved resource stewardship. This increased awareness of water security, the acknowledgement of the human right to water and sanitation, and recognition of environmental linkages, such as climate change, form the basis of our strategic approach to securing and efficiently using water as a resource.

The Executive Chair is responsible for our water management strategy and performance; the performance is governed at the Board level through the Risk and Sustainability Committee.

Our water strategy and operational objectives are informed by robust engagement with a variety of stakeholders, including investors, policymakers, peer companies, non-governmental organisations and local communities. We seek to minimise operational water consumption, make effective use of water in the processes, and ensure that any effluents are treated to meet required water quality standards.

While the operations are not located in areas of high-water stress, 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.

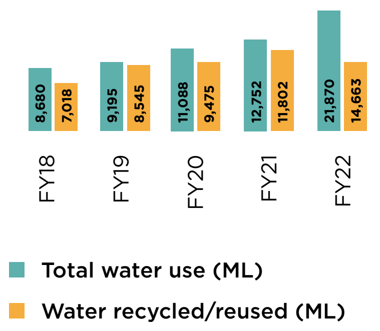
Performance

Total water withdrawn increased in FY22. The increase in water withdrawn was due to the inclusion of Ernest Henry operation, East Kundana Joint Venture and Kundana operations at Mungari. Water security improved by a decrease in freshwater demand: 0.31kL/dry tonne milled (42% improvement in FY22 compared to FY20 baseline).

The 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 WBCSD Global Water Tool, WRI Aqueduct Global Water Tool or Water Footprint Network.

Total water reuse increased by 24% between FY21 and FY22. Notable increases in water reuse were recorded at Cowal (10%) and Mungari (17%), demonstrating the increased focus and planning associated with water reuse at all operations.

Water reuse FY18 - FY22 (ML)



*Actuals reported as per assets owned at time of reporting

Detailed information on our water withdrawal, discharge and consumption by source and region can be found in the FY22 **ESG Performance Data** document.

In FY22, the water withdrawn intensity per tonne of ore processed increased by 23%. The increase is attributed to the inclusion of acquired assets Ernest Henry, East Kundana Joint Venture and Kundana in the water intensity measure. This is a whole of site water demand measured as per DTM. Mungari with the inclusion of East Kundana Joint Venture and Kundana has a relatively high-water intensity of 3.10 kL/tonne; and Red Lake has a water intensity of 4.11 kL/tonne. Noting that Red Lake 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 controls.

Hazardous chemicals management (material topic)

Approach

The operations have specific management plans and guidelines governing collection, separation, storage, reuse, and disposal of waste, reflecting local legislation and the commitments in the environmental impact assessments.

Waste generation and disposal, including the activities of waste disposal contractors, are monitored across all operations according to regulatory requirements and internal procedures.

Hazardous chemicals including the use of explosives, cyanide and other dangerous goods are essential to 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 ecosystems.

Each operation manages the hazardous chemicals lifecycle in accordance with the minimum standards outlined in the Sustainability Policy and Standards.

The use of hazardous chemicals is regulated by relevant legislation in each jurisdiction and is subject to specific licences, 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.

Performance

- Cyanide Code compliance at Red Lake and Cowal
- Permit and or licence compliance for all explosives, dangerous goods, chemicals and radiation devices
- 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)

Approach

We have an important role in biodiversity stewardship – contributing to the proper assessment of biodiversity conditions, minimising habitat degradation, and planning for habitat restoration during the life of mine cycle.

Local stakeholders are valuable sources of knowledge concerning biodiversity, and we work closely with the local communities to identify sensitive areas and monitor any potential impacts. We incorporate all stakeholder concerns into the environmental stewardship approach.

Our biodiversity strategy is linked to the stage of development of 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. Sensitive flora and fauna are only impacted where the internal and external permitting process have been met and no other alternative is available.

We strive to apply the mitigation hierarchy with the ambition of no net loss in protecting biodiversity and ecosystems. We do not conduct exploration or mining operations in protected areas and commit to the protection of World Heritage Sites.

Biodiversity Management Plans which meet the requirements of the Sustainability Performance Standard are in place at all sites, where required, and are regularly reviewed. All activities are monitored in accordance with obligations. Biodiversity assessments are undertaken in the project planning phase to identify risk of impact biodiversity and mitigation opportunities which inform the development of operational plans at each site in alignment with the standard.

Performance

- No impact to any World Heritage Site
- Disturbance permitting process embedded at all mine and exploration projects
- Annual review of biodiversity management plans
- 7,038 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
- Partnerships with conservation NFP including Lake Cowal Foundation and Burnett Mary Regional Group
- The status of disturbed and rehabilitated land at the operations can be found in the FY22 **ESG Performance Data** document.

CASE STUDY: Mt Perry summit walk opening

The creation of the Mt Perry summit nature walk was the result of a partnership between Evolution, the Mt Perry Community Development Board, Gidarjil Development Corporation, North Burnett Regional Council, and Queensland Parks and Wildlife Service. Throughout FY22, the walk was upgraded to a safe and marketable Class 3 Standard, signage was implemented, tourism and local economic development were stimulated, and training was provided to 15 Indigenous trainees. Trainees were trained in land management and construction qualifications while building the track.

In August 2021, after two years of planning and a year of construction, the new and improved Mt Perry summit walk was officially launched. Created by local indigenous trainees, with support from expert rangers and other project partners, the walk is now open to the public who can witness the diverse vegetation communities from dry rainforest to fern-clad hillsides, and various fauna such as wallabies, koalas, short-beaked echidna, and the rainbow bee-eater.

MRO Sustainability Superintendent, Paul Wright, notes that "Everyone associated with the local area and Evolution can be proud of this trail".

Mine Closure: Rehabilitation (material topic)

Approach

The objective of our mine closure plans is to ensure that the environment where mining activities take place is restored to long-term sustainability, which may be a similar condition to what existed before mining took place, or a condition suitable for another use. We have obligations to make operational and financial provisions to ensure the mine closure plans, rehabilitation and remediation activities are completed.

Closure planning is progressed at sites and financial provisions updated accordingly. We plan for closure from the earliest stages in the life of mines, ensuring allocation of adequate resources for closure activities to be properly implemented, managed and monitored throughout the active-closure and post-closure phases.

The Mine Closure Planning Standard requires the use of a responsible approach to land management through the operational phase and into closure. Closure planning requires the definition of site-specific closure objectives and completion criteria for each operation. Closure plans require to be developed to a level of detail that reflects the stage of each mine's life cycle, and they are updated in accordance with the Standard and regulatory requirements reflecting operational changes and progressive rehabilitation requirements.

Progress reports on implementation and compliance with ongoing reclamation commitments are submitted to regulatory authorities and third-party auditors annually.

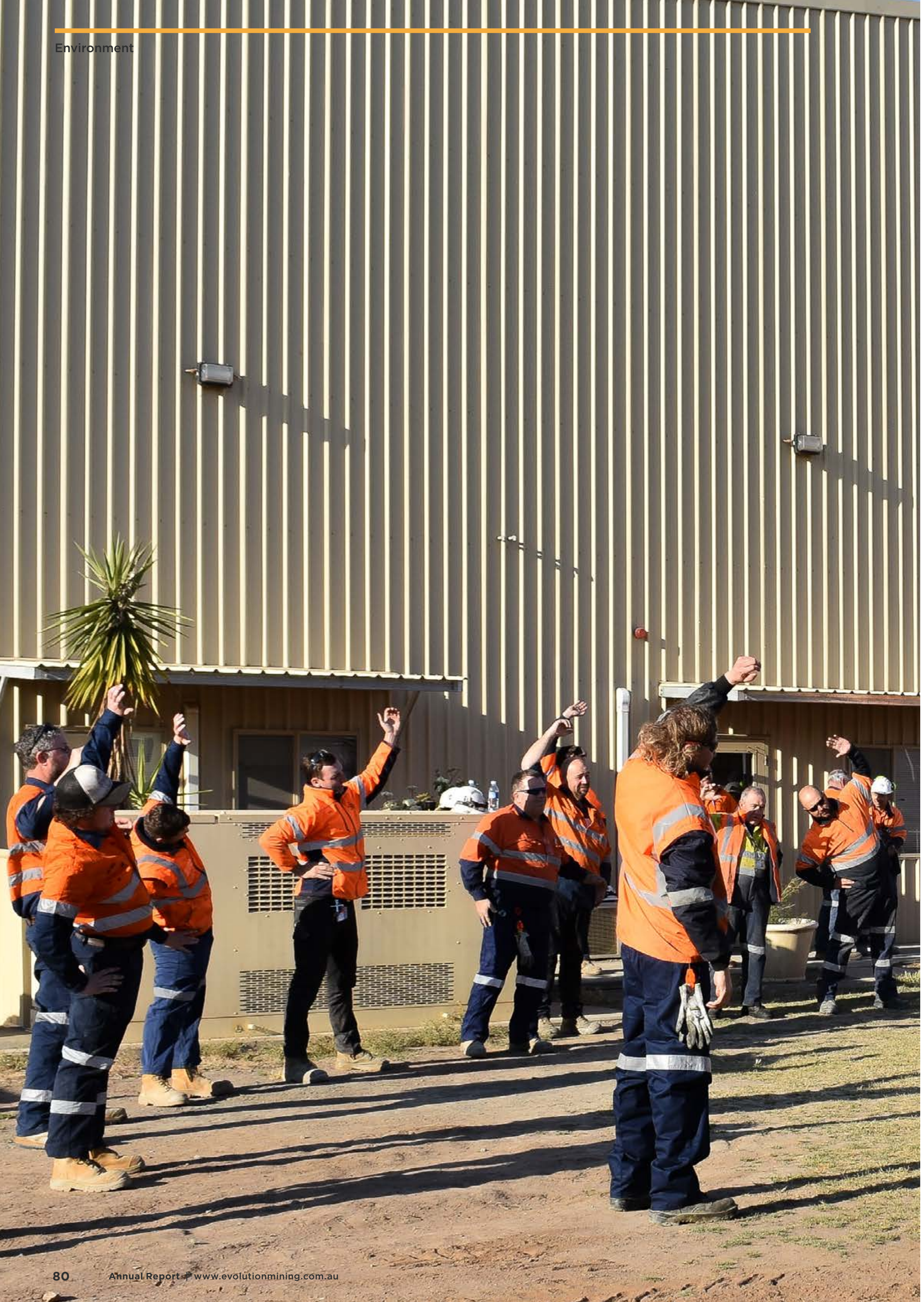
Performance

- Enhanced stakeholder engagement in the planning phase considered business as usual
- 7,038 hectares of land disturbed by mining activity
- 752 hectares of land rehabilitated
- Site Closure Plans – 100% of all operational sites
- Annual Mine Closure Assurance Audit and Mine Closure Insurance Audit (LOD3)
- Ongoing wetlands trial at Mt Rawdon
- $416 million[23] financial assurance approved by regulators at 30 June, 2022 (refer to table below)

Operation	Cowal	Ernest Henry	Mungari	Mt Rawdon	Red Lake
Type	Surety bond	Levy	Levy	Levy	Letter of credit
Financial Assurance	$64,902,072	$183,253,493	$49,473,395	$47,294,858	C$63,386,000

[23] Red Lake's rehabilitation liability converted from C$ to A$ using exchange rate as at 30 June, 2022

Social



Health, Safety and Wellbeing

FY22 highlights

COVID-19 management supported people and the community with minimal operational interruption

$2.5M
in direct and indirect support to our people and community since COVID-19 pandemic began

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

Safe and successful integration of two new acquisitions and one divestment

34%
reduction in Injury Severity (compared to FY21) during a period of significant change

96%
of actions in Safety Improvement Plans completed

100%
of material and critical actions closed as per target

Refreshed audit program completed with positive independent assessment of the protocols

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

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

ZERO
fatalities

A strong culture of hazard reporting continues with hazard reporting up 84% in FY22 compared to FY21

Health, Safety & Wellbeing

Work health, safety & wellbeing (material topic)

Approach

Health, Safety and wellbeing has long been a core value and strategic priority for Evolution. We are committed to providing workplaces where our people including contractors and business partners are physically and psychologically safe, healthy, and well.

We take a holistic approach to risk identification and management to provide a healthy and safe working environment for our people. Risk management principles are applied that seek to eliminate where practicable. Where this is not possible, risk is managed within agreed tolerability levels. This is supported 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.

In FY22, there were no work-related fatalities for Evolution controlled locations or activities, and we continue to build on efforts to improve health and safety performance, reduce incident frequency and prevent the recurrence of incidents. We believe that every injury is preventable, with an ambition that we create a workplace where people can thrive and contribute - where people go home better than what they arrived.

The workforce remained actively involved in health and safety throughout FY22 by participating in working groups, pandemic crisis management teams, special projects, business improvement initiatives, health and safety committees. All activity sought ongoing engagement, supported by designated employee health and safety representatives.

We are never satisfied with our Health and Safety performance and continual improvement requires a collective effort across all levels of the organisation. Evolution's workforce is expected to comply with health and safety requirements, supported by systems and processes, including the Sustainability and Strategic Planning Policy, and the associated Standards. Health and Safety performance is measured using a combination of lead and lagging indicators, with performance targets established during the annual business planning process. The primary lagging indicator for measuring health and safety performance, and for benchmarking against peers, is the Total Recordable Injury Frequency (TRIF). TRIF is a Group-wide key performance indicator (KPI) and the achievement of our annual safety targets forms part of the remuneration package for employees and executives. Other lagging indicators include the 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. The Injury Severity rate looks at incidents in terms of the actual number of days that were lost on average.

By continually striving to improve the health and safety of our work practices, we can have a direct and positive effect on the stakeholders, including our employees, contractors, suppliers, and those who live and work in the communities where we operate.

Governance, risk management & assurance

A strong health and safety culture is promoted across the business through governance, with the Board being ultimately responsible for Evolution's health and safety performance. The Leadership Team is accountable for developing and implementing health and safety systems and processes to deliver performance standards, with General Managers accountable for performance at each operation. We have health and safety committees at each operation to support the leadership in decision making, risk assessment, monitoring performance, and ensuring widespread sharing of health and safety information.

Health and safety improvement plans have been implemented across the business to achieve continuous improvement in performance that is aligned with the Risk management framework. This plan establishes clear accountability for health and safety performance, details the controls and practices for minimising hazards, and ensures effective audits of health and safety systems. There is also a requirement for regular reviews and updates of these plans, informed by worker feedback.

Staying safe on site requires constant vigilance, education, training and a high awareness of risk. We strive to create strong safety culture grounded in risk and hazard awareness. Some of the ways we work to embed a safety culture include:

- Leadership training: Site inductions, values training and leadership essential training is undertaken annually. It is also an expectation linked to targets and plans that management undertake regular field safety interactions
- Daily pre-start briefings: Each department holds a health and safety briefing at the beginning of each shift to discuss safety activities and review any incident that may have occurred, including the findings and actions, to consider how they relate to their own hazards and controls
- Monthly safety toolbox meetings: Each month education and awareness campaigns on a wide range of safety topics such as food safety, vehicle incidents, hand injuries, fatigue management or the safe handling of tools are completed
- Regular safety inspections: All equipment and tools are inspected at the start of each shift to ensure they are fit for purpose. Regular personal protective equipment (PPE) inspections are also conducted. It is a clear expectation that workers comply with all requirements and that they must not change or tamper with any safety devices (including PPE)
- Review, share and learn sessions: These calls are undertaken weekly to share learnings related to incidents so learnings can be shared to prevent recurrence. This also promotes learning through active storytelling and are supported by a two-page report on the incident
- Near miss reporting: We do not just report incidents after they have happened. We also support proactive reporting that includes any near-miss incidents, which we view as an important early warning system that can help prevent more serious incidents from occurring. This includes reporting for all incidents related to drugs and alcohol. Random testing occurs across all operations
- Investigations and learning: Investigations, both proactive and reactive and the sharing of outcomes are a fundamental part of the approach to health and safety. Incidents and any failure to adhere to established obligations are investigated under a fair and just system. All investigations outcomes are available online and are also shared via a weekly incident update called the "daily flash" report

Each incident is thoroughly reviewed and assessed by the site Health, Safety and Environment (HSE) team to identify the root cause and corrective actions to prevent recurrence. The more near misses and hazards that are reported, the better we can understand the risks on site and work to manage and mitigate them.

Hazard identification and mitigation

Risk register

Each operation is supported by a risk register that identifies the key risks associated with its operation. Each risk is ranked according to its potential severity and is supported by the risk source and the mitigating controls required to reduce the potential severity to an acceptable level.

Scheduled risk reviews are conducted at a site leadership team-level and a regular review of safety management across the business is undertaken as a minimum annually. All leading and lagging indicators, and progress against safety targets are reviewed. Additionally, all identified corrective and preventative actions related to the lagging indicators are assessed to ensure that they remain relevant and effective or if additional mitigations are required.

The risk register is updated as necessary to include any additional key risks or controls which may have been identified during a review of the performance indicators.

Incident reporting

It is mandatory for all employees and contractors to report near-misses and incidents for investigation. The level of investigation required is dependent on the potential severity as determined through the Evolution risk assessment matrix (RAM). Any event rated moderate on the RAM is investigated and remedial actions identified, with any High or Material events investigated using a root cause analysis methodology. All investigations are recorded within the incident management system along with all corrective and preventative actions which are tracked and reported through to completion.

Hazard reporting

All workers are trained in hazard recognition, avoidance and reporting. All hazards, regardless of the potential severity, are entered into a hazard reporting system including the corrective and preventative actions.

No hazard identified may be left uncontrolled and the hazard reporting system is monitored on a daily basis to track the close out of the corrective and preventative actions. Any action overdue its target date triggers a reporting and escalation process to the relevant level of authority.

Take 5

Prior to the commencement of tasks, workers are required to stop and assess the job at hand to identify and control any potential hazards that may have not already been addressed. The assessment is guided by a 'Take 5' type checklist that assists in ensuring that all possible controls are in place. Controls may include additional hazard identification and/or controls through a job safety analysis 'JSA/JHA', additional PPE, additional training, or supervisor intervention.

Training

One of the important ways we embed safety culture is through training which is integral to managing health and safety. We continued to hold regular health and safety meetings to review key hazards, risks and required safeguards such as new-worker inductions, emergency response and evacuation drills, crisis management training, and basic hazard awareness and task familiarisation. We also increased awareness, communications campaigns, and training for employees and contractors to support COVID-19 education and prevention awareness, both on site and in the local communities. Site-specific performance improvement, capability programs and cultural initiatives are implemented as required.

The approach to training includes building the value of the importance of the topic – "the why". It includes an awareness and education component to help workers understand the importance of staying safe on site, the objectives of our policies and procedures along with communication of procedures and standards and the dissemination of technical knowledge.

Site-specific induction packages are completed prior to arriving on site. These training packages allow operational teams to receive site-specific information and transition to site in a more streamlined manner. A robust health and safety induction program is provided for employees, contractors, sub-contractors and visitors. This provides an overview of the business, vision and values; key policies and procedures; and critical health, safety and environmental information. It is compulsory for all employees, contractors, sub-contractors and visitors at Evolution's sites to complete the safety induction, which is deemed valid for two years post completion.

It is mandatory for all employees and contractors to attend health and safety training relevant to their position and the area in which they operate. Training packages highlight the hazards associated with their position or work area and the relevant controls that are in place to mitigate these risks. The training material includes a strong practical component to increase comprehension of the training. It is reviewed regularly to ensure that the material remains relevant, and employees and contractors are refreshed periodically.

On average, each employee received 47 hours of health and safety related training in FY22, largely associated with annual refresher training. We continue to streamline the training processes, conducting analysis of training systems and onboarding process for all personnel joining the business.

Communication

Regular health and safety bulletins and notices are displayed on noticeboards, circulated amongst the mail groups and discussed in the pre-shift meetings. The content of these notices includes topics such as updates or amendments to any policies or procedures, serious injuries or incidents and the controls implemented to prevent a recurrence, and a monthly update on safety performance against performance indicators.

A company-wide communication called the "Daily Flash Report" is also sent out which includes an update on incidents for the last 24 hours and a summary of the month's performance. The "Daily Flash Report" is also used to share investigation findings once released as well as other important health and safety information such as industry alerts, monthly performance reports, general communications, and shared learnings. These reports are retained and stored on the intranet to ensure all workers have full access to this information both current and historical.

Performance

In FY22 we focused on building a learning and proactive culture so that people fully understand the controls in place relating to material and critical risks that keep them healthy and safe in the workplace.

Each operation implemented 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 "excellent" to "requiring improvement" (at one operation where the majority of injuries occurred). Tailored programs and plans were designed to address the specific needs of each site and were measured and tracked which focus on leadership, in field interactions, 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 70[24] recordable injuries during FY22, with 18[25] being lost-time injuries, resulting in a TRIF of 10.37[26]. Whilst the TRIF met the 10.75 target, the performance is never at a place where we are satisfied, and we continue to strive for improvement. 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, 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 the inclusion of a new material risk review process as part of the FY22 assurance program. A deep dive into the critical controls of six material risks across all sites was conducted. This provided detailed analysis into the current performance across the business and identified areas of improvement and shared learnings. This new process and findings were assessed and verified through an external review and audit.

We are continually learning, improving, and sharing how we create safe and healthy workplace with an emphasis on preventing serious outcomes. There will be an increase in use of technology and data driven insights to reduce risk in the future.

Safety performance comparison[1]	FY22	FY21	FY20	FY19
Number of safety interactions	45,096	49,107	54,287	32,588
Number of hazards reported	24,607	13,337	13,415	13,040
Significant incidents reviewed with senior management (%)	100	100	100	100
Proactive significant incidents	27	38	34	n/a
TRIF[2]	10.66[4]	9.62	6.76	8.31
TRIF target	10.75	5.25	5.50	4.95
LTIF[3]	2.81	2.49	2.07	1.75
Fatalities	0	0	0	0
Total hours worked	7,128,241	5,612,323	5,323,912	4,570,433

[1] Safety performance includes both employees and contractors and all assets, including Ernest Henry
[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
[4] 10.37 excluding Ernest Henry

[24] 80 recordable injuries including Ernest Henry
[25] 20 lost-time injuries including Ernest Henry
[26] Excluding Ernest Henry

Contractor health and safety

We communicate minimum expectations regarding contractor health and safety requirements as a component of the procurement process for all sites and projects. These expectations form an integral part of the signed agreements and subsequent contract reviews 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 are clear in communicating the requirements and accountability for supervision to ensure work is being carried out safely and in line with Evolution's Performance Standards.

We operate a 'one team' approach and report and review all incidents including near misses from all workers, including 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, work must cease 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 operations and are rigorously reviewed and assessed to enable the business to be prepared to respond to an incident and/or an emergency. The emergency response teams comprise of workers 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 we respond 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 Group Crisis Management Team (CMT) in the event of a crisis, and/or the site Incident Management Team (IMT), both at a site and at a Group level.

FY22 has been a year where there has been an ongoing and active CMT and IMTs application with responses to floods, fires and ongoing management of COVID-19 across all locations. Specific examples where IMTs have been established with support from a CMT include COVID-19 at all locations, cyclones at Mt Carlton, flood and rain events at Cowal, Red Lake and Mt Rawdon and forest fires at Red Lake.

The capability of 234 members in the Emergency Response Team (ERT) continued to be built to support operations and to assist the communities through significant incidents or threatening situations. 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 workers, assets and neighbours.

Wellbeing

We pursue a preventative approach in promoting a healthy lifestyle and this is done by raising the employees' awareness of their own physical and mental health status with the expectation that this will inspire employees to make key positive lifestyle changes.

A healthy workforce results in reduced absenteeism (which can be costly in both business and personal terms) and fosters an engaged and motivated workforce functioning as part of a complete team. Health-related campaigns are regularly communicated and discussed through pre-shift meetings to promote awareness, management, and preventative measures.

The range of topics covered are identified based on prevalent medical conditions, and include common noncommunicable diseases, communicable diseases, mental wellbeing, personal hygiene, fatigue management and the effect that seasonal environmental changes may have on the body.

Mental health

There is an increased focus on the mental health of the workforce. A mentally healthy workplace is a shared responsibility between Evolution and its employees. During the year, the following mental health initiatives were undertaken:

- Community events including R U OK? Day, Mental Health Month, Movember, and the Blue Tree Project
- Engaged psychologists and specialists to run information sessions on mental health awareness and provide COVID-19 specific health information
- Supported training specific to psychological safety

All employees and their families continue to have access to the Employee Assistance Program (EAP), which provides confidential professional counselling and support to employees with personal or work-related difficulties. During FY22, 50 staff accessed 172 EAP sessions. Benefits of both consultation types are leveraged to support the workforce.

Capitalising on the benefits of an integrated care model requires strong leadership, professional commitment, quality and governance, and good management structures. A proposed integrated health and wellness

Health, Safety & Wellbeing

service at Evolution will continue to support an integrated approach to care, where mental, physical and psychosocial health care with wellbeing initiatives so assessment, treatment and management of mental health issues are focused on the needs of the individual.

Ways of working

Significant changes to the way we work have been made in response to the COVID-19 pandemic. Employees have been supported to find new ways to connect virtually, develop and implement innovative solutions, and perform their roles with increased agility. The most recent employee engagement survey highlighted the value our employees place on flexible working and the manner in which it has been delivered.

Evolution's flexible work environment has been a core strength in supporting the employees during this time, aided by employee-defined ways of working charters and our Pandemic Leave Policy.

Fatigue management

We recognise the risks associated with employee fatigue and the responsibility in providing the necessary resources through policies, awareness, empowerment and tools to mitigate the risks and maintain productivity.

As part of the employees' duty of care requirements, all individuals have an obligation that they arrive to work in a satisfactory physical, mental and emotional state. It is regularly communicated that every employee is empowered to stop a work activity that they consider hazardous and to report without prejudice, any issues of fatigue to their supervisor.

Accommodation areas are structured to ensure that employees' welfare needs are addressed and that there is suitable rest between shifts by implementing noise and time curfews in these areas so that they are conducive to an uninterrupted sleep.

To ensure that the controls in place are effective, a fatigue investigation checklist is completed for all incidents potentially related to fatigue to identify any possible areas for improving fatigue management. This is supported by mandatory fatigue training to be undertaken as part of induction at operations.

CASE STUDY: Little Wings Sponsorship

We operate in regional communities and acknowledge like many rural and regional areas, there can be obstacles in gaining specialist medical care. A donation from Evolution allowed one-year-old Heath Barber to board his last charity flight home from Westmead Children's hospital, following his final appointment in Sydney. Little Wings applied for a grant from the 2021 Cowal Partnering Program to support the non-profit. The successful grant application means the non-profit can stay in the air providing free, professional, and safe transport services to sick children, like Heath, in rural and regional NSW. This sponsorship and donation supports the resilience of the community and the health and wellbeing of the people within it.

Flight from Westmead Children's Hospital

Transport safety (material topic)

Definition: Road and aviation incidents - includes transportation to/from and within the site.

Approach

The risk related to transport safety (road and aviation) varies based on the activities of the operations, the location of assets and the local environments in which we operate. These activities include the movement of people, delivery of products or transporting goods and equipment.

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

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, with external specialist support engaged to assess specific aviation technical matters and obligations.

International SOS have been engaged to support the health, safety and security 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 locations and support is also provided in ensuring the safety of our people during the COVID-19 global pandemic. Given that geopolitical locations of the operations, travel is also generally restricted from geopolitical sensitive locations. Strict governance and sig off protocols remain in place for all overseas travel with oversight and approval required from the respective Leadership Team member.

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. An Evolution Community of Practice (CoP) has been formed to champion a program of activities aimed at reducing vehicle incident and near misses across the business. This is focused on reducing risk through both driver behaviour and targeting technological solutions to improve the safety outcomes of vehicle operations.

Performance

100% of charter airlines in use through FY22 have undergone the required third-party audit, confirming compliance to regulatory and Evolution minimum standards. There were no aviation related events in FY22.

Vehicle safety was an element of the FY22 assurance audits with a Material Risk Review completed of the Critical Controls identified at each site in relation to Vehicle Interactions risks. Whilst improvement opportunities were identified across all sites, there were no risks requiring immediate action to be taken. Action plans have been developed to address critical control improvements from all audits which are tracked and reported on through site risk review meetings and findings will also be linked for learning to the CoP for vehicle safety.

People and Culture

"Evolution has always focused on creating a positive and agile culture where our values underpin everything we do. We are equally committed to creating a fair, inclusive and diverse workplace that supports us in attracting and retaining talent"

Paul Eagle, VP People and Culture

People and Culture

FY22 highlights

Introduction of leader-led Inclusion and Diversity initiatives

100%

of employees had meaningful values and culture conversations with a senior people leader

30%

of the Graduate Development program hires in FY22 were females

Continued to engage our employees, seek feedback and actively work on making Evolution the highlight of our people's careers, maintaining strong engagement results despite the impact of COVID-19

Built cultural awareness through training and collaboration with local Indigenous communities

82%

of employees choosing to stay in a competitive market

20%

females in management positions (increase from 17% in FY21)

Analysis and alignment of gender pay parity as a key component of the FY22 Remuneration review

72%

local employment across our operations (compared to 67% in FY21)

Updated Evolution Leave Procedure to provide employees with benefits that address key social issues such as closing the superannuation gap for primary care givers on parental leave and supporting victims of domestic violence

Approach

Our people underpin our success, supported by our values. We work hard to strengthen our culture of respect and transparency, and we actively listen to our people and address concerns.

We are focused on attracting and retaining the best talent and providing a dynamic workplace that offers a range of experiences, career development opportunities, and an inclusive environment where all employees are treated with dignity and respect.

We are an equal opportunity employer who does not discriminate on the grounds of gender, race, age, ethnicity, nationality, disability, sexual orientation, relationship status, religion or other attributes. We are committed to respecting differences and enabling a diverse mix of people to work effectively together, by creating an environment where all people feel respected, connected, and can do their best work.

We have a range of policies in place that outline the expected standards of behaviour and create the basis for an inclusive and diverse workforce, including our code of conduct, Inclusion & Diversity Policy, and Whistleblower Policy.

Performance

As of 30 June 2022, Evolution employed 2,689 permanent, fixed term and casual employees, compared to 1,977 in FY21. The acquisitions during the financial year expanded the workforce with the addition of 588 employees at Ernest Henry, 186 employees at East Kundana and 125 at Kundana. During FY22 we also divested our Mt Carlton operation which reduced our workforce by 149. 82% 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 decreased from 20% in FY21 to 19% in FY22 due to acquisitions and divestments with female representation at Ernest Henry lower than that at Mt Carlton. Whilst the overall representation of female representation decreased, the number of females in management positions increased to 20.1% in FY22 from 17% in FY21. Approximately 30% of the Graduate Development Program hires 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. Indigenous makes up 6% of the Evolution workforce.

Inclusion and Diversity (material topic)

Approach

We recognise the benefits of having an inclusive and diverse workforce, where people's diverse experiences, perspectives and backgrounds are valued and utilised. We aim to have everyone at Evolution feel respected, comfortable and confident to bring their best work-self to work every day and to grow both professionally and personally.

Our people are the most significant enabler as they drive business performance and success. It is our role to ensure that the workforce feels equipped, engaged and motivated to succeed. We do this by providing a safe workplace (physically and psychologically), a supportive team, strong leadership, meaningful work and career and development pathways for those who have the appetite and ambition.

Our refreshed Inclusion and Diversity Policy outlines our commitments and applies to all aspects of employment, including recruitment, training and development, remuneration and performance management.

We believe in equal pay for work of equal value and continue to identify and address any gender pay gap issues. In the FY22 Remuneration review we analysed the remuneration of employees specifically addressing gender-based pay parity and alignment with market conditions. We report annually to Workplace Gender Equality Agency (WGEA) and use the report and industry comparisons to look for improvements in policies and practices to address any gender pay disparities within Australia.

In FY22, our leave procedure was updated to close the superannuation gap for people on parental leave. This will see primary carers superannuation topped up on their return to Evolution following their primary parental leave for the period of up to 12 months. In addition, to support the important issue of domestic violence, employees are able to access an additional 5 days of paid domestic violence leave in addition to those entitlements already provided for under the Fair Work Act.

Inclusion awareness/Inclusion and Diversity project

We launched the Inclusion awareness project in FY22 to support our values driven culture, the communities where we operate and our people to feel like they are included and belong at Evolution. Inclusion drives more positive diversity, and diverse backgrounds and thinking, respectful teamwork, innovative outcomes and stronger business results. We:

- Established a group of Inclusion Awareness (IA) project champions representing all sites and their interests to provide input and two-way feedback into Evolution's Inclusion and Diversity efforts
- Adopted a leader led approach to educating our leaders and employees around Inclusion and Diversity and establishing a baseline of what good looks like in this space
- Developed fit for purpose learning modules for our people, offering face to face and online content
- Managers once removed held "Living our Values" conversations to check in on culture, values and inclusion at Evolution
- Conducted site audits of their inclusive practices, facilities and symbols
- Launched an Inclusion and Diversity intranet portal page & Podcast – a Yarn or Two, and developed Inclusion and Diversity story videos, featuring Evolution people
- Surveyed our people to see what they thought about being their best selves at work and the supportive culture. We remain dedicated to achieving a high performing culture with values and reputation as non-negotiables as outlined in our strategy. With strong support from the Board and Leadership Team, the Inclusion and Awareness project will continue in FY23 (renamed as the I&D Project), as we recognise it is critical that we further increase momentum in this area and building on an inclusive and diverse culture is something that takes time and continual focus
- Actively communicated and discussed topical reports such as the Rio report to support open dialogue on expectations and planning for our Inclusion & Diversity activities

Performance

During FY22, our workforce achieved 19 per cent female representation, and employees identifying as Indigenous accounted for 6 percent of our workforce.

Refer to the FY22 **ESG Performance Data** document for more information about Evolution's inclusion and diversity performance based on age, gender and Indigenous representation.

	As at 30 June 2022	As at 30 June 2021	Australian industry average at April 2022
Overall female representation	19%	20%	19%
Management female representation	20%	17%	N/A
Non-management female representation	18.9%	20.2%	N/A
Overall Indigenous representation	6%	7%	N/A

We undertook a range of inclusion and diversity related initiatives during the reporting period which included:

- Education of leaders on inclusive practices, behaviours and processes including hiring practices
- Continued to develop awareness and capability, through the onboarding and refresher onboarding programs, whereby we do not tolerate any form of unlawful discrimination, harassment or bullying or any other type of unethical behaviours that are not in keeping with Evolution's values
- Reviewed and modified the Induction program to highlight our commitment to inclusion and diversity
- Reviewed the Leave Policy and Procedure that delivers more favourable entitlements and benefits for Parental Leave, Community Leave and Domestic Violence Leave and Review of the Inclusion and Diversity Policy

Cultural recognition

Our vision for cultural recognition is one where all First Nation Partners and Indigenous Peoples have equal access to opportunities and resources, are treated equally in all relationships and their cultures and histories are celebrated and respected. Through cultural recognition, our capacity to engage and collaborate effectively and authentically will be enhanced and improve the outcome for all parties.

Engagement occurs via our Sustainability teams, which informs and supports the functions and sites to help them understand Indigenous cultural protocols. These teams also work with community leaders and recognised Indigenous businesses to develop plans that effectively deliver work across homelands which respect their ongoing traditional custodianship and provide lasting employment and subcontractor scope of work opportunities.

In FY21, we launched the Cultural Recognition Position Statement which reaffirmed our commitment to the reconciliation process. Promoting Indigenous culture and building the cultural awareness of our workforce is critical to building relationships based on trust and respect.

In FY22, to further embed the commitment we developed an Indigenous Relations approach which outlines how we work in partnership to build cultural awareness, knowledge and competency into our business practice, empowering our people to be informed and considered in our approach to partnerships, inclusion and diversity and advancing outcomes for First Nation Partners and Indigenous Peoples.

In FY23, we will launch an Australian focused cultural competency program which outlines learning options to build awareness of Aboriginal and Torres Strait Islander cultures, histories and achievements. Cultural competency is about personal, ongoing development and education and this training will support the development of Evolution leaders and First Nation relationship managers.

Other activities include:

- Participating in National Reconciliation week and NAIDOC week celebrations
- Holding smoking ceremonies conducted by local Traditional Owners at the commencement of projects
- Providing support systems to the business to increase procurement with Aboriginal and Torres Strait Islander businesses
- Including a supported prequalification process for inclusion of Indigenous businesses into our supply chains
- Working with several Indigenous joint venture partners to enable growth and expanded employment opportunities for their people

- Embedding best practice cultural heritage monitoring within large-scale on-country project deliveries
- Nomination of traditional custodian business, Gidarjil Development Corporation, for an industry award celebrating Indigenous excellence
- Development and distribution of Acknowledgement of Country and land acknowledgement resources and protocols
- In FY23, implementation of Indigenous trainee and apprenticeship programs at Mt Rawdon and Mungari, and an Indigenous employment program at Ernest Henry

We are committed to increasing our cultural competency and capability, and to being an organisation that demonstrates leadership and respects Indigenous communities right across Australia and Canada.

CASE STUDY: NDRL Indigenous All Stars game

Mt Rawdon and the Gidarjil Development Corporation proudly came together to host the inaugural Northern Districts Rugby League All Stars game in Gin Gin on 4 September 2021. The Mt Rawdon team was integral in organising and hosting the event and were also major sponsors of the game.

The Mt Rawdon team had been eager to support the significant inaugural event within the local area that could hopefully become an annual showcase event for the region. Highlights of the day included a men's and women's All Stars game, a smoking ceremony, cultural dancing, and family entertainment. The jerseys utilised by the teams were also created by a local Indigenous artist, Chern'ee Sutton, who noted "It's one thing to see a jersey worn in one of the big stadiums, but it's another to see my design used in my local community" [Source: BundabergNow].

The day was met with overwhelmingly positive feedback with media attention across the region and from the QRL and NRL. In the BundabergNow news platform, Mt Rawdon's Sustainability Manager Paul Wright was proud in saying "We believe this sporting event is a great opportunity to build on the positive relationships within (the) community and demonstrate true reconciliation across the region and showcase some of the local sporting talent."

Employee engagement (material topic)

We understand that an engaged and high performing workforce is essential for the success and growth of the business.

Bi-monthly voluntary employee engagement (via the Teamgage platform) surveys are conducted, providing people with an opportunity to let their leaders and team members know what is important to them. The survey is an important opportunity for people at all levels of the workforce to provide honest feedback on how Evolution performs across a range of key areas including excellence, accountability, honest conversations, safety, collaboration, respect, wellbeing, culture and belonging.

The results of the survey demonstrate that we successfully sustained or improved over the period against key culture measures, which are aligned to our values.

Our overall combined engagement score was 79, which is a strong result, representing a slight uplift from FY21. In FY22, in line with our Inclusion and Diversity focus, questions were added in addressing how comfortable our people felt in bringing their best self to work, and how supportive their site/team culture was in enabling this. These questions received scores of between 71 – 91, representing an encouraging result.

To address the valuable feedback from this survey, people leaders consult with their teams to create and implement action plans designed to improve the team effectiveness and the environment within which they go about their daily work.

Talent attraction and retention (material topic)

Talented people are very important to the business, and we are always keen to identify, attract and retain team members who are highly skilled, and strongly aligned with our values. We develop employees by engaging and investing in their futures through a variety of internal and external development offerings. We encourage people to take up opportunities for development that complement their individual needs, short and long-term career goals and are aligned to business requirements. We focus on developing people both personally and professionally, which enables us to build organisational capability and capacity.

In FY22, we undertook several initiatives to enhance employee attraction and recruitment and better position Evolution to achieve its ambitious growth plans over the next two to three years. Initiatives included:

- Launching an Employee Value Proposition project to uncover why people join and stay, the main drivers around their employee experience and the key channels and approaches we can leverage to source great talent
- Learning from the "Living our Values" conversations with our people, stay interviews, data from exit interviews, and employee surveys, to help inform employee retention initiatives
- Formalising flexible work arrangements, allowing employees to work in ways that better suit their lifestyle while maintaining access to development and career progression opportunities
- Enhancing the Employee Referral program to supplement existing recruitment strategies. This program incentivises current employees to refer suitably qualified and skilled candidates to Evolution. Between November 2021 and May 2022, 11% of new starters were a result of referrals from Evolution employees
- Continuing to review job advertisement templates to ensure employment messaging attracts a diverse workforce
- Consolidated the reporting of recruitment statistics through enhanced recruitment dashboards

We reviewed feedback from the candidate, hiring manager and onboarding surveys to enhance our hiring and onboarding practices and experience. Social media channels, e.g., LinkedIn and Facebook, are used to showcase diversity through sharing employee stories, community initiatives and local activities. Partnerships with Work180, JT Academy, Gold Industry Group and other local and community associations helped to deliver targeted talent attraction messaging to the candidate market.

Retention rate

Strong levels of retention have been maintained across the workforce in a highly contested and competitive market. This reflects the targeted work undertaken to attract and retain quality people to and within the business. We continue to provide an environment where employees want to do their best work, learn and develop and experience the highlight of their career.

Recognising and rewarding our people

We have built a culture where our people 'Act Like an Owner' (ALO) by treating Evolution as if it is their own business. In FY22, 97 Group ALO initiatives were generated that delivered significant value for the business through change, improved safety, innovation, cost reductions and efficiency gains.

We are in our eighth year of offering all eligible Australian based employees $1,000 worth of Evolution shares, through the employee share offering program, enabling our employees to be owners of the business.

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

Training and education

Extensive training is provided to increase or improve skills and knowledge 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, Company values and training and development needs and goals.

In FY22 the continued focus on development, leadership and retention was measured through:

- 81.5% of people fulfilling their stated development goals
- Improved continuity in our leadership pipeline effectively retaining and attracting top talent in the management group
- 30% of our leaders participating in dedicated leadership development training, including three cohorts in the senior leader coaching program and GOLD mid-senior leadership program
- All leaders at the superintendent level and above participated in a multi-year leading inclusion program aimed at leading with an inclusive mindset and behaviours
- 41% of vacant roles appointed through succession and internal candidates, against a target of 35%
- Delivery of a total of 128,306 training hours in FY22: an average of 47 hours per employee (compared to 59 in FY21)

The rollout of our refreshed Leadership Development suite of programs continued, underpinned by the leadership behaviours. The leadership suite includes leadership essentials; practical bite-sized learning for all leaders, delivered on site; and leader induction, which is aimed at supporting new and emerging leaders around the fundamentals of being an effective leader. The upgraded GOLD mid-senior development program was delivered, focused on building leaders who are values driven, resilient, agile, commercially minded, inclusive and delivery focused. The Leader as Coach program was also introduced in FY22 to support coaching capability with senior leaders.

Graduate program

Our Graduate program has been delivering diversity and equality in the graduate talent pipeline underpinned by a robust and engaging recruitment and selection process since 2013. A seventh cohort of new graduates were welcomed to the business in January 2022. 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 plan.

Case Study: Meet Beau Garland, one of our graduates

Beau began his journey with Evolution in November 2020 as graduate geophysicist in the Discovery function. With multiple opportunities available to him at the time, Evolution stood out as the 'right fit' for Beau due to such an accommodating and friendly interview process, a warm and welcoming work environment, and a culture that encouraged social and professional connections.

In his first year of the graduate program, Beau worked on several projects to support his ongoing learning and development. He was appreciative of the opportunity to work extensively on the QGIS project, which will be rolled out to all of Evolution's exploration sites to improve access to data in the geophysics space from FY23.

Geophysicist graduate, Beau Garland, using an ASD TerraSpec Halo Mineral Identifier

Employee relations

Our approach to employee relations focuses on direct engagement with employees, establishing and maintaining strong working relationship with employees and unions, being proactive in consulting on any change, and providing open forums for employees to raise concerns.

We ensure compliance with employment law obligations and pay in accordance with enterprise agreements, minimum wages and other employment terms. We ensure competitive remuneration by comparing within the industry and AON remuneration surveys.

We actively manage recruitment and seek redeployment or retraining for employees affected by workplace changes. Where we are unable to redeploy employees, our redundancy and outplacement programs support employees with the transition.

We have a range of communication channels available to our workers, including the employees direct supervisor or manager, the people and culture representative, regular team meetings at each sites and functions, the intranet, incident reporting, informal channels through management, and grievance mechanisms, which also includes an independent 24/7 whistleblowing hotline.

Performance

All our employees have the right to freedom of association.

In FY22, 29% of our employees were covered by collective bargaining agreements. There were no strikes, lockouts or work stoppages of significance at our sites in FY22.

No operations have been identified as being at risk for incidents of child labour or having young workers exposed to hazardous work. We have a strict proof of age requirements for its workforce upon hiring that prevent anyone under the legal industrial working age from obtaining employment at any of our operation or exploration sites. Similarly, operations are not considered to be at risk for incidents of forced or compulsory labour and this is also referenced in our Modern Slavery Statement published annually[27].

Non-discrimination

Through the Code of Conduct and Inclusion & Diversity Policy, we are committed to creating an environment where differences are respected, and the working environment is diverse and inclusive. We do not permit discrimination, bullying or harassment at any level of Evolution or in any part of the employment relationship.

In the event that there is a suspected breach of our Code of Conduct, or if concerns are raised, particularly in relation to bullying or harassment, the People and Culture team determine the appropriate course of action to ensure we deliver on our policies, relevant legislative requirements and also our values.

[27] 2021 Modern Slavery Statement

Community

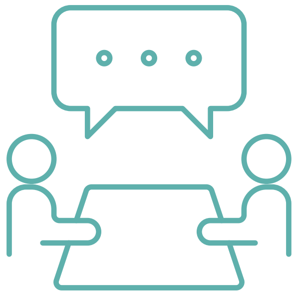
"We aim to contribute to the prosperity of our local communities and countries across all stages of the life cycle of the assets by creating direct employment opportunities, as well as supporting local businesses through procurement of goods and services, community investments and payments to governments, whilst minimising our negative impacts"

Glen Masterman, VP Discovery

Community

FY22 highlights

Active engagement with Local Communities, First Nation Partners and Indigenous Peoples



0 zero material community impact Incidents

100% of actions in Community Relations plans and First Nation Engagement plans completed

$3.5M in direct community investment in FY22

0 zero material Cultural Heritage incidents

$133M in local spend (32% increase compared to FY21)

6 new Shared Value Projects in FY22

Approach

Our success depends on our ability to maintain a strong social licence to operate. We work as a trusted partner with the local communities, respecting local culture, and manage risks and opportunities associated with our activities.

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

We aim to deliver enduring prosperity and lasting benefits to the communities in which we operate through investment, community development, capacity building and social infrastructure improvement. The communities near the sites experience the most direct social, environmental and economic impacts of the 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 the local communities and governments. Understanding and proactively managing these benefits and impacts is integral to the success of the operations.

We recognise genuine and effective stakeholder engagement involves building relationships based on mutual trust, respect and understanding. The importance of consulting with people in making decisions that affect their lives is expressed in the principle of free, prior and informed consent (FPIC), which is applicable to the rights of Indigenous Peoples in international law. FPIC is also applicable to other 'land-connected peoples', such as traditional and local communities living in rural areas near mining sites. Our community stakeholder engagement efforts are aimed at a continuous, iterative process of communication and negotiation spanning the entire planning and project cycles.

Each operation is responsible for developing and implementing a Community Relations plan and First Nation Engagement plan, which is approved annually and for which the Executive Chair is ultimately accountable. Operations provide updates on their plans on a monthly basis to Group office.

We have dedicated Community Relations teams that manages engagement with local communities, pastoralists, private landowners, First Nation Partners and Indigenous Peoples and local government as part of tenement applications, regulatory approval processes and ongoing operations. The team also works closely with our First Nation Partners to ensure continued identification, recognition and protection of all Cultural Heritage. The team carries out heritage surveys across all operations in alignment with the individual heritage agreements with Traditional Owner groups and within the guidelines. These surveys inform the location and design of the operations to avoid areas of heritage significance.

We have several agreements in place with Traditional Owners, which outline a range of obligations such as heritage protocols, employment and business opportunities, community engagement, cultural awareness training, health and education initiatives, and work ready programs. We continue to proactively work with Traditional Owners to identify further opportunities to collaborate.

We have created a Lead, Indigenous Relations & Community Partnerships role to manage and support stakeholder, community and Indigenous engagement activities. This position is to ensure we have a consistent and accessible resource in the local communities that can support future Indigenous employees and businesses. This resource is supported by the broader Sustainability function at Group and site that supports the development of durable and genuine relationships with the local community and First Nation partnerships.

During FY22, we strengthened community connections by:

- Developing deeper relationships with members of the communities in which we operate, including non-government entities
- Building awareness of projects to ensure they are known and understood prior to approval processes
- Engaging with non-government conservation organisations and individuals
- Conducting Evolution focused community forums
- Participating in existing local community forums and local shire meetings
- Establishing relationships with schools and developing work experience programs at mine sites for local high schools
- Hosting business development and employment sessions
- Further investing in community development partnerships at a local level
- Supporting school NAIDOC events, Country Week events, regional fairs and community festivals

CASE STUDY: Immunostorm Chip developed by University of Queensland and Evolution provides life-saving early warning diagnostics

In 2019, Evolution invested $900,000 over three years into a partnership with the University of Queensland (UQ) to support research and development of early diagnosis technologies for cancer using gold nanoparticles. This partnership resulted in an Immunostorm Chip technology which positioned Evolution and UQ as innovators in the biotechnology industry and improved health and wellbeing globally. With the cancer test now progressing through commercialisation, and contextualised by a global pandemic, this partnership has turned its attention to early detection for COVID-19 patients at risk of long-term, damaging immune responses.

Given the sudden emergence of COVID-19, it has been a challenge for medical experts to predict who will develop a cytokine storm, which refers to the uncontrolled release of cytokines resulting in hyperinflammation which damages tissue. We extended our partnership and increased the investment into the gold particle

University of Queensland's Dr Alain Wuethrich analysing the immunostorm chip

nanotechnology device which has been leveraged to detect warning signals of this storm. Such a device illustrates the potential for gold-based products in medicine, provides critical medical information to guide clinical decisions in triage, ensures efficient allocation of resources, and saves lives.

Indigenous stakeholder outcomes (material topic)

Approach

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

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

We are taking action to make cultural recognition and reconciliation a part of the business and culture through the site First Nation engagement plans focused on fostering trusting relationships for cultural recognition, promoting the rights and outcomes of First Nation Partners and Indigenous Peoples and building capacity in cultural inclusion, skills and knowledge across sites and Group office. This has been enhanced by including guest speakers to share knowledge and experience in building effective and respectful relationships in planning sessions, National Reconciliation Week events and Leadership Team meetings.

Indigenous Peoples, including First Nation Peoples 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 operation, Evolution has a responsibility to meaningfully consult First Nation communities and provide equitable access to employment, training and educational opportunities.

We are also committed to increasing Indigenous participation year-on-year in the business through apprentice, trainee, graduate and employment programs, and through Indigenous business opportunities. This commitment will be underpinned by the Indigenous Procurement Approach, which is under development and will be finalised in FY23 and will provide a guide for all local procurement plans.

The Community Relations teams at Group and sites work with the First Nation Partners and Indigenous Peoples, contractors and educational institutions to provide and support training and employment opportunities to Indigenous Peoples. The General Manager of the site is responsible for First Nation engagement at a local level.

We aim to develop strong relationships that incorporate a comprehensive approach to supporting self-determination and with the aim of building appropriate skills, capabilities and resources that ensure long-term success and positive outcomes for their communities.

Performance

In FY22, 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 FY22 **ESG Performance Data** document for activities that take place in or near areas where Indigenous Peoples are located.

Cultural Heritage (material topic)

Approach

The identification and preservation of Indigenous heritage is fundamental to Evolution's approach to operating sustainably and commitment to preserving and promoting the First Nation Partners and Indigenous Peoples' history and culture.

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.

As the short-term custodians of the land in which we operate, we respect the role of First Nation Partners and Indigenous Peoples 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 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 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 Peoples engagement.

Protecting Indigenous and historical Cultural Heritage is a critical element of our management practices. Prior to any development, we conduct archaeological assessments to ensure cultural and heritage rights are protected. Where there is significant archaeological and Cultural Heritage present in or around the operations, we have Cultural Heritage management plans. These include avoidance of disturbing significant sites, or, if unavoidable, minimising impacts and appropriately relocate or excavate any sites. Artefacts uncovered during project activities are recorded, documented and submitted to the appropriate government department. We work closely with Indigenous Nations to identify and preserve Cultural Heritage sites and to incorporate traditional knowledge studies where appropriate. We also educate employees on respecting the customs and traditions of the local communities, and support activities to promote the culture of the host communities. In addition, we ensure that cultural sites are identified in the impact assessments and marked on maps so that they are not destroyed or damaged by our activities.

Each of our projects and operations undergo regular Sustainability audit and assurance programs that assess performance against these standards and identify opportunities for improvement. Sustainability audits conducted in FY22 highlighted good alignment across all operations in understanding and implementation of the Social Responsibility Performance Standards. The results of the 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.

Performance

As outlined in the Social Responsibility Performance Standards, the site Community Relations teams liaise with the First Nation Partners and Indigenous Peoples and oversee the relationship agreements in place. The 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 and Indigenous Peoples. These agreements are negotiated in good faith, fairly and equitably and ensure we work in partnership with First Nation Partners and Indigenous Peoples 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
- In Canada, agreements with First Nation Partners outline mutual commitments and responsibilities to engage and consult on cultural resource surveys, and identifications of culturally sensitive sites, among many other environmental provisions. The agreements provide substantive avenues for Indigenous Nations to discuss with Evolution regarding environmental matters, from the earliest stages of the projects to closure and reclamation

Each operation and project 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 the stakeholders and to the Board.

Cultural Heritage impact or material changes are included in the Risk and Sustainability Committee Report as a standing report item for discussion and review.

During FY22, there were no new significant sites identified through work conducted by Evolution. Information regarding these sites is shared with the Traditional Owners, and where required in law, with the relevant government departments. Section 18 of the Aboriginal Heritage Act 9WA) enables land users to seek consent to disturb Aboriginal sites if it is deemed such impact is unavoidable. In FY22, Evolution sought no Section 18 clearances for Mungari, our Western Australia operation.

CASE STUDY: National Aboriginal Day & the blanket exercise

Following Canada's National Aboriginal day in June, the Red Lake operation acknowledged the day on site through a blanket exercise that served as an interactive demonstration of the removal of First Nation Partners from the land.

The educational activity-built understanding among the team by prompting reflection on Canada's history of Indigenous and non-Indigenous peoples. It simulated pre-contact, treaty-making, colonisation, and resistance. The activity forms one element of Evolution's overall commitment to enhancing cultural awareness and competency across the whole organisation, and actions are underpinned by close engagement with the First Nation Partners and Indigenous Peoples.

CASE STUDY: 1770 Cultural Connections Immersion Festival & Yarning tent

The 1770 Cultural Connections Immersion Festival returned in 2021 to deliver cultural education, immersion, and engagement to support reconciliation in the Burnett region, and across the wider community and nation. 2021 marked the second year the 1770 Cultural Connections Immersion Festival was run and attracted 1,600 visitors across the two-day event. We committed to a three-year Shared Value Project as a major sponsor of the event and hosting local and visiting Elders in the yarning tent. The yarning tent provided a physical space where people could come together and speak with the Elders, as well as take a break and relax in the shade. Our sponsorship was highly praised by Dr Kerry Blackman – CEO, Gidarjil Development Corporation who, like us, was eager to hear that the mayor has agreed to support the festival into perpetuity. This reaffirmed our dedication to ensuring sustainable, positive legacies for the communities we operate in. We will continue to sponsor the event in 2022 and 2023 and remain an active member of the festival organising committee.

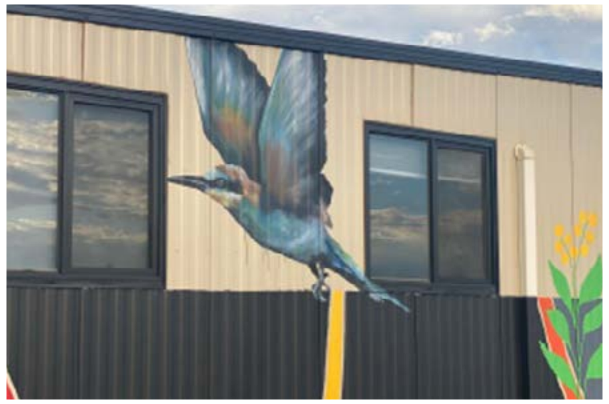
Evolution yarning tent set up at 1770 Cultural Connections Immersion Festival

CASE STUDY: Murals at Mungari

Six Kalgoorlie-Boulder artists worked with the Mungari team to create a new backdrop for the administration buildings which will help ensure more links to the Indigenous culture remain a daily part of life and work at Mungari operations. Capturing the stories of local Indigenous families for generations to come a series of colourful Dreamtime murals are in line with our approach to integrating Sustainability into everything we do. A team of Indigenous local artists painted artistic impressions of wildlife, flora, and fauna which are now permanently displayed to not only aesthetically improve the surroundings but also help to pass down the stories of local Indigenous elders and keep their messages present, visible, and top of mind.

Our Mungari Integration Lead Ann-Marie Schell led the team of artists which included Danielle Champion and Em Sanders. The murals are based on Dreamtime stories of Seven Sisters – a story that Danielle's grandmother passed down throughout the generations of her own family. New totems, created from local land branches, are also displayed across the site adding to the new murals and acknowledgement of country signage.

Schell reflected, "I am truly grateful to Danielle for sharing her stories and artwork, allowing us to experience the beauty of a Dreamtime story as we arrive at work. The artwork has created many conversations, and many have commented that it brightens their day".



Murals based on Dreamtime stories of Seven Sisters at Mungari offices

Community engagement (material topic)

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 the local communities and work to understand expectations, share information and resolve issues as they arise. We work to make a positive contribution to the communities, with management plans in place to ensure responsible operations, and we work collaboratively on issues and opportunities. Many of our 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 the operations.

We have established direct and regular two-way communication with communities using a variety of forums, which we tailor to their unique needs. We have worked with the communities to establish trusting relationships and obtain and maintain their support. We deliver critical infrastructure including health and education facilities and supplies, which will support their living standards for generations to come.

Performance

2022 stakeholder perception survey

In FY22, the fifth biennial stakeholder perception survey was conducted to gauge stakeholder sentiment within communities local to the operating sites, focusing on reputation, quality of relationship and communication. The stakeholder perception survey was undertaken by Deloitte acting as an independent external facilitator.

Each site provided a list of identified stakeholders who were invited to participate in in-depth telephone interviews. A total of 96 in-depth surveys were undertaken with key stakeholders, supported by a public opinion poll involving 153 participants contacted and surveyed within the postcodes of operational communities.

The stakeholder mix included local community and environment groups, education providers, employees, government bodies, local residents and businesses and Indigenous Groups. This make-up was distinct from the 2020 stakeholder perception survey participants, leading to a change in score.

There was widespread acceptance of our activities and an overall Social Licence to Operate score of 4.00 out of 5, placed at the 'high approval' category. For comparison, Deloitte prescribes the mean score in over 2,000 cases of social licence studied globally as 3.39.

Our 'Reputation' score was rated 4.04 out of 5. The direction of Evolution's reputation in 2021 was largely positive, with 39% of stakeholders interviewed saying that our reputation was improving.

The Social License to Operate score was strengthened through stakeholder relationship development and increased economic and other impacts. In FY23 and beyond, we will further leverage our social capital and collaborate on projects to help increase community resilience and broaden the economic foundations and opportunities within local communities. We will also build upon relationships with local councils and industry bodies to develop regional solutions for ongoing economic viability.

Reputation score from **2022 stakeholder perception survey**

CASE STUDY: Little Finds project

The COVID-19 pandemic left a negative impact on creatives, the arts, retail, tourism, and small business sectors. To stimulate the local economy, business, and creatives, Evolution partnered with E13, Euphorium, the Department of Local Government and Lotterywest to fund the Little Finds project. The project activates often unseen areas of the city with creative urban interventions to instil a sense of wonder, surprise, and delight throughout the main precinct.

The urban installation has been funded to install over 20 new unique and unexpected artworks in the CBD of Kalgoorlie from January 2022 to mid-2022. The project provides quality outdoor entertainment for locals, visitors, and tourists, contributing to the liveability of Kalgoorlie-Boulder, and also the community pride.

In early June 2022, Little Finds was launched with a community event and a final map of all Little Finds around town being distributed. This event also marked the end of Stage 1 of Little Finds, and the beginning of Stage 2 of a new artistic venture 'Junkadelic' which is similarly produced by Euphorium and E13 and currently comprises four sculptures installed in the Community Gardens and Karkula Park.

Evolution Mungari Team members proudly saw the #littlefinds project develop and grow into a sustainable and financially self-sufficient project supporting art and creativity.

The Perch (2022) #littlefindsevolutionmining by Em Anders

CASE STUDY: Gratitude project

Evolution and Bland Shire Council joined forces to help recognise the wonderful work being done in the community throughout the COVID-19 pandemic. The Gratitude project was launched in September 2021 with the aim of recognising essential workers or individuals who helped keep the community going throughout the toughest times of the pandemic.

The project encouraged the community to nominate residents who went "above and beyond" and consistently turned up to work to serve the community during times of isolations and lockdowns. All nominations were entered into a weekly draw for a chance to win a $100 Why Leave Town card. More than 50 nominations were entered into the draw, casting a spotlight on the positive contributions of neighbours, colleagues, family, and friends. By October 2021, over $4,000 was directed back to the community in the form of gift cards from over 30 applications.

Local MP Steph Cooke, who is Minister for Emergency Services and Resilience, submitted a community recognition statement in parliament about the project. She said "Congratulations and thank you to Bland Shire Council and Evolution for creating such an amazing project." Later, at a gala awards ceremony in Sydney, the Bland Shire Council was announced as the winner of the Local Government Professionals New South Wales Community Partnerships award for the Gratitude project.

Charmaine Saltner, Lead, Indigenous Relations & Community Partnerships commented "this is a great reflection of the success of the project and demonstrates that it doesn't take a big financial investment to make a big impact". The sentiment was supported by Renee Pettit, Community and External Relations Officer at Cowal who noted "the care factor has more of an impact".

Final winners of The Gratitude project drawn by Cowal Community & External Relations Officer Renee Pettit, Michael McCormack MP and Bland Shire Mayor Brian Monaghan

Community investment

Approach

We have an established tradition of supporting local initiatives in the communities in which it operates and have expanded support to nationally and globally relevant programs. Maintaining existing partnerships, and actively engaging local stakeholders, enables us to understand local sentiments, needs, challenges, and aspirations for sustainable development which supports our ability to innovate and target the community investment programs, including Shared Value Projects and sponsorships and donations.

Our approach to community investment remains contextual and targeted for each site, while upholding our values, Sustainability Principles, and the core guiding principles presented below. Each site has a Community Relations team that is equipped and responsible for identifying, assessing, and implementing its own community investment initiatives, including Shared Value Projects. Tools used for identifying and assessing initiatives are updated with changing local and operational conditions. The site General Managers are responsible for overseeing community investment projects and their contributions to sustainable development. We have a growing focus on storytelling and sharing community successes and lessons from these projects throughout the business and wider.

Our community investment program is underpinned by four guiding principles:

Community investment guiding principles

Attraction and retention	Build community advocacy	Enhance outcomes for First Nation Groups and ATSI* people	Innovation and industry relevance
▪ 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	▪ 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	▪ 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	▪ Unlock value for Evolution / mining sector ▪ Support leading practice and new approaches in: ▪ Environment ▪ Safety ▪ Discovery ▪ Operations ▪ Technology ▪ Community outcomes

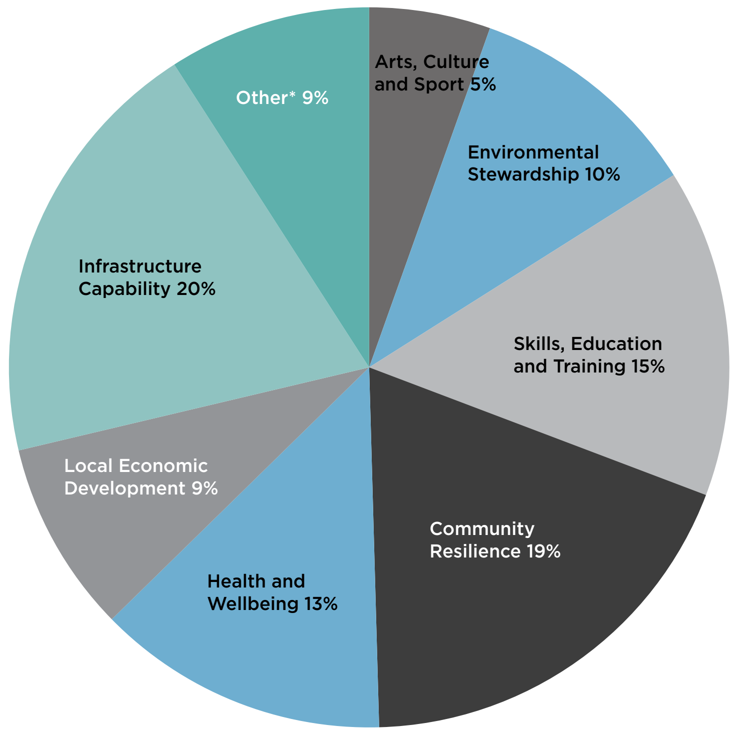
* Aboriginal or Torres Strait Islander

Performance

Direct community investment

Total direct community investment expenditures across our operations and Group office in FY22 were approximately $3.5 million, and supported the following impact areas:

Community investment breakdown FY22 (%)



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

The following table highlights key Shared Value Projects at the operations:

Shared Value Project	Site	Purpose	Impact area	Outcomes
Galari Agricultural Company	Cowal	Strengthening a partnership with the Wiradjuri Condobolin Corporation to address significant youth unemployment within the Lachlan Region, including young Indigenous men and women	Indigenous Stakeholder Outcomes, and Skills, Education and Training	■ Addressing the shortfall in employment Lachlan Shire ■ Revitalisation of the Galari farm ■ Two trainees being trained in land management ■ Potential to train 80 young individuals each year in agriculture and horticulture ■ Enhanced commitment to and capability of First Nation Partners and Indigenous Peoples in the region ■ Evolution investment of $800,000 ■ A scalable framework for expanding the business, and others in the future
Kalgoorlie Treasure Trail – Little Finds project	Mungari	Following the negative impact of COVID-19 on local business, tourism and creatives, Evolution partnered with local business Euphorium to install unique and hidden artworks around the CBD of Kalgoorlie	Arts, Culture and Sport, and Local Economic Development	■ Over 15 new unique, unexpected/hidden artworks installed in the CBD of Kalgoorlie ■ Entertainment provided for locals, visitors and tourists, e.g. through maps ■ Art plaques commemorating the partnership ■ A financially self-sufficient project transitioning into its second and third stages of Junkadelic
Yalga-Binbi Institute Girls Academy	Mt Rawdon	Capitalising on the existing Yalga-Binbi Institute project to facilitate a Girls Academy for the Year 7 to 12 bracket across the Wide Bay Burnett Central Queensland Region	Skills, Education and Training, and Inclusion and Diversity	■ Education opportunities for young girls across schools, including in Maryborough, Hervey Bay, Cherbourg, Murgon, Bundaberg, and Gladstone Region ■ Promotion of self-worth, health and employment outcomes ■ Workshops on leadership, health and wellbeing, Indigenous bushfood lessons, language, etc ■ Consolidating and strengthening of the Yalga-Binbi Institute, enabling other ventures
1770 Cultural Connection Immersion Festival	Mt Rawdon	Continuing Evolution's support of the 1770 Cultural Connections Immersion Festival as a major sponsor in 2022	Cultural Heritage, Community Engagement, Indigenous Stakeholder Outcomes, Inclusion and Diversity	■ Cultural education, immersion and engagement activities ■ A yarning tent providing a spacious and shaded environment allowing for the 1600 festival visitors to discuss with Elders and rest ■ Mayor has agreed to support the festival into perpetuity, supporting Evolution's commitment to sustainable, positive legacies for the communities

Shared Value Project	Site	Purpose	Impact area	Outcomes
Red Lake Fire Recovery Support (ongoing from FY21)	Red Lake	Enhancing emergency capabilities within Red Lake with physical resources such as a fire truck and volunteers	Community Resilience	■ Arrival of an equipped and modern fire truck in May 2022 ■ More volunteers from Red Lake and information sharing during the 2021/2022 fire season
University of Queensland Research for COVID-19 immune response using gold	Group	Extending the partnership with UQ to adapt research on gold nanoparticles for early detection of long haul COVID-19 impacts	Health and Wellbeing	■ An Immunostorm Chip technology that can assist in predicting who will develop cytokine storms which are associated with long-term tissue damage ■ Enhanced knowledge sharing and technological capacity in the face of a global pandemic ■ Evolution and UQ have been positioned as innovators in biotechnology ■ Increased potential for gold-based products in medicine and diagnostics ■ Enhanced partnership with the University of Queensland

Through community investment we aim to provide a framework that addresses challenges faced by local stakeholders and catalyses long-term socio-economic development in local communities. To do so, we must strengthen the institutions that support local economies, and build the skills and capabilities that diversify economic activity. Where possible we seek to leverage other development resources and sources of funding available through partnership with other bodies.

Through our community investment we aim to be consistent with and supportive of other local development initiatives and plans.

CASE STUDY: Gidarjil Murra Wolka art project

The Gidarjil Development Corporation, building upon their successes of the recent purchase of the Murra Wolka business and construction of a Cultural Tourism Hub at the new Mon Repos Turtle Centre, aim to develop a community-based project in the PCCC region where artists can be engaged to produce new products specific to the PCCC tribal groups.

This proposed project aims to provide sustainable solutions to local employment options and opportunities building on the existing goodwill and success of the Yalga-Binbi Environmental Training Centre. It could potentially enable long-term sustained income earning potential for numerous artists across the region with employment/income earning capacity for 8 to 10 Indigenous People in the PCCC region.

Our contribution has the potential to generate sustainable employment for Indigenous communities in the region and provide employment and training opportunities for manufacturing, retail, distribution, and local artists is in line with our values and partnership approach.

MRO Community Relations officer Anita Ward holding examples of Murra Wolka art

CASE STUDY: Galari Agricultural Company

Evolution and the Wiradjuri Condobolin Corporation (WCC) have extended a close working relationship with the official approval, lease arrangement, and progression of the Galari Agricultural Company (GAC). Supported by our investment of $800,000 over three years, the mission of the GAC is to profitably run a livestock enterprise focused on sheep and wool production whilst providing training to and employment of Indigenous peoples. The farming and training enterprise will be owned and operated by the WCC.

In 2019, the Lachlan Shire's unemployment rate was 7.2% compared to the state average of 4.5%. The GAC currently have two trainees who are being trained in land management. In the long-term, it will potentially provide training support for 80 youths each year in agriculture, shearing, fencing, and fishing. This project supports the establishment and long-term viability of the GAC and strengthens our commitment to the First Nation Partners and Indigenous Peoples of the area, our Native Title Deed, and the ongoing success of the Wiradjuri Condobolin Corporation.

In late May 2022, ABC TV Landline shared the story of the Golden Gift which was about our support for the WCC and GAC which is creating positive and sustainable change for its trainees and wider community. WCC Chair, Ally Coe, commented he was "terribly excited" to see his dream and legacy take shape. In July, the GAC was officially launched with a NAIDOC Week celebration and ceremony.

Galari Agricultural Company opening ceremony during NAIDOC

Grievances

Approach

We have an established grievance mechanism through which community members or other stakeholders can express any concerns, issues or grievances about real or perceived actions by a project that cause them concern. The intent of the community grievance mechanism is to ensure issues and grievances are managed consistently and in accordance with relevant policies and procedures. A well-designed grievance mechanism and procedure brings benefits to Evolution and the communities in which we operate, by ensuring the timely response to issues and grievances.

The procedure assists us to:

- Facilitate early resolution of grievances
- Provide an open and responsive grievance management process
- Enable the Community teams to resolve grievances in a consistent and effective manner
- Avoid issues escalating
- Identify risks and trends to inform strategies or work plans and identify improvement opportunities
- Meet compliance requirements

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 FY22 **ESG Performance Data** document for the total number of grievances filed through grievance mechanisms at the operations in FY22.

Local employment (material topic)

Approach

We make it a priority to draw our workforce from the local communities to ensure that the economic benefit of employment remains in the local communities. Due to the developed regions where we operate, we have been fortunate to have the ability to source our workforce locally. However, it is occasionally necessary to source specific skills, levels of experience, or technical expertise from abroad. This strategy helps build strong working relationships with local communities.

Performance

72%

FY22 local employment across our operations

CASE STUDY: Revival of the West Wyalong newspaper wins the NSW Mining HSEC Award for Community Excellence

We are extremely proud to congratulate Cowal Gold Operations as the winner for the 2022 NSW Mining HSEC Awards for Community Excellence. The closure of the 126-year-old West Wyalong Advocate in early 2021 signalled the loss of a voice and history to the West Wyalong community and the loss of Cowal Gold operation's communication with the local community. Rather than sitting idly by the Cowal Community Relations team of Mark Hartig, Steff Wills and Renee Pettit partnered with owners, community stakeholders, and the Bland Shire Council to revive the paper with an independent Board of Directors through the not for profit, West Wyalong Advocate Foundation.

This community partnership resulted in the revival and publication of the West Wyalong advocate on the 14th of May 2021. Since then, the Advocate and Evolution have been met with overwhelming positivity – event organisers and businesses are thrilled to have their services and functions being publicised again, and community members have perceived the revival as a gift at a time when so many regional areas are losing their local voice. Cowal has been praised by the community as a "white knight" and has received significant media attention following the revival. On the 25th of July, the project received the coveted NSW Mining award for Community Excellence.

NSW Mining HSEC Conference & Awards 2022

CASE STUDY: West Wyalong community welcomes opening of cinema

The red carpet has been rolled out and a little piece of Hollywood finally returned to West Wyalong at the grand opening of the Tivoli Theatre cinema at the historic Masonic Hall. The dream to bring movie magic back to the West Wyalong community has been realised through $150,000 in funding from the Federal Government, $450,000 from the New South Wales Government, and $300,000 from Evolution. It was a community-initiated project with many calling out for the much-wanted facility.

Bland Shire General Manager Ray Smith was proud of the community's eagerness for the project and facility itself which will serve as a state-of-the-art 85-seat cinema and a multi-purpose venue for private functions, public meetings, art exhibitions, charity events, conferences, and drama productions. John Penhall, Cowal General Manager noted that the opening was an exciting milestone for West Wyalong, adding to the social life of the town. The theatre will carry on the rich history of its namesake and provide a lasting positive legacy for West Wyalong.

Cowal General Manager, John Penhall, attending cinema opening

Sustainable procurement (material topic)

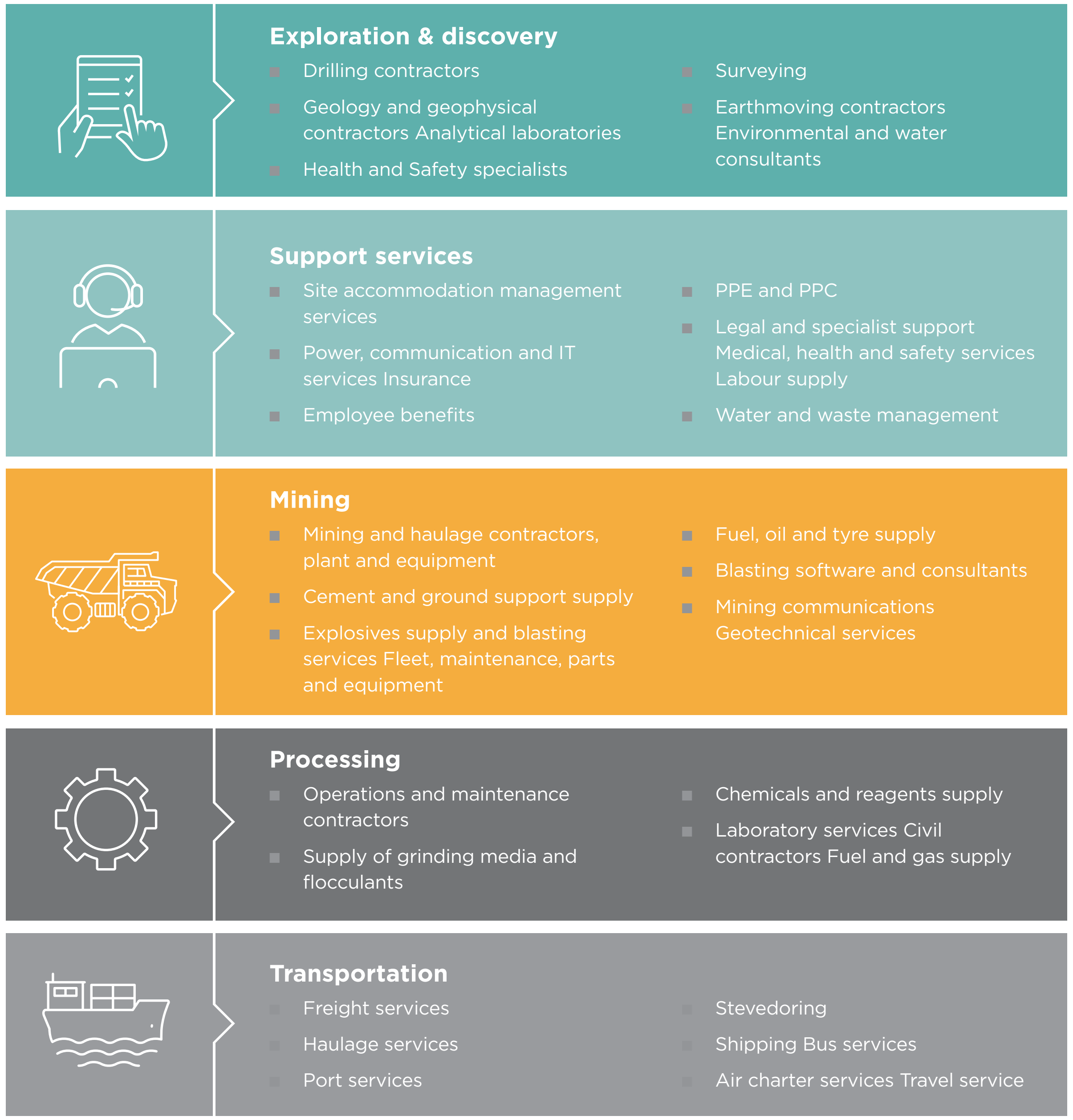
FY22 highlights:

- $133M million local spend (32% increase compared to FY21)
- 62%* of medium and high-risk suppliers assessed for modern slavery and human rights risks in FY22
- Second Modern Slavery Statement released
- Standard contract terms updated to consider modern slavery risks and expectations

* 62% of questionnaires issued were returned in FY22

Approach

We are committed to conducting business in a responsible way, and we expect the same commitment from the contractors and suppliers. We seek contractors and suppliers who share our corporate values, follow high standards of governance and compliance with all applicable laws and our policies, and are committed to following our way of doing business. Sustainable procurement is a powerful lever for influencing the Sustainability performance and business conduct of suppliers. By integrating Sustainability into procurement policies and practices, businesses can manage Sustainability risks and opportunities, minimise adverse impacts and promote positive environmental, social and economic outcomes.



Evolution's supply chain

Evolution supply chain

We strive to improve the supply chain's social and ethical footprint, and work with suppliers that share our values. We expect our suppliers to comply with all applicable legislation and to demonstrate that they have the attributes set out in the Modern Slavery Statement, Supplier Code of Conduct and Procurement Statement, which are approved by the Board.

The Human Rights Standard and Modern Slavery Business Guide supports the Supplier Code of Conduct, which outlines Evolution's commitment to:

- Prohibit any form of forced labour, including child labour, slave labour and human trafficking
- Work to comply with obligations under the Modern Slavery Act 2018 (Cth) by undertaking risk assessments to identify areas of the business and supply chains where there is a risk of modern slavery practices, and take necessary action to address those risks
- Make contractual commitments with suppliers that encourage them to adhere to our Supplier Code of Conduct
- Communicate this approach and commitment to human rights to all stakeholders, including employees, contractors and suppliers

Suppliers are required to be accountable for their actions and commit to ensuring they conduct their business in alignment with our values and behaviours. We have also included a requirement in our contracts, for which contractors must maintain awareness and compliance.

In FY22, we implemented a risk-based, phased approach to our Sustainable Supplier Risk Management program, including pre-qualification questionnaires related to key Sustainability topics, risk analysis and segmentation, and mitigation plans, where appropriate.

We recognise the opportunity to create a positive impact on communities by making considered choices about how and where we source the goods and services we need to operate the business. Key sustainable procurement activities continue to focus on the following areas:

- Identifying, assessing, and addressing modern slavery risks
- Supporting regional communities
- Increasing Indigenous participation
- Supporting small businesses

In FY22, we have further strengthened Sustainability as a performance driver in Evolution procurement by:

- Developing the second Modern Slavery Statement which aims to increase business awareness of modern slavery risks and improve transparency across global supply chains
- Allocating more resources to lead the business in promoting ethical sourcing practices and work closely with the Sustainability team executing on our Indigenous engagement and procurement strategies
- Conducting Sustainability and business conduct evaluations as part of the tender processes
- Participating in the Modern Slavery Communities of Practice (United Nations Global Compact)
- Implementing the process to identify suppliers that are at higher risk of modern slavery incidents
- Requiring high-risk suppliers to complete Modern Slavery Self-Assessment Questionnaires (SAQs)
- Holding awareness sessions with the procurement team on sustainable procurement and modern slavery
- Business endorsement on three sustainable procurement focus areas which align with identified material risks and with Company goals for FY23. These include a focus on:
  - Net Zero
  - Modern slavery
  - Indigenous procurement

Evaluation of Sustainability and business conduct in tenders

In FY22, we implemented a more detailed evaluation criteria for Sustainability and business conduct as part of its standard tender process. Evaluation criteria for Sustainability and business conduct include considerations of corporate governance, the presence of Sustainability policies, programs and reporting, the quantification of greenhouse gas (GHG) emissions and initiatives to reduce GHG emissions, policies or practices to enhance inclusion and diversity, business ethics and conduct, as well as community support.

Environmental and health and safety considerations include a range of policies and management plans, risk assessments, incident reporting and performance metrics. Any person entering an Evolution site is required to complete a corporate safety induction and a site specific or workplace specific induction.

Modern slavery and human rights (material topic)

Approach

We are committed to operating responsibly and establishing and adhering to the highest ethical standards. We reject any activities which may cause or contribute to modern slavery, including forced or bonded labour, child labour, human trafficking, slavery, servitude, forced marriage or deceptive recruiting for labour or services.

Respect for human rights is a core value of Evolution. Our approach to human rights is supported by the conviction that the activities can and should have a positive impact on the lives, livelihoods and rights of individuals and communities. We acknowledge that the operations could potentially cause, contribute to, or be directly linked to negative human rights impacts. We seek to prevent and mitigate adverse impacts and to contribute to the promotion of broader societal respect for, and protection of, human rights.

As a signatory to the UNGC, we have 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 our nine Sustainability Principles, human rights, underpins the Human Rights Performance Standard, as part of the Sustainability Performance Standards. The Human Rights Performance Standard establishes principles and actions for how we identify, prevent, mitigate, track and report on human rights risks and issues associated with projects and operations. The Standard draws on the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the UNGC, and its key principles are incorporated across the processes and systems.

Our second Modern Slavery Statement was approved in FY22, and a commitment within the 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 consider that any form of modern slavery is unacceptable and acknowledge our responsibility in helping to eradicate it. During FY22, we continued to apply a rigorous methodology to manage modern slavery risks. We are working to progressively understand the multiple tiers of suppliers that form the extended supply chain.

Our risk assessment process sets a base level identification of modern slavery risk by considering country risk, and product/service category risk. We have collaborated with each of the sites to determine medium to high-risk suppliers and have issued 109 questionnaires on human rights and modern slavery risks to those identified suppliers. The assessments to date have not identified any modern slavery practices in the operations or supply chain, however we recognise this is an ongoing process and remain vigilant.

In FY22, we:

- Updated modern slavery self-assessment questionnaire (SAQ) toolkit to understand the risk of modern slavery in business operations and their supply chains
- Amended supplier contracts to require them to conduct their business in a manner that is consistent with the Modern Slavery Act 2018 (Cth)
- Rolled out Human rights and modern slavery training across our Australian workforce:
  - 12% of our Australian workforce and 100% of our Australian procurement team received training (outside of general induction training when onboarding new employees which includes a modern slavery component)
  - Our Australian workforce completed over 236 training hours. The training module includes:
    - The basic principles of the Modern Slavery Act 2018 (Cth)
    - How employees can identify and prevent modern slavery and human trafficking
    - What employees can do to 'flag' potential modern slavery and human trafficking issues to relevant parties within the business
    - What external help is available to identify and prevent modern slavery

For more information, see the 2021 Modern Slavery Statement provided on the website.

Performance

In FY22, our assets were internally audited and verified, including human rights and modern slavery risks, against our Human Rights Performance Standard. No incidents or violations of human rights, including the rights of Indigenous peoples, freedom of association, child labour, youth labour with exposure to high-risk work, or forced labour involving our employees were recorded during the reporting period; however, we recognise this is an ongoing process and continue to review.

We requested 109 Modern SAQs from our suppliers during the year and no modern slavery risks were identified in our supply chain during FY22.

While no instances of modern slavery were identified, several discussions were held with suppliers to better understand their current business practices and encourage them to work towards having robust policies and processes to identify, investigate and remedy the risk of modern slavery in their supply chain. We continue to monitor and assess the high-risk supplier base to ensure their understanding of our commitment towards sustainable procurement practices across ours supply chain.

Local and regional procurement

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 where we operate.

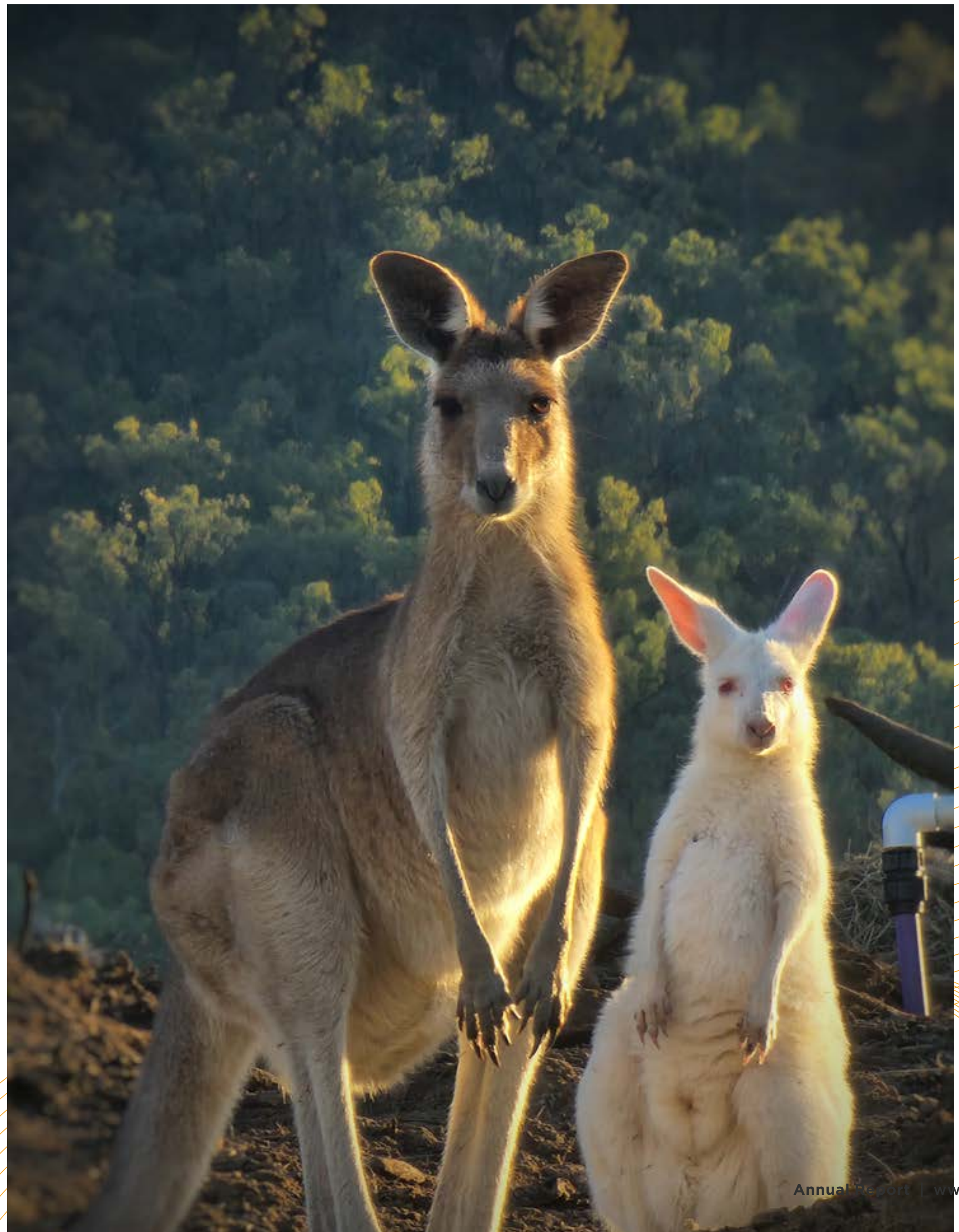
Local and regional procurement practices focus on:

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

Performance

In FY22, $164 million was spent directly with local and regional suppliers, including $133 million with local suppliers, a 32% increase compared to FY21. The increase in this spend was due to efforts to more actively identify opportunities to include local, regional and Indigenous suppliers.



We understand that our commitment to responsible business principles is fundamental to our success and ability to be a trusted partner with our stakeholders. Evolution's corporate governance framework ensures robust oversight and management accountability for all aspects of the business including sustainability. Everyone who works for or on behalf of Evolution is held to high standards that are expected to be consistently met

Evan Elstein, Company Secretary and VP Information Technology

Governance

FY22 highlights

100%
of all integrated assets internally and externally audited and verified with oversight from the Board Risk and Sustainability Committee

$2.5M
in direct and indirect support to our people and community since COVID-19 pandemic began

Representation with industry working groups in all jurisdictions addressing transitional risk

Published 2021 Modern Slavery Statement, and updated Supplier Code of Conduct and Procurement Statement

95%
compliance on cyber awareness training (against a target of >90%)

0
Zero reported cases of bribery or corruption

Environmental – no material non-conformance, positive self-reporting of minor/technical non-conformance

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

Published second Modern Slavery Statement

TSF Governance Committee providing effective oversight of TSF management

Alignment of disclosures with GRI, TCFD and ASX Corporate Governance Recommendation 7.4[28]

[28] ASX Corporate Governance Principles and Recommendations

Our Sustainability Principles

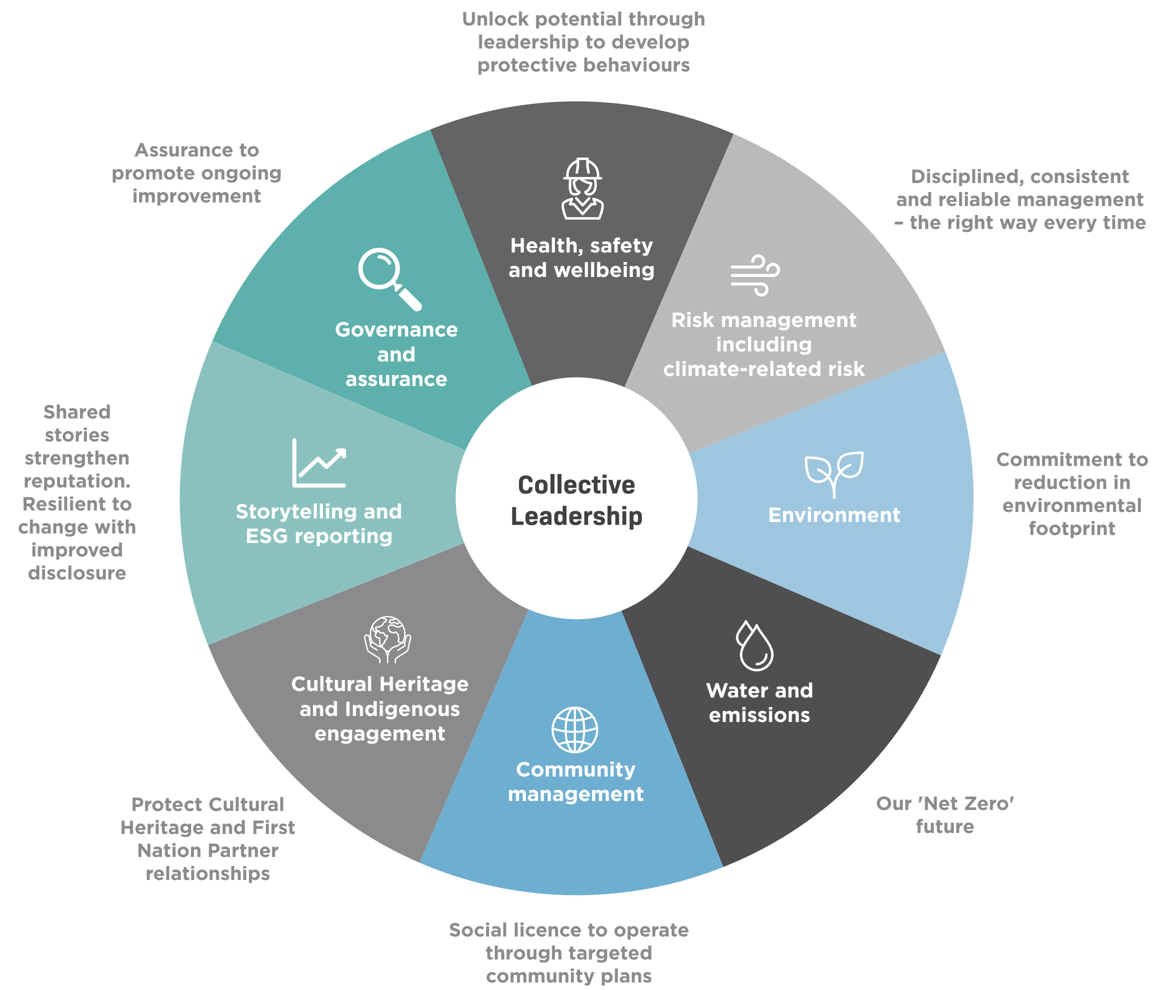
Sustainability is integrated into every aspect of the business to ensure we deliver long-term stakeholder value through safe, reliable, low-cost gold production in an environmentally and socially responsible way. Our approach is guided by nine Sustainability Principles which align with the UNSDGs.

Evolution's Sustainability Principles

Strategy focus

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 (including climate related risk) – 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.
- Resilience to transitional risk through improved disclosures
- Assurance to promote ongoing and continual improvement

Sustainability and Strategic Planning Policy

The Sustainability and Strategic Planning Policy[29] outlines how Sustainability is integrated into the business. These policies focus on the holistic management of risks in:

- Health, safety and wellbeing
- 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 and Strategic Planning Standards

The Sustainability Standards[30] and Strategic Planning Standards support the Sustainability and Strategic Planning Policy in providing the minimum risk and Sustainability requirements to be met or exceeded in all areas of the business, including operations, exploration and Group activities.

Integrated risk management framework

In FY22, the internal audit process for assessing compliance with these standards was reviewed and uplifted from an implementation model to a compliance framework. Eleven of the standards were assessed along with five Material Risks across each of the operations. The revised process was part of continual improvement to help identify and lift operational control. The new process and all audit findings were independently verified by third-party auditors with positive results received on the uplift in the overall assurance process.

[29] Sustainability and Strategic Planning Policy

[30] Sustainability Performance Standards

Voluntary ESG disclosures and commitments to initiatives

We voluntarily aligns or adheres to the ESG-related industry reporting frameworks and initiatives presented in the figure below. This allows us to demonstrate our commitment to high standards of environmental, social and governance policy and performance. This transparency also allows external stakeholders to hold us to account.

Evolution's voluntary ESG disclosures and commitments to industry and international Initiatives

Voluntary disclosures	
Global Reporting Initiative ('GRI') standards	■ Reporting of ESG performance in accordance with GRI requirements since FY21
Task Force on Climate-related Financial Disclosures ('TCFD')	■ Commenced reporting in line with TCFD in FY20 ■ 90% aligned with TCFD in FY22
The Greenhouse Gas Protocol: A corporate accounting and reporting standard	■ GHG emissions disclosed in accordance with this standard

Industry initiatives	
International Cyanide Management Code ('ICMC')	■ Cowal and Red Lake recertified to ICMC in FY22
Global Industry Standard on Tailings Management ('GISTM')	■ Tailings management approach integrates climate change, stakeholder engagement, emergency management, our communities, receiving environment, dam safety and post mine land use

International business initiatives	
United Nations Guiding Principles on Business and Human Rights ('UNGP')	■ 2021 Modern Slavery Statement aligned with the UNGP
United Nations Global Compact ('UNGC')	■ Joined UN Global Compact in 2021 ■ Communication of Progress to the UNGC reported annually
Sustainability Development Goals ('SDGs')	■ Positively contributing to progress on all 17 SDGs through our activities and initiatives ■ Collaborative efforts with government, civil society and other businesses

Sustainability materiality assessment

In this Report, a material Sustainability topic is one that reflects our most significant economic, environmental and/or social impacts, or one that could substantively influence the assessments and decisions of our stakeholders, in accordance with guidance from the GRI.

The content of this report was determined through an independent materiality assessment undertaken in FY21. The materiality assessment helped 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.

The annual process for determining material Sustainability topics follows a three-year cycle and involves four phases: identification, prioritisation, validation, and report and review. The first year (FY21) involved intensive consultation and research to identify a full list of topics that were analysed by internal experts and external stakeholders and validated by the Leadership Team. Sustainability topics in the mining industry are relatively consistent year over year, given the long-term nature of operations. As such, the second year and upcoming third year will build on the results from the first year. The assessment is updated to reflect emerging issues.

Evolution's materiality process

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

Materiality matrix

Significance of economic, environmental & social impacts

• 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

Influence on stakeholder assessments & decisions

Priority 1 Priority 2 Priority 3 Priority 4

Material Topics mapped against the United Nations Sustainable Development Goals 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	Ability of the organisation to adapt and respond to the impacts of climate change. Includes physical risks such as extreme weather events and transitionary risks	4											●	●	●				●
	Effluents and Waste	Waste rock, industrial waste, organic and inorganic waste	3						●					●	●					●
	Energy and emissions	Monitoring, management and reduction of carbon emissions including aspects such as fuel types, energy efficiency, renewable technologies	4							●					●	●				●
	Environmental Compliance	Regulated incidents and impacts including: i.e. Noise, environmental discharges, air emissions and cyanide	3											●			●	●		●
	Land Use and Biodiversity	Biodiversity and ecosystems protection and restoration. Audited, mapped and management plans in place. Fire, pest and weed strategies	3												●		●	●		●
	Mine Closure: Rehabilitation	Restoring land to natural state or suitable for future uses such as conservation, agriculture, clean energy industry	3														●	●		●
	Tailings Management	Most significant mining waste stream	3														●	●		●
	Water Management	Security of supply, quality, efficiency of water use, reuse and recycling opportunities. Potential impacts on community and environment	4						●											●
Governance	Anti-Bribery and Corruption	Commitment to integrity	8																●	●
	Cyber Security	Equipment failure, Equipment misuse, Fraudulent Transaction / Impersonation	2																	●
	Governance and Compliancew	Ethical business conduct, robust policy, transparent reporting	8																●	●
	Hazardous Chemicals Management	Use, storage, handling, transport and disposal of hazardous chemicals including explosives and other dangerous goods	2								●						●	●		●
	Innovation and Technology	New technologies, digitisation, renewables, infrastructure, automation, circular economy	9							●		●			●					●
	Stakeholder Engagement	Reporting and engagement with investors, customers, Traditional Owners, regulators, local authorities etc	8																	●
	Sustainable procurement	Purchase goods and services responsibly: human rights, environmental issues, Indigenous corporations, security, and supplier conduct	8							●					●					●
	Transport Safety	Road and aviation accidents. Road dust from transportation to and within the mining sites	2								●									●
Social	Community Engagement	Indigenous and non-Indigenous community engagement. Managing community expectations and grievances. Delivering on mutually beneficial agreements and investin in developing our local communities.	5	●	●	●							●	●					●	●
	Crisis response (inc. Pandemic)	Business resilience to COVID, bushfire, and other health and environmental emergencies. Business preparedness and continuity	1			●														●
	Cultural Heritage	Working with Indigenous communities to protect places and items of cultural significance. Indigenous engagement	6										●						●	●
	Diversity and Inclusion	All forms of diversity and inclusive design of workplaces. Gender strategy aligned with WGEA: 'female participation in mining'. Cultural awareness training	1					●			●		●							●
	Employee Engagement	Organisational culture, ethical leadership, code of conduct, flexible work conditions	1				●	●			●									●
	Indigenous Stakeholder Outcomes	Economic and education opportunities, community and health outcomes for Indigenous stakeholders	6	●	●								●						●	●
	Local Employment	Commitment to employ locals where possible, followed by a preference for relocation over FIFO	1				●				●		●							●
	Mine Closure: Legacy	Restoring land to natural state or suitable for future uses such as conservation, agriculture, clean energy industry	5	●	●								●							●
	Modern Slavery and Human Rights	Australian modern slavery legislation. Work hours, fair pay, supply chain transparency	7								●		●							●
	Talent Attraction and Retention	Appealing to new and experienced talent, targeted training, career growth and development	1				●	●			●									●
	Work Health, Safety and Wellbeing	Physical and mental health. Employee and contractor safety, occupational hygiene	1			●					●									●

Material topics - definition and alignment with the UNSDGs

Performance (Progress against key targets)

In FY22, a number of measures and targets were used to quantify our progress toward key strategic objectives for FY22. Performance against these goals, measures and targets were aligned with the Sustainability Principles and the FY22 Balanced Business Plan (BBP). The BBP is designed to be a balanced scorecard supported by five key business pillars: Zero Harm and Sustainability, People, Operations, Growth and Financial Outcomes.

In FY22, our Sustainability related targets and measures were met or exceeded against relevant business pillars and all supporting project objectives. Notably, we made significant progress towards Evolution's Net Zero commitment in addition to delivering agreed actions with the communities in which we operate (including Community Relations and First Nation Engagement). The target of energy and emissions per tonne mined was also met and is discussed in more detail in the Environment section.

Whilst we achieved our targets for health and safety, with the Total Recordable Injury Frequency (TRIF) delivered better than target, we acknowledge that there will always be more work to do. Each operation was actively involved in implementing robust plans and initiatives to help reduce the risk of incidents and to minimise the risk of injuries and illness. Improvements were also seen in leading safety metrics such as increased proactive reporting, leadership, field interactions, action close out and participation in weekly learning calls.

There has been ongoing commitment to the review of material actions to ensure these are addressed and closed out on time (100% for FY22). 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 our Sustainability performance against key FY22 targets and objectives.

Objectives and targets	Timeframe	Progress against targets and objectives	Progress against targets
Environment			
Achieve <0.54kL freshwater demand per dry tonne milled (DTM)	FY22	■ Achieved 0.31 kL freshwater demand per dry tonne milled (DTM) against a target of 0.54	●
Progress on Net Zero commitment	2050	■ Completed third party validation of FY20 baseline with inclusion of acquisitions (Ernest Henry and Kundana assets) ■ Completed value chain assessment for all current operations ■ Developed robust direct (Scope 1) and indirect (Scope 2) accounting program, including resetting emissions baseline Conducted a CO_2 abatement cost review focussing on marginal abatement cost curves (MACC) ■ Externally validated modelling of emissions data including all input modelling (developed a draft NPV and decarbonisation tool for assessing investment potential of decarbonisation projects) ■ Further validated decarbonisation roadmap against a 1.5 and 2-degree scenario ■ Completed energy audit and decarbonisation roadmap for Cowal with Mungari scheduled for FY23 ■ 7% reduction in emissions intensity per tonne of material mined compared to the adjusted baseline year of FY20 ■ Conducted independent audit of Scope 3 emissions ■ Developed draft sourcing strategy with a focus on renewables	●
100% of actions in emission reduction plans completed	Ongoing/ FY22	■ 100% of actions in emissions reduction plans completed	●
Health and safety			
Total recordable injury frequency (TRIF - per million work hours at or below 10.75 excluding Ernest Henry	FY22	■ Zero fatalities ■ Recorded 10.37 TRIF (excluding Ernest Henry)[31]. All locations were within target except Red Lake	●

[31] 10.66 TRIF including Ernest Henry

Objectives and targets	Timeframe	Progress against targets and objectives	Progress against targets
Environment			
Bow ties completed for material risks	FY22	■ 100% validated with no major gap	●
100% of actions closed for material and critical risks	FY22	■ 100% closed and validated in third party audit	●
100% of actions in targeted Safety Improvement Plans completed	Ongoing/ FY22	■ 96% of actions in Safety Improvement Plans completed (4% not delivered due to training related COVID restrictions)	●
Data insights project - INX	FY22	■ Delivered - Embedded a new reporting system to drive better data insights	●
People			
Increase engagement and progress scores in Evolution's Employee Teamgage Survey	FY22	■ Engagement score slightly increased from 78 in FY21 to 79 in FY22	●
Deliver dedicated inclusion and diversity project.	FY22	■ Launched an Inclusion and Awareness project in FY22	●
100% of people having meaningful values and culture conversations	FY22	■ 100% of employees had meaningful values and culture conversations with a senior people leader	●
Community			
100% of actions in First Nation Partner and community plans completed	FY22	■ 100% of actions in Community plans completed ■ 100% of actions in First Nation Engagement Plans completed	●
Zero material Cultural Heritage incidents	FY22	■ Zero material Cultural Heritage incidents	●
ESG			
Externally validated third party performance	FY22	■ Evolution participates in external third-party performance benchmarking initiatives and Sustainability related assessments, including environment, social and governance (ESG) ratings agencies. The higher levels of transparency have been recognised through improvements in Evolution's ESG scores by key ESG ratings agencies. Refer to 'Commitments and Recognition' section for more information on Evolution's ESG scores and the uplift achieved from FY21 to FY22	●
TCFD alignment	FY22	■ Completed TCFD gap analysis ■ Completed scenario analysis (energy and emissions and water security) for Cowal, as part of further alignment with TCFD recommendations	●

● Achieved

Stakeholder engagement (material topic)

Approach

We recognise the wide range of stakeholders where the business operations have an impact and acknowledge the importance of delivering against our obligations. We believe that what is important to our stakeholders is important for us to meet our strategic objectives. This requires ongoing and effective engagement, where we provide transparent and timely information and actively encourage feedback from all stakeholders.

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

CASE STUDY: Burnett Mary Regional Group Elliot Heads Wetlands, Research Centre and Seagrass Nursery

The Burnett Mary Regional Group (BMRG) aims to strengthen their research capability bringing together existing projects and developing additional research and education facilities across the region. Partnership with BMRG is focused on the development of Elliot Heads Wetland, Research Centre and Seagrass Nursery and incorporating Sustainability into the development of this new community.

The vision is to establish a coastal and marine research centre, seagrass nursery and wetland trail, accessible to the community. All of which would be connected to the Cultural Heritage of the Traditional Owners of the region, highlighting their connection to Land & Sea Country and traditional practices.

In FY23, we will contribute towards the purchase of the Elliot Heads research area, support the development of the proposed Elliot Heads Wetland, Research Centre and Seagrass Nursery, and contribute to the broader Eco-Trail project.

Engagement with Local and Indigenous communities

All operations, exploration sites, projects and closed properties identify, prioritise and directly engage with local and Indigenous communities. Work in this area is focused on:

- Disclosing and appropriately communicating accurate and timely information
- Maintaining an open dialogue so all parties can fully understand each other's views and concerns
- Engaging in decision-making around all activities
- Collaborating on issues of mutual interest
- Maintaining Evolution's ability to operate
- Understanding the potential impact of all activities on the rights of Indigenous communities

Those responsible for engagement with local communities and First Nation Partners and Indigenous Peoples are trained to conduct dialogue that is focused on building and maintaining relationships and addressing issues important to those communities. This helps enable engagement that is productive and constructive, and that directly contributes to the building and maintenance of long-term, trust-based relationships.

The table below provides an overview of stakeholder groups engaged in FY22, key interests and concerns, and how we generally respond to them. Updates on stakeholder engagement are provided to the Board Risk and Sustainability Committee three times per year.

Elliot Heads development area

Stakeholder type	How we listen	What matters	How we respond	Frequency of engagement	More info
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 & development opportunities ■ Fostering a values-led organisational culture that optimises performance ■ Health and safety including mental health and wellbeing ■ Mine life	■ Communication ■ Promote Evolution's values ■ Ongoing safety, health and wellbeing initiatives ■ Weekly staff meeting with the Leadership Team ■ Site prestart meetings ■ Site townhalls and updates ■ General Manager updates ■ Weekly business updates from the Executive Director	Daily, weekly, monthly, quarterly, half-yearly and annually	Sustainability Report: *People & Culture*
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	Regular corporate schedule and teleconferences As and when required	Annual Report Corporate Governance Statement
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	Regular schedule of meetings As and when required	Sustainability Report: *Community*

Stakeholder type	How we listen	What matters	How we respond	Frequency of engagement	More info
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	Regular schedule of meetings As and when required	Sustainability Report: *Environment* Sustainability Report: *Community*
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	As and when required	Sustainability Report: *Community*
Suppliers and contractors	■ Supplier networking events ■ Workshops with local business networks ■ Regular reciprocal supplier performance reviews ■ Embedded supplier relationship management with 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	As and when required	Sustainability Report: *Sustainable Procurement*

CASE STUDY: Cowal-sourced gold used to create the 2022 Melbourne Cup

Excitingly, gold from the Cowal operation is being used to create the 2022 Melbourne Cup trophy. This is the fourth time Evolution gold has been used to create the Cup, and the second time for the Cowal operation. In keeping with the country tour of the Cup, the regional community of central western NSW in conjunction with local partners across government, business, and education celebrated the occasion. Regional events included street parades, fashion events, and sporting and educational opportunities for local families and businesses.

Truck operator Kacie Quaid with The Lexus Melbourne Cup at Cowal

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 there is a benefit in constructive dialogue or advocacy, membership is maintained.

In FY22, Evolution was either a member of, or a participant in, the 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 (Modern Slavery Communities of Practice)
Electric Mine Consortium	N/A	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. The higher levels of transparency have been recognised through improvements in our ESG scores by key ESG ratings agencies.

Evolution's ESG performance

Agency	FY22 score	FY21 score	Performance trend
Sustainalytics	29.2	40.4	Improved
ISS[32,33]	Environment: 1 Social: 2	Environment: 6 Social: 8	Improved
MSCI	AA	AA	Maintained
S&P Global	53	51	Improved

[32] 2021 scores

[33] Updated October 21, 2021

MSCI

A high rating of AA (on a scale of AAA-CCC) was achieved in FY22 in the MSCI Ratings assessment, scoring 5.9 compared to the industry average of 4.7. We were placed among the top five industry leaders for Labor Management, Anticompetitive Practices and Business Ethics & Fraud.

S&P Global CSA SAM

In November 2021, a score of 53 was achieved, a 4% increase from FY21 (industry average of 34). Evolution is one of only three gold companies on the Dow Jones Sustainability Index - Australia.

ISS

Achieved a significant improvement in ISS score across the 'Social' category (from '8' to '2') and 'Environment' category (from '6' to '1') (scale from 10-1 with "1" being the highest possible rating).

Sustainalytics

Improved ESG Risk Rating from '40.2' in FY21 to '29.2' in FY22 (on a scale of 0-40+ with '0' being 'negligible risk' (best) and '40+' being 'severe risk' (worst). This is a marked improvement from FY21 and also from FY20 (when the score was 45). We are ranked 24 out of 123 companies in the precious metals industry and 19 out of 96 in the gold subindustry.

United Nations Global Compact

We were 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. The Sustainability Principles align with the UNGC Principles and SDGs.

Australasian Reporting Awards

Evolution has been recognised by Australia's leading reporting awards, winning SILVER for our FY21 Annual Report and BRONZE for the Report at this year's Australasian Reporting Awards.

Governance & compliance (material topic)

Approach

We are committed to ensuring that our obligations and responsibilities to its various stakeholders are supported through its corporate governance practices. We believe that adopting and operating in accordance with high standards of corporate governance enhances our sustainable long-term performance and value creation for all stakeholders.

Our 2022 Corporate Governance Statement reports against the ASX Corporate Governance Council's Fourth Edition Corporate Governance Principles and Recommendations. Throughout the reporting period that ended 30 June 2022, the Directors believe that our governance arrangements align with the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

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

Board of Directors

Ultimate responsibility and accountability for our Sustainability strategy, priorities and performance is with the Board of Directors. The Board is also the body that formally reviews and approves our Sustainability Report.

The Board is supported by the following committees:

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

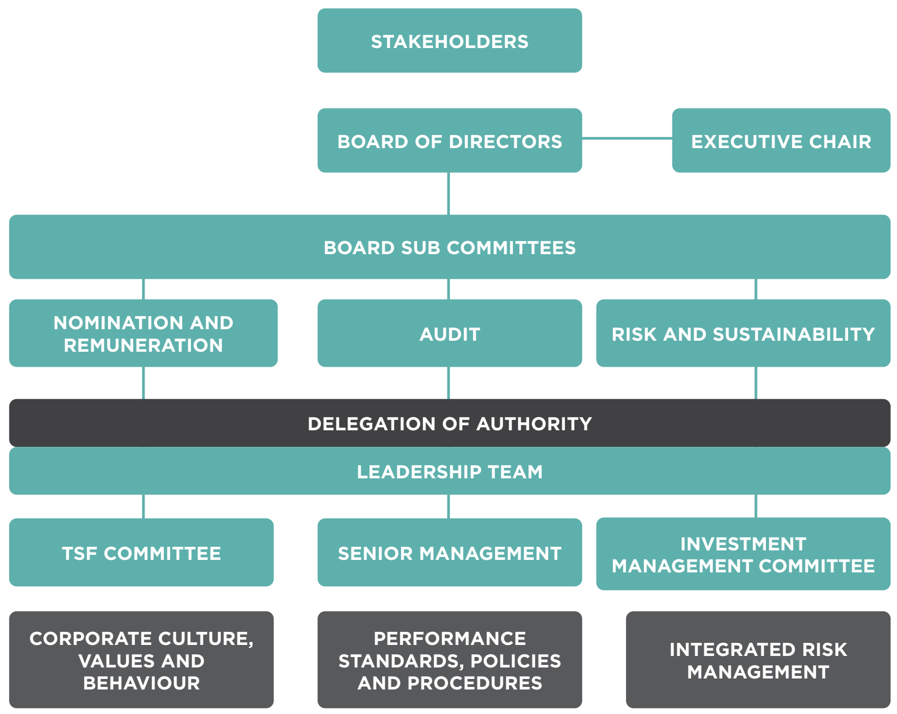
The Risk and Sustainability Committee oversees the development and implementation of our Sustainability goals, policies and standards on matters of workplace health and safety; environmental, social governance and risk, human rights and workforce engagement. The Committee advises the Board on matters including good industry practice, Sustainability performance, compliance and licence to operate risk. The Committee formally reviews and approves the Report and ensures that all material topics are covered. The Executive Chair has ultimate accountability/responsibility for Evolution's Sustainability performance (covering emissions, water, health and safety, community and risk).

Board diversity

We recognise the benefits that diversity provides to our Board of Directors. A diverse mix of skills, expertise, experience, perspectives, age, and characteristics leads to diversity of thought and a more robust understanding of opportunities, issues, and risks, thereby creating the opportunity for improved decision outcomes. As of 30 June 2022, the Evolution Board has eight members, six are independent, non-executive directors (67% male and 33% female) and two are executive members (100% male).

The Board is structured to ensure that the Directors' skills and experience align with our 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 the website.

Governance framework



The material changes to policies in FY22 were the consolidation of the Sustainability Policy and Strategic Planning Policy into a single document[36], publication of the second Modern Slavery Statement[37], Procurement Statement[38], publication of Cultural Recognition Statement and updated Supplier Code of Conduct[39]. Policies are available to view in the Corporate Governance section of the website. The following policies were reviewed in the last financial year:

- Anti-Bribery and Corruption Policy
- Continuous Disclosure Policy
- Inclusion and Diversity Policy
- External Communications Policy
- Shareholder Communication Policy
- Sustainability and Strategic Planning Policy (includes Safety, Health and Wellbeing, Environment, Tailings Storage Facility (TSF), Social Responsibility and Cultural Heritage, Planning and Performance Reporting)
- Cultural Recognition Position Statement (internal document)

Linking remuneration to Sustainability

To reflect our commitment to Sustainability, 30% of the annual short-term incentive plan (STIP) is linked to the achievement of specific Sustainability targets each year. An additional element was included within the overall strategic objectives component in FY22 focused on progress against the Net Zero commitment. More information on the Group's remuneration policy can be found in the FY22 Annual Report.

[34] This section contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers

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[36] Sustainability and Strategic Planning Policy

[37] Modern Slavery Statement

[38] Procurement Statement

[39] Supplier Code of Conduct

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 FY22 assurance plan were audited by a third party. There were areas for improvement identified across the Sustainability portfolio that included health and safety, environment, social responsibility and Cultural Heritage. As part of the process, all sites were required to submit remedial action plans for approval and ongoing tracking and reporting. A leading indicator on ensuring all material and critical actions has also been integrated into our scorecard and is linked to the remuneration strategy. This reinforces the importance of tracking, reporting and the closure of findings that may arise from audit, incident review or internal/external incidents. In FY22 there were no overdue critical or material actions.

Risk mitigation and management

The successful delivery of our strategic objectives depends on the effective identification, understanding and mitigation of risks together with any associated opportunities. We have an established risk management framework and wider system of internal controls which inform decision making in support of creating shared value in a sustainable way.

A risk-based decision approach is supported by the Sustainability and Strategic Planning Policy and associated Standards, along with the Integrated Risk Management Framework. Group and site systems and procedures are developed to align with these key systems and the principles of the international standards and ICMM guidance.

In FY22 the Risk Management Framework underwent review with updates currently being developed to further drive consistency of assessment across the business, and increased focus on the Group strategic risks.

Our Risk Management Framework is based on ISO 31000 and includes risk identification, analysis, monitoring and reporting. The approach and related processes consider a broad spectrum of stakeholders and potential internal and external risk exposures and are used to identify and leverage potential up-side, risk-related opportunities. At the site and corporate levels, we conduct risk assessments to evaluate operational, health and safety, environmental, social, business, finance, and reputational risks and opportunities, among others. Scheduled reviews are conducted by functional risk owners, site-based risk champions, and senior leaders at the enterprise, functional and site levels.

The Risk and Sustainability Committee is responsible for overseeing enterprise-level effectiveness of our risk management program, and for knowing and understanding the details of the material risks of the business. As part of its oversight responsibility, the Board ensures that a proper balance between risks incurred and potential return to shareholders is maintained, that risk management programs are in place and effective (including internal control frameworks and insurance and loss prevention efforts) and ensures implementation of policies and standards for monitoring and managing risks. A list of material enterprise risks is prepared for review by the Board Risk and Sustainability Committee three times per year, with follow-on reporting and discussion with the Board.

Regulatory compliance

Regulatory compliance is essential to supporting our licence to operate. We comply with relevant laws, regulations, and authorisations as required during the various stages of project development and operations. We implement a suite of detailed management plans and maintain a register of approvals, permits, and obligations to assist in managing our responsibilities. We engage with a range of specialist consultants and subject experts (including legal due diligence) to advise on managing compliance matters.

We routinely conduct targeted audits of compliance against applicable regulatory standards and report the outcomes to the Audit and Risk and Sustainability Committees. During FY22, there were no instances of non-compliance with regulatory authorities leading to any fines or enforcement actions.

Crisis response (including pandemic) (material topic)

There is an established risk-based Crisis Management and Business Continuity approach to identify incidents that have the potential to significantly disrupt the operation and the relevant controls to mitigate the risk likelihood and consequence.

The measures outlined incorporate the organisational responsibilities, the available internal and external resources, the communication, escalation and training requirements, supported by clear processes, guidelines and procedures to effectively manage the crisis. In FY22, the execution of crisis management was ongoing given the nature of COVID-19, flood, fire and water events. This allowed for experience to be gained through real exercises involving both operational and corporate teams.

CASE STUDY: Boost to emergency services

Last year, we supported a capability uplift to local emergency services of the Balmertown fire department through the provision of a fit for purpose Fire Truck and financial support to local businesses and the Municipality of Red Lake. The truck arrived in May 2022, bringing relief and assurance to the local emergency services and the Evolution Red Lake team.

We contributed more than $545,000, and also provided volunteers in 2021/2022 in response to forest fires, flooding and threats to production in the Balmertown and surrounding area.

Evolution and Balmertown fire department welcome new fire truck

Extreme weather and health events

Each operation is located in geographically unique parts of Australia and Canada and often adjacent to landholders and regional communities. In a crisis, our people are often first responders and make themselves available to assist neighbours, community and neighbouring mines. Through a TCFD alignment review conducted in FY20, extreme weather was identified as one of four 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 and broader health events.

Operations prepare thorough mitigation actions including:

- Providing for cyclone
- Rain and wind proof infrastructure and shelter
- Certified water storage and drainage network
- Secured buildings and infrastructure
- Telemetry weather detection systems including lightning
- Emergency response equipment including fire tenders and ambulance and personnel, training, scenario and competition

Operations' response plans are formally 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 the communities.

Many communities were affected by the drought, forest fires and flooding experienced in Australia and Canada in FY22. We contributed over $600,000 in donations to forest fire and drought relief and offered in-kind flood relief through our volunteers and Community Investment program.

CASE STUDY: Flood Relief following Wyangala spill

In early November 2021, heavy rains and riverine flooding threatened to cause damage across the region of the Cowal operation. On November 11, the Wyangala Dam in the Lachlan Valley was on watch as significant rainfall had refilled the reservoir and threatened to exceed storage capacity. The next day, the dam was spilling over with Forbes and Condobolin expecting the Lachlan River to continue to rise in the coming days. There were concerns that rain inflows were expected to increase to a peak of 65-70 gigalitres, endangering the community. To protect properties and community members most in danger from the rising dam and Lachlan River, Evolution volunteers across the Cowal operations, including from Sustainability, Commercial, and Finance supported emergency services by filling sandbags.

Cowal volunteers filling sandbags for Wyangala Dam

COVID-19 pandemic response

The health, safety and wellbeing of our employees, contractors and the communities where we operate is essential to how we do business.

Our response to COVID-19 was managed in a structured way that included reference to the changing recommendations of health authorities, and local and national regulatory requirements. The impacts to people and operations were felt throughout the year, with short-term restrictions on workforce participation due to isolation demands or positive cases, particularly when the pandemic was at its peak. Operations continued to safely operate during this time.

Extensive measures to prevent the spread of COVID-19 were implemented and continue to provide support to all employees and local communities. Efforts are structured around five key pillars:

1. Prevention

Extensive preventive measures were implemented across all operations to safeguard the health of our employees, contractors and community. These included the promotion of vaccinations, the wearing of masks, supporting physical distancing and good hygiene practices, implementing remote work wherever feasible, enhanced cleaning and disinfecting protocols, promoting personal preventive measures, and screening all employees, contractors and external visitors for risk factors and symptoms.

2. Worker support

Sick leave benefits were expanded to ensure anyone that was required to self-isolate remained eligible for sick leave benefits, and flexible working arrangements were reviewed. New and expanded employee services such as Employee Assistance Program (EAP) programs were extended that included additional support services and crisis counselling, as well as other on demand and virtual medical and mental healthcare services. Specialist medical advice and care was also provided as required that included the promotion and support of vaccination clinics.

3. Communities and public health

Support for Community groups and employees remains and is expected to continue through FY23. Evolution has additionally provided donations to the 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 the communities. We We supported critical social initiatives in areas where we operate. This included operating vaccination clinics, providing masks and rapid antigen test kits and other community support efforts.

4. Business continuity

Despite the challenges, all Evolution operations continued to safely operate, with COVID-19 measures in place. These measures followed best practices and guidance from health and government authorities. All Evolution activities continue to be underpinned by a continued focus on leadership.

A COVID-19 Crisis Management Team (CMT) was established, chaired by the Vice President Sustainability. The` CMT continues today, with regular updates to the Leadership Team and the Board. Formalised COVID-19 management teams at site remain in place.

We continue to identify and implement measures and the formally established Crisis Management Team. This is led by members of the Leadership Team that remains as a formal response mechanism.

5. Communications

To mitigate the mental and physical health impacts that lockdowns and periods of isolation may cause, communication lines were strengthened across the business as well as with the Employee Assistance Program (EAP). Sites also deployed technologies to enable risk mitigation and contact tracing, such as contact tracing cards at Cowal and QR codes in the Sydney Office. The site access protocols were also strengthened at each site.

Cloncurry State School Principal and students presented with face masks by EHO Sustainability Manager, Adam Fewster

Ongoing communication around COVID-19 management to ensure a continual feedback loop has been delivered where information, questions and feedback is provided. This ensured ongoing connection and feedback loop with the workforce and community.

A small example of keeping people healthy, maintaining safe and reliable operations and supporting the communities was the support given by the Ernest Henry team to community education facilities when COVID-19 mandates changed. The team donated personal protection equipment, valued at $3,500, including 8,000 single-use masks to the Cloncurry State School P-12, St Joseph's Catholic School, C&K Cloncurry Kindergarten, and the Curry Kids Early Learning Centre

Business ethics

The Code of Conduct[40] sets the standards for our people to act ethically, responsibly and lawfully. It applies to Directors, all employees, contractors and consultants employed to undertake work on behalf of, or for Evolution and its subsidiaries. It guides us in meeting 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.

We have established broad-based communication and training programs to ensure that all individuals working at the operations take cognisance of how they conduct their duties, and we ensure that the Code is included as part of contractual agreements with consultants, advisors and contractors.

The Code is regularly reviewed to ensure that it remains on par with industry standards, regulatory amendments and the operating environment. During the reporting period, work also commenced on reviewing the supplier and vendor on-boarding processes to ensure alignment with international and industry best practice standards and frameworks.

All new employees in FY22 received Code of Conduct training as part of the onboarding process.

Economic performance

Our performance is continuously monitored against its stated objectives, opportunity and risk assessments are conducted, and findings are integrated into the financial strategy.

Refer to: Evolution's economic performance is provided in the financial section of FY22 Annual Report

Anti-bribery and corruption (material topic)

Evolution views any bribery or corruption behaviour as unacceptable. We have an Anti-Bribery and Corruption Policy which extends across all our businesses and activities, and applies to Evolution Directors, officers, employees, labour hire 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.

We expect contractors, suppliers and business partners to comply with the Anti-Bribery and Corruption Policy, which is included in the Supplier Code of Conduct.

In addition, we have an anti-bribery and anti-corruption clause in all our supplier contracts and undertake vendor due diligence as part of the supplier onboarding and contract renewal process.

All reported incidents of non-compliance or potential non-compliance are taken seriously, reviewed, and investigated. In FY22, 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, along with the associated corporate governance, are included in the Whistleblower Policy[41] and Standard[42].

The process is managed by an external third party in conjunction with the People and Culture department. Whistleblowing events and any actions are reported to the Audit Committee and the Risk and Sustainability Committee.

There were four Whistleblower cases reported in FY22 via the FairCall (KPMG) service in Australia and Canada.

Each case was investigated, addressed and reported through to the Board.

Political parties and public organisations

We do 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 FY22, no donations or payments were made to political organisations.

Transparency and disclosure

We are committed to open and transparent dealings with all the 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.

Tax Transparency Code

We are committed to open and transparent dealings with all our stakeholders. Payment of tax is an important element of our contribution to the economic development of Australia and Canada. At a minimum, we comply with the Australian Government's Voluntary Tax Transparency Code. Payments to government, including taxes and royalties, is provided separately in the 2021 Tax Governance Statement available at the website[43] and FY22 **ESG Performance Data** document (economic performance section). Evolution has a publicly available Board approved Tax Governance Policy that complies with the guidance set out by the Australian Taxation Office.

[40] Employee Code of Conduct

[41] Whistleblower Policy

[42] Whistleblower Standard

[43] Tax Governance Statement

Cyber security (material topic)

Like many businesses and organisations, we face constant and evolving cyber threats. The operating and control systems at the sites increasingly use digital platforms and technology-based solutions. As such, the security of these systems is crucial for operating our operations safely and efficiently, making cyber security one of our material business risks. We remain vigilant regarding any cyber risks, and the workforce receives regular awareness training and communications on what they should do to manage potential threats.

Evolution's cyber security framework

Business objectives & risks			
Cyber Threats			
Unauthorised loss of data	**Unauthorised change of data**	**Cyber risk culture and behaviour**	**Cyber risk management, metrics & reporting**
Governance			
Secure		**Vigilant**	**Resilient**
Identity Lifecycle Management	**User Access Control**	**Penetration Testing**	**Incident & Crisis Readiness**
Role Based Access Control	Privileged User Access Control	Cyber Threat Intelligence	Incident Response
Secure SDLC	Post Development Application Protection	Brand Protection	Business Continuity Management and Disaster Recovery
Asset Management	System Security	Security Event Monitoring	
Malware Protection	Network Security	Patch Management	
End User Device Security	Human Resources Security	Vulnerability Management	
Physical Security	Data Loss Prevention	Cyber Analytics	
Encryption	Information Lifecycle Management (incl Backups)	Security Platform Administration – Daily, Weekly, Monthly, Quarterly	
Data Privacy	Information Classification		
Cloud Security	Third Party Risk Management		

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 information technology (IT) strategy
- Clear responsibilities with a centralised IT function and dedicated capability
- Cyber awareness training (95% 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
- Regular cyber security risk assessments to ensure new technology is appraised for security risks before implementation
- Encryption of laptops and mobile devices to ensure that information is inaccessible when these devices are lost or stolen

In FY22 we:

- Conducted cyber security risk assessments against our information technology and operating technology environments
- Implemented a dedicated operational technology (OT) cyber governance framework to operate alongside the existing IT cyber governance framework
- Performed cyber security penetration testing and remediation activities
- Updated the IT/OT cyber security program based on the cyber risk assessment findings
- Conducted cyber supply chain risk assessments
- Commenced an audit program for OT controls assessments
- Conducted desktop incident response simulations and updated the response plans
- Engaged a managed cyber threat and response provider
- Reviewed and updated cyber security policies

Management and the Board have identified cyber security as a critical risk and receive regular reports on cyber security preparedness. Cyber security is a standing agenda item on the Board Risk and Sustainability Committee agenda with reporting occurring at each Committee meeting which includes detail on management's efforts and initiatives to monitor and prevent cyber incursions. Significant investment in a comprehensive end-to-end IT system is driven by a recognition that Evolution needs to continually invest in cybersecurity.

Glossary

Glossary	
"AA" rating	Rating credibility used in the MSCI review. The lowest rating of "CCC" to the highest rating of "AAA"
$	All amounts are expressed in Australian dollars unless stated otherwise
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
CO_2-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 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
LOD	Line of Defence
LOM	Life of Mine
M	Million. Number equivalent to the product of a thousand and a thousand
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

Glossary

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
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 2022 financial year (FY22), Evolution delivered its second highest statutory net profit on record with commitment of returns to our shareholders maintained with a full year dividend of 6 cents per share declared.

Evolution achieved a statutory net profit after tax of $323.3 million for FY22, a 6.4% decrease on the prior record year (30 June 2021: $345.3 million). Underlying profit after tax was $274.7 million (30 June 2021: $354.3 million).

Group gold production was 640,275 ounces at an All-in Sustaining Cost (AISC) of $1,259 per ounce (US$914/oz)[1] which continues to place Evolution among the lowest cost producers in the world. In FY23, Evolution has guided higher production of 720,000 ounces (+/- 5%) at an AISC of $1,240 per ounce (+/- 5%).

Revenue for the FY22 increased by 11% to $2,064.9 million (30 June 2021: $1,864.1 million). The higher achieved gold price of $2,425/oz (30 June 2021: $2,369/oz) was partially offset by a decrease in sold ounces for the year to 641,413oz (30 June 2021: 677,150oz). Revenue comprised of $1,556.1 million from gold, $491.4 million from copper and $17.4 million from silver (30 June 2021: $1,605.0 million from gold, $236.9 million from copper and $22.1 million from silver).

Total gold sold of 641,413 ounces included deliveries into the Australian gold hedge book of 100,000 ounces at an average price of $1,916 per ounce (FY21: 100,000 ounces, $1,829/oz) and into the Canadian hedge book of 40,000 ounces at an average price of C$2,270 per ounce. The remaining 501,413 ounces were sold at spot comprising 435,336 ounces delivered at an average price of $2,522/oz (30 June 2021: 456,001oz, $2,474/oz) and 66,077, ounces delivered at an average price of C$2,357/oz (30 June 2021: 81,169 ounces, $2,361/oz). At 30 June 2022 the Group's gold delivery commitments totalled 100,000 ounces at a price of $1,916/oz for the Australian operations and 40,000 ounces at C$2,272/oz for Red Lake with quarterly deliveries through to June 2023.

Copper revenue was a record with a 107% increase from the prior year to $491.4 million (30 June 2021: $236.9 million), driven by an 81.8% increase in production to 38,834 tonnes and a 12.3% increase in copper price of $12,546/t. The uplift in copper production was attributable to the acquisition of full ownership of Ernest Henry on 6 January 2022 (effective 1 January 2022).

Inventory costs expensed were $51.0 million lower driven by the increased value of stockpile inventories predominantly at Cowal and Mungari.

Royalties were higher than the prior year primarily driven by higher achieved metal prices offset by lower metal quantities sold. By-product revenue was up 9% due to higher metal prices.

Tax expense for FY22 of $94.4 million is $56.5 million lower than FY21 reflecting the lower profit achieved in the year.

Operating mine cash flow decreased by 5% totalling $893.3 million (30 June 2021: $937.3 million). Total capital investment was $606.4 million (30 June 2021: $379.8 million) which included $147.0 million of sustaining capital investment (30 June 2021: $105.7 million) and $459.3 million of major capital investment (30 June 2021: $274.1 million). The major capital investment related predominantly to the underground project at Cowal and growth projects at Red Lake.

In July 2021, the Group successfully completed a $400 million fully underwritten institutional placement of approximately 104 million new fully paid ordinary Evolution shares to institutional investors at a price of $3.85 per share. The funds raised under the placement were used to fund the acquisition of the Kundana mine and Carbine project, a 51% interest in the East Kundana Joint Venture (EKJV) and a 75% interest in the West Kundana Joint Venture (the Kundana assets) from Northern Star Resources Limited. The Group also successfully raised approximately $68 million under the

[1] Using the average AUD:USD exchange rate of 0.7258 for the 12 months of FY22

Share Purchase Plan at $3.85 per new share in August 2021 with the funds to be used for general corporate purposes. Both capital issues received exceptionally strong support from investors.

During the year we repositioned the balance sheet to align our debt structure to our expected cash flows from our long-life suite of assets. Evolution received a maiden investment grade credit rating and successfully priced a US$550 million debt placement in the United States private placement market. The drawdown of the inaugural US Private Placement was completed in November 2021. In August 2022, as part of the regular annual review process, the Group received confirmation the investment grade rating has been reaffirmed.

Consistent with Evolution's strategy to continuously seek to upgrade the quality of its portfolio, in October 2021 the Company entered into a binding agreement with Navarre Minerals Limited to sell the Mt Carlton gold mine in Queensland for a total consideration of up to $90 million.

In November 2021, Evolution announced the acquisition of full ownership of the Ernest Henry operation. The Company previously held an economic interest in Ernest Henry which is a large-scale, long-life, copper-gold mine located ~38km north-east of Cloncurry, Queensland. An immediate increase in copper production reduced the Group's AISC and positions Evolution as one of the lowest cost gold producers in the world. The acquisition was via an agreement with Glencore to acquire 100% of the shares in Ernest Henry Mining Pty Ltd for $1 billion. To complete the acquisition an initial consideration of $800 million was paid to Glencore on 6 January 2022, with the remaining $200 million due and payable on 6 January 2023. The transaction was partly funded from a new US$200 million US Private Placement maturing in FY31, which settled on 15 February 2022.

Fully franked dividends of $146.6 million (FY21: $273.4 million) were paid during the year.

The Directors declared a final fully franked dividend of 3.0 cents per share, which is the 19th consecutive dividend (30 June 2021: 5.0 cents). This resulted in a full year dividend of 6.0 cents per share being declared for FY22, delivering over $110 million to shareholders for the year. We did not change our dividend policy which is to, whenever possible, pay 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.

In summary, the 2022 financial year was another year of strong financial performance for Evolution. As we look forward to FY23 and beyond, our strong cash position and robust balance sheet will allow us to invest in the growth opportunities within our portfolio which will increase production of high margin ounces which is expected to continue to generate superior returns for our investors.

Yours faithfully

LAWRIE CONWAY

FINANCE DIRECTOR AND CHIEF FINANCIAL OFFICER

Financials	Units	FY22	FY21	Change
Statutory Profit after tax	$M	323.3	345.3	(6%)
Underlying Profit after tax	$M	274.7	354.3	(22%)
EBITDA	$M	898.8	914.2	(2%)
EBITDA Margin	%	44%	49%	(11%)
Operating Mine Cash flow	$M	893.3	937.3	(5%)
Capital investment	$M	606.4	379.8	60%
Group Cash flow	$M	110.5	326.3	(66%)
Earnings per share	cps	17.7	20.2	(12%)
Full Year Dividend (fully franked)	**cps**	**6.0**	**12.0**	**(50%)**

[1] Cash flow before dividends, debt repayments, equity raises and any acquisitions or divestments

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 Chair

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

Prior to that, Mr Klein was President and CEO of Sino Gold Mining Limited, where he was one of the founders and led 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 A$100 million and was purchased by Eldorado Gold Corporation in late 2009 for over A$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.

Effective 31 August 2022, Lawrie retired from the Board of Aurelia Metals where he served as a Non-executive Director from 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 (Chair 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 Chair of Prodigy Gold NL and Genesis Minerals Limited and Non-Executive Director at Arrow Minerals Limited.

Mr McKeith is 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, Ms Hall 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. Ms Hall 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. Most recently he was the President and CEO of Gold Standard Ventures Corporation until its acquisition by Orla Mining in August 2022. 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 the Lead Independent Director (effective 1 December 2021) and 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 Chair 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, Sims Limited 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.

Annual Financial Report

Annual Financial Report

Content page

Appendix 4E

APPENDIX 4E
EVOLUTION MINING LIMITED ACN 084 669 036
AND
CONTROLLED ENTITIES ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Results for Announcement to the Market

Key Information

	30 June 2022 $'000	30 June 2021 $'000	Up / (down) $'000	% Increase/ (decrease)
Revenues from contracts with customers	2,064,928	1,864,058	200,870	11 %
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	898,814	914,235	(15,421)	(2)%
Statutory profit before income tax	417,748	496,172	(78,424)	(16)%
Profit from ordinary activities after income tax attributable to the members	323,324	345,262	(21,938)	(6)%

Dividend Information

	Amount per share Cents	Franked amount per share Cents
Final dividend for the year ended 30 June 2022		
Dividend to be paid on 30 September 2022	3.0	3.0
Interim dividend for the year ended 30 June 2022		
Dividend fully paid on 25 March 2022	3.0	3.0
Final dividend for the year ended 30 June 2021		
Dividend fully paid on 28 September 2021	5.0	5.0

Net Tangible Assets

	30 June 2022 $	30 June 2021 $
Net tangible assets per share	**1.89**	1.51

Earnings Per Share

	30 June 2022 Cents	30 June 2021 Cents
Basic earnings per share	**17.74**	20.21
Diluted earnings per share	**17.70**	20.14

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

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 2022.

Directors

The Directors of the Group during the year ended 30 June 2022 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 Chair
Lawrence (Lawrie) Conway	Finance Director and Chief Financial Officer
Jason Attew (i)	Lead Independent Director
Thomas (Tommy) McKeith (ii)	Non-Executive Director
James (Jim) Askew	Non-Executive Director
Andrea Hall	Non-Executive Director
Victoria (Vicky) Binns	Non-Executive Director
Peter Smith	Non-Executive Director

(i) Appointed as Lead Independent Director effective 1 December 2021
(ii) Ceased to be Lead Independent Director effective 1 December 2021

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 2022 include:

Portfolio

- The past twelve months has seen Evolution continue to execute against our strategy through the acquisition of Kundana and EKJV to consolidate the Mungari operation; move to 100% ownership of the Ernest Henry operation; and divestment of the Mt Carlton operation. These changes to the portfolio have considerably improved the quality of the portfolio and will deliver superior returns over the long term for our shareholders.

- While our operational performance in the past twelve months did not deliver to shareholders or our expectations, pleasingly the operations ended FY22 in a position to deliver more consistently in FY23. We progressed well with our growth projects, in particular the Cowal underground mine development and the new Upper Campbell underground mine at Red Lake and both projects are on schedule and budget. Our studies for organic growth at our operations also advanced, including the mine extension at Ernest Henry; the plant expansion at Mungari; the Pumped Hydro Project at Mt Rawdon; and multiple transformation projects at Red Lake.

- The changes to our portfolio, together with the growth projects and studies, provide the solid platform for Evolution over the next few years where production is planned to increase by around 25% and maintain a very low cost position. In FY23, production is planned to increase by 12.5% to around 720,000 ounces, increasing a further 11% to around 800,000 ounces in FY24. All-in Sustaining Cost (AISC) is planned to be maintained at around A$1,240 per ounce in FY23 and FY24.

Sustainability

- Sustainability has been at the core of Evolution since inception and is integrated into every aspect of the business. This captures the health, safety, environment, First Nation engagement and broader community relations to ensure we operate in a socially and environmentally responsible way. The Group publicly committed to transition to "Net Zero" greenhouse gas emissions by 2050 (scope 1 and 2) and a 30% reduction in emissions by 2030. In FY22, we achieved a significant reduction in our net use of energy with our emissions per tonne of material mined ~7% lower compared to the FY20 baseline.

- The Group continues to be recognised for its Sustainability performance, achieving a sector leading rating in Sustainalytics, ISS and MSCI ESG Ratings assessments and being one of three gold companies recognised in the Dow Jones Sustainability Index Australia.

Directors' report (continued)

Key highlights for the year (continued)

Sustainability (continued)

- The Group demonstrated resilience and strong risk management though the COVID-19 pandemic. Operations were maintained, supported by protocols developed to minimise risks to our people and communities that allowed safe production during this challenging time. Notwithstanding these measures, regulatory isolation requirements resulted in high levels of COVID related absenteeism which adversely impacted the performance during the year.
- The Group remains committed to an improved health and safety performance with a heavy focus on leading indicators, increased reporting, field leadership, action closure discipline and high-quality safety interactions. Overall health and safety improved across the Group, with delivery on or better than target. The total recordable injury frequency (TRIF) was 10.66 (including 6 months at Ernest Henry) as at 30 June 2022.

Financials

- The Group achieved a statutory net profit after tax of $323.3 million for the year (30 June 2021: $345.3 million).
- Basic earnings per share was 17.74 cents per share (30 June 2021: 20.21 cents).
- Fully franked dividends of $146.6 million (30 June 2021: $273.4 million) were paid during the year.
- The Directors declared a final fully franked dividend of 3.0 cents per share, which is the 19th consecutive dividend (30 June 2021: 5.0 cents). The aggregate amount of the final dividend to be paid on 30 September 2022 is estimated at $55.0 million.
- The Group's key results are as follows:
  - Total gold production of 640,275oz at an AISC of $1,259/oz.
  - Operating mine and net mine cash flow of $893.3 million and $284.1 million respectively.
- In July 2021, the Group successfully completed a $400 million fully underwritten institutional placement of approximately 104 million new fully paid ordinary Evolution shares to institutional investors at a price of $3.85 per share. The funds raised under the placement were used to fund the acquisition of the Kundana mine and Carbine project, a 51% interest in the EKJV, and a 75% interest in the West Kundana Joint Venture (the Kundana assets). The Group also successfully raised approximately $68 million under the Share Purchase Plan at $3.85 per new share in August 2021 with the funds to be used for general corporate purposes. Both capital issues received strong support from investors.
- On 13 August 2021, the Group announced that it had received an investment grade credit rating and successfully priced a US$550 million placement in the United States private placement market. The drawdown of the inaugural US Private Placement was completed in November 2021. On 4 August 2022, as part of the regular annual review process the Group received confirmation the investment grade rating has been reaffirmed.
- On 18 August 2021 the acquisition of the Kundana assets from Northern Star Resources Limited was completed with effective date being 1 August 2021. Processing of higher grade ore from Kundana commenced in late August and the first ore processing campaign for EKJV (Evolution's interest 51%) was completed as planned in October 2021.
- On 5 October 2021, consistent with the Group's strategy to continuously seek to upgrade the quality of its portfolio, Evolution entered into a binding agreement with Navarre Minerals Limited to sell the Mt Carlton gold mine in Queensland for a total consideration of up to $90 million. The sale was completed on 14 December 2021 with Navarre's economic interest in Mt Carlton commencing from 1 October 2021.
- On 17 November 2021, the Group announced the acquisition of full ownership of the Ernest Henry operation. Evolution previously held an economic interest in Ernest Henry which is a large-scale, long-life, copper-gold mine located ~38km north-east of Cloncurry, Queensland. An immediate increase in copper production reduced the Group's All-in Sustaining Costs and positions Evolution as one of the lowest cost gold producers in the world. The acquisition was via an agreement with Glencore to acquire 100% of the shares in Ernest Henry Mining Pty Ltd for $1 billion. To complete the acquisition an initial consideration of $800 million was paid to Glencore on 6 January 2022, with the remaining $200 million due and payable on 6 January 2023. The transaction was partly funded from a new US$200 million US Private Placement maturing in FY31, which settled on 15 February 2022.

Operations

- Cowal achieved significant milestones during the year with the Board and regulatory approvals to commence construction of the new Underground mine adjacent to the existing E42 open pit. The project has now awarded all material contracts and remains on budget and schedule for critical path items, with first stope ore planned for Q4 FY23. The waste strip of Stage H completed in Q1 FY22 which has enabled the operation to access higher grade ore. Construction of the Integrated Waste Landform continued as planned to provide tailings capacity to support the life of mine.

Directors' report (continued)

Key highlights for the year (continued)

Operations (continued)

- Ernest Henry was successfully integrated into the Evolution portfolio. The significance of acquiring full ownership of the operation from 1 January 2022 is evidenced by the material net mine cash flow generated in FY22 at over $435 million. A new Mineral Resource estimate for Ernest Henry was published on 1 August 2022, with contained copper increasing 28% and contained gold increasing 24%. This new Mineral Resource estimate will inform the Pre-Feasibility study on a mine extension down to the 775mRL that is due for completion in December 2022.
- At Red Lake the transformation focused on operational improvements to both mining and processing, with performance now at the rates required to deliver FY23 production guidance. Development rates averaged over 1,200 metres per month for the last nine months of FY22 which has enabled the operation to access additional mining fronts and increase mining rates. Construction of the Campbell Young Dickenson (CYD) decline ramped up during FY22 which will enable first stope ore from Upper Campbell to be mined in the September 2022 quarter. The upper limits of the Campbell and Red Lake processing plant throughput rates were tested during FY22 and the result is that they are now consistently processing at an annual equivalent of 1 million tonnes per annum.
- Mungari focussed on integrating the Kundana and EKJV operations as "one Mungari" during the year, with both cost and operational benefits realised to date. The increase in mined grade, production and ongoing synergies demonstrate the strategic significance of that acquisition. A Feasibility study on a mill expansion at Mungari is ongoing, and is due for completion by December 2022. An expanded mill has the ability to unlock significant long-term value at the operation through increased processing capacity and lower costs.
- The Mt Rawdon Pumped Hydro (MRPH) project has the potential to make a significant contribution towards Queensland's renewable energy ambitions. The Feasibility Study is being completed with our partner, Ironstone Capital Australia, and is due for completion in June 2023. Evolution will retain a 50% share of the MRPH project if the project proceeds.

Operating and Financial Review

Evolution is a leading, low-cost Australian gold mining company. As at 30 June 2022, the Group consisted of five wholly-owned operating mines: Cowal in New South Wales; Ernest Henry and Mt Rawdon in Queensland; Mungari in Western Australia and Red Lake in Ontario, Canada.

The Group completed the acquisition of Kundana and EKJV on 18 August 2021, divested Mt Carlton on 14 December 2021 effective 1 October 2021 and acquired full ownership of Ernest Henry on 6 January 2022 with the effective date being 1 January 2022.

Evolution's vision is for inspired people to create a premier global gold company which will generate superior returns for our shareholders and deliver benefits to all of our stakeholders. The Group strives to build a reputation of sustainability, reliability and transparency. Financial discipline must be core and embedded across the entire business. 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 up 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 places equal importance on our ability to remain agile, recognise value and execute on opportunities to improve the portfolio. The restructure of the portfolio over the past twelve months demonstrates our commitment to our strategy, ensuring margin over ounces is preserved and positions Evolution for the next phase of growth.

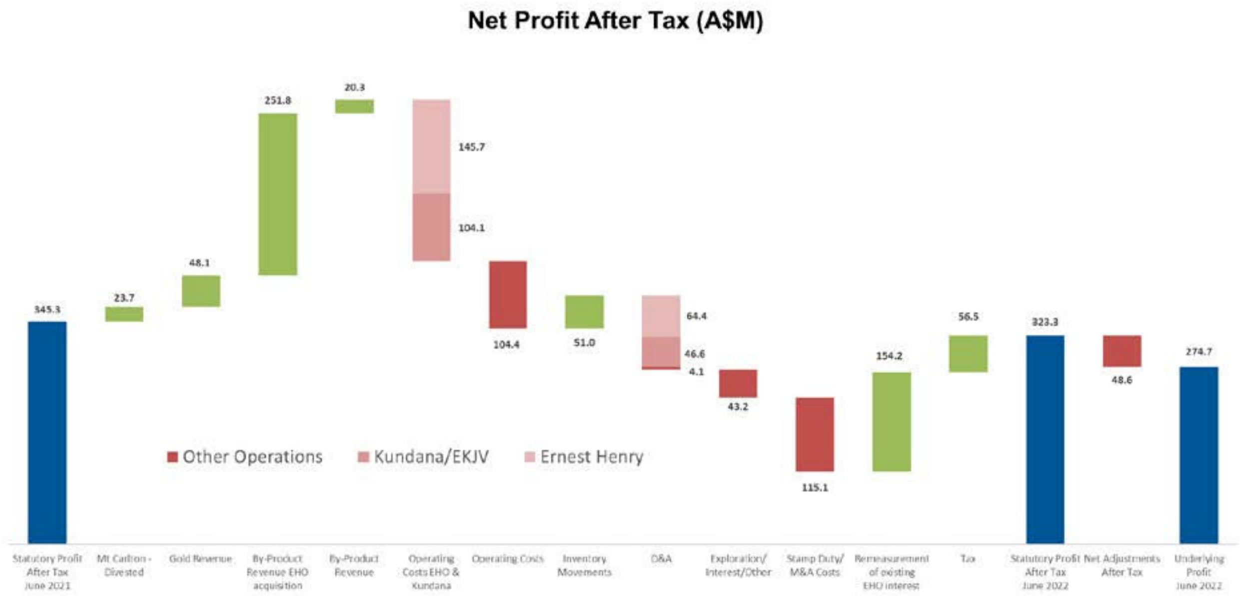
The Group remains open to all quality gold, silver and gold-copper value accretive investments.

Directors' report (continued)

Key highlights for the year (continued)

Profit Overview

The Group achieved a statutory net profit after tax of $323.3 million for the year ended 30 June 2022 (30 June 2021: $345.3 million). The underlying net profit after tax was $274.7 million for the year (30 June 2021: $354.3 million). The main drivers to the change in profit year on year has been the acquisition and divestment of assets; higher achieved gold and copper prices offsetting lower production; and higher operating costs at existing assets due to increased activities and slightly higher input costs. The following graph reflects the movements in the Group's profit after tax for the year ended 30 June 2022 compared to the year ended 30 June 2021.



The divestment of Mt Carlton resulted in an increase to profit of $23.7 million.

Revenue at existing operations increased by $68.4m ($48.1m for gold and $20.3m for by-products), driven primarily by higher achieved metal prices partially offset by lower quantities sold. The full acquisition of Ernest Henry contributed an additional $251.8m in by-product credits generated from an additional 20,288t of copper and 85,067oz of silver.

The full acquisition of Ernest Henry and acquisition of Kundana and EKJV lead to the majority of the increase to Operating Costs which contributed $145.7m and $104.1m respectively.

Operating Costs at other operations increased by $104.4m. During the year capitalisation of Stage H at Cowal was completed, resulting in lower costs capitalised and now expensed. This equated to $37.9m being expensed, noting that from a cash perspective there was minor change as these costs were being capitalised in FY2021. Red Lake tonnes mined and processed increased by 25% which resulted in mining costs increase by $9.7m whilst processing costs increased $9.4m. In FY2022 Red Lake commenced shipping concentrate causing selling, refining and logistics costs to increase by $6.6m.

All sites were adversely affected by recent increases in input costs due to the impact of Covid on supply chains, the Russia-Ukraine conflict, and general inflationary pressures globally driving commodity prices higher. These price increases contributed to approximately 4.9% increase in operating expenses, or $42.8m. Recent market cost pressures have been seen in the following cost categories; fuel, explosives, chemicals and reagents, and steel prices impacting grinding media, liners and parts. Royalties were higher than the prior year, primarily driven by higher gold and copper prices.

Inventory costs expensed were $51.0m lower driven by increased stockpile inventories predominantly at Cowal and Mungari.

Depreciation and Amortisation increased by $115.1m, largely due to the acquisition of Kundana/EKJV ($46.6m) and 100% Ernest Henry (64.4m).

Finance costs increased by $28.1m linked to the debt funding established for acquisitions during the year.

Tax expense for the year ended 30 June 2022 was $56.6m lower on the reduced profit for the year, and has been impacted by the tax effect of the acquisitions and divestment during the year.

Directors' report (continued)

Key highlights for the year (continued)

Profit Overview (continued)

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

	30 June 2022 $000	30 June 2021 $000
Statutory profit before income tax	**417,748**	496,172
Gain on sale of Mt Carlton	**(9,958)**	—
Gain on remeasurement of existing interest in Ernest Henry Mine	**(154,206)**	—
Transaction and integration costs (including stamp duty)	**130,117**	15,058
Underlying profit before income tax	**383,701**	511,230
Income tax expense	**(94,424)**	(150,910)
Tax benefit on sale of Mt Carlton	**(4,902)**	—
Tax effect of adjustments	**(9,652)**	(4,517)
Recognition of previously unrecognised tax losses	**—**	(1,461)
Underlying profit after income tax	**274,723**	354,341

Cash Flow

Operating mine cash flow decreased by 5% totalling $893.3 million (30 June 2021: $937.3 million). Total capital investment was $606.4 million (30 June 2021: $379.8 million) which included $147.1 million (30 June 2021: $105.7 million) of sustaining capital investment and $459.3 million (30 June 2021: $274.1 million) of major capital investment. The major capital investment related predominantly to the Underground Project at Cowal and growth projects at Red Lake. Mine cash flow before major capital investment was $746.2 million (30 June 2021: $831.6 million).

Directors' report (continued)

Key highlights for the year (continued)

Key Results

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

Key Business Metrics	30 June 2022	30 June 2021	% Change (ii)
Total underground lateral development (m)	38,282	25,254	52 %
Total underground ore mined (kt)	8,482	7,874	8 %
Total open pit ore mined (kt)	13,845	8,815	57 %
Total open pit waste mined (kt)	25,164	31,235	(19)%
Processed tonnes (kt)	21,388	22,116	(3)%
Gold grade processed (g/t)	1.11	1.13	(2)%
Gold production (oz)	**640,275**	**680,788**	**(6)%**
Silver production (oz)	**542,972**	**650,268**	**(17)%**
Copper production (t)	**38,834**	**21,361**	**82 %**
Unit cash operating cost ($/oz) (i)	864	879	2 %
All in sustaining cost ($/oz) (i)	1,259	1,215	(4)%
All in cost ($/oz) (i)	2,045	1,696	(21)%
Gold price achieved ($/oz)	2,425	2,369	2 %
Silver price achieved ($/oz)	31	34	(9)%
Copper price achieved ($/t)	12,546	11,172	12 %
Total Revenue	2,064,928	1,864,058	11 %
Cost of sales (excluding D&A and fair value adjustments)	1,107,971	904,728	(22)%
Corporate, admin, exploration and other costs (excluding D&A)	(35,593)	(33,797)	(5)%
EBIT (i)	430,989	546,431	(21)%
EBITDA (i)	898,814	914,235	(2)%
EBITDA (%) (i)	44%	49%	(10)%
Statutory profit/(loss) after income tax	**323,324**	**345,262**	**(6)%**
Underlying profit after income tax	**274,723**	**354,341**	**(22)%**
Operating mine cash flow	893,280	937,298	(5)%
Sustaining Capital	(147,057)	(105,684)	(39)%
Mine cash flow before major capital	**746,223**	**831,614**	**(10)%**
Major Capital	(459,314)	(274,141)	(68)%
Net mine cash flow*	**284,070**	**554,855**	**(49)%**

*Net mine cash flow FY22 figure includes restructuring costs of $3.8 million (30 June 2021: $3.6 million).

(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 between 1 July 2021 and 31 December 2021 represent the Group's cost and not solely the cost of Ernest Henry's operation. The Group took full ownership of Ernest Henry on 6 January 2022, with the effective date 1 January 2022.

Directors' report (continued)

Mining Operations

Cowal

Key Business Metrics	30 June 2022	30 June 2021	Change
Operating cash flow ($'000)	247,418	270,689	(23,271)
Sustaining capital ($'000)	(30,962)	(12,876)	(18,086)
Net mine cash flow before major capital ($'000)	**216,456**	**257,813**	**(41,357)**
Major capital ($'000)	(229,826)	(157,546)	(72,280)
Net mine cash flow ($'000)	**(13,370)**	**100,267**	**(113,637)**
Gold production (oz)	**227,105**	**210,847**	**16,258**
All-in Sustaining Cost ($/oz)	1,245	1,042	(203)
All-in Cost ($/oz)	2,305	1,855	(450)

Cowal was the highest gold producer in the Group, achieving 227,105oz of gold at an AISC of $1,245/oz. Despite this, Cowal operated in a challenging environment with COVID-19 and significant weather events impacting cash flow. Stage H mining successfully completed the major waste stripping and commenced access to higher grade ore. In FY23 higher grade ore from Stage H combined with first stope ore from the underground will drive the planned increase in production to around 275,000 ounces, with a further increase in FY24 to around 320,000 as underground mine production ramps up.

Mine operating cash flow for the year was $247.4 million. Net mine cash flow was $(13.4) million post sustaining capital of $31.0 million and major capital of $229.8 million.

Capital investment during the year consisted of major project capital which focused on finalising Stage H stripping, construction of the Integrated Waste Landform (IWL) tailings facility and the execution of the Underground Project. The Underground Project achieved key milestones throughout the year. All remaining government approvals were received, long-lead items were secured, and the primary mining and drilling contract awarded. The underground diamond drilling program is progressing well and ahead of schedule. The project remains on budget and schedule and first stope ore is expected to be mined in Q4 FY23.

Ernest Henry

Key Business Metrics	30 June 2022	30 June 2021	Change
Operating cash flow ($'000)	474,165	323,203	150,962
Sustaining capital ($'000)	(28,000)	(14,221)	(13,779)
Net mine cash flow before major capital ($'000)	**446,165**	**308,982**	**137,183**
Major capital ($'000)	(10,750)	—	(10,750)
Net mine cash flow ($'000)	**435,415**	**308,982**	**126,433**
Gold production (oz)	**84,145**	**92,397**	**(8,252)**
Copper production (t)	**38,271**	**17,592**	**20,679**
All-in Sustaining Cost ($/oz)	(1,680)	(876)	(804)
All-in Cost ($/oz)	(1,578)	(876)	(702)

* Ernest Henry mining and processing statistics are in 100% terms, while costs between 1 July 2021 and 31 December 2021 represent the Group's cost and not solely the cost of Ernest Henry's operation. The Group completed the acquisition of full ownership of Ernest Henry on 6 January 2022, with the effective date being 1 January 2022.

Evolution took 100% ownership of Ernest Henry on 6 January 2022, with the effective date being 1 January 2022. Gold production was 84,145oz at a record low AISC of negative $(1,680)/oz. The record AISC result for Ernest Henry was primarily driven by 38,271 tonnes of copper sold, favourable copper pricing of $12,545/t and gold production being delivered to plan.

Operating mine cash flow for the year was also a record at $474.2 million as was the net mine cash flow of $435.4 million, post sustaining capital of $28.0 million and major capital of 10.8 million.

Ore mined was 6.4 million tonnes at an average grade of 0.52g/t gold and 1.04% copper. Underground development was 9,695m. Ore processed was 6.4 million tonnes at an average grade of 0.50g/t gold and 1.01% copper.

The Concept Study on the mine extension below the 1,200mRL was completed and the Pre-Feasibility Study (PFS) has commenced, due for completion in December 2022. The study in considering an extension from the 1,200mRL to the 775mRL which has the potential to unlock further value at Ernest Henry. An updated Mineral Resource estimate that will inform the PFS was released on 1 August 2022 with contained copper increasing 28% to 1.13 million tonnes and contained gold increasing 24% to 2.07 million ounces. The ore body remains open at depth with potential for further resource additions with the completion of further drilling.

Directors' report (continued)

Mining Operations (continued)

Red Lake

Key Business Metrics	30 June 2022	30 June 2021	Change
Operating cash flow ($'000)	35,207	90,256	(55,049)
Sustaining capital ($'000)	(45,850)	(46,773)	923
Net mine cash flow before major capital ($'000)	**(10,643)**	**43,483**	**(54,126)**
Major capital ($'000)	(153,380)	(46,265)	(107,115)
Net mine cash flow ($'000) *	**(167,830)**	**(5,628)**	**(162,202)**
Gold production (oz)	**115,276**	**126,339**	**(11,063)**
All-in Sustaining Cost ($/oz)	2,519	2,044	(475)
All-in Cost ($/oz)	4,108	2,517	(1,591)

* Restructuring costs are included in net mine cash flow (FY22: $3.8 million; FY21: $2.8 million)

Red Lake produced 115,276oz of gold at an AISC of $2,519/oz. Mine operating cash flow for the full-year was $35.2 million. Net mine cash flow was negative $(167.8) million after investing $45.9 million in Sustaining capital and $153.4 million in Major capital. The majority of these investments covered new mobile equipment, recapitalisation of mine development in the Lower Red Lake and Lower Campbell mines, and construction of the CYD decline to provide access to Upper Campbell. These investments support the longer term strategy of growing production to over 300,000 ounces per annum from FY27.

Ore mined was 841 thousand tonnes at an average grade of 4.54g/t gold for the year. Ore processed was 847 thousand tonnes at 4.67g/t gold.

Whilst production performance was below expectation, Red Lake achieved several key milestones throughout the year. Development metres continued to improve and are now consistently above 1,200 metres per month, providing access to additional mining fronts. The Campbell and Red Lake process plants performed exceptionally well, with annual equivalent throughput rates in the June 2022 quarter in excess of 1 million tonnes per annum. Ongoing improvements to mining practices continue to drive reductions in stope dilution that improves mined grades. Ongoing advance in the CYD decline will enable first stope ore to be mined from Upper Campbell in the September 2022 quarter.

Mungari

Key Business Metrics	30 June 2022	30 June 2021	Change
Operating cash flow ($'000)	84,847	146,197	(61,350)
Sustaining capital ($'000)	(30,307)	(20,526)	(9,781)
Net mine cash flow before major capital ($'000)	**54,540**	**125,671**	**(71,131)**
Major capital ($'000)	(41,762)	(52,480)	10,718
Net mine cash flow ($'000)	**12,778**	**73,191**	**(60,413)**
Gold production (oz)	**138,035**	**115,829**	**22,206**
All-in Sustaining Cost ($/oz)	1,931	1,453	(478)
All-in Cost ($/oz)	2,325	1,988	(337)

Mungari benefited from the acquisition of Kundana and the EKJV to produce 138,035oz of gold at an average AISC of $1,931/oz. The higher AISC was driven by lower open pit ounces in FY22, as well as lower capitalised stripping, with costs being expensed in FY22. Additionally, the higher ounces from underground had a higher cost base, including a higher proportion of development costs being expensed. The movement between capitalisation of stripping and development to AISC did not increase the cash outflow.

Mine operating cash flow was a strong result at $84.8 million and net mine cash flow was $12.8 million for the full year.

Capital investment in the year was $72.1 million consisting mainly of underground development drilling, expansion of the Tailings Storage Facility and costs for the plant expansion Pre-Feasibility Study.

Underground ore mined was 1.05 million tonnes at 3.53g/t gold. Total underground development was 9,760 metres. Open pit total material mined was 7.34 million tonnes. Open pit ore mined was 1.07 million tonnes at a grade of 1.14g/t gold.

The integration of the Kundana assets is progressing to realise operational synergies and create "One Mungari" with standardised systems and processes, and the sharing of equipment and workforce across what were previously three separately run operations.

Directors' report (continued)

Mining Operations (continued)

Mt Rawdon

Key Business Metrics	30 June 2022	30 June 2021	Change
Operating cash flow ($'000)	39,798	81,253	(41,455)
Sustaining capital ($'000)	(8,290)	(9,307)	1,017
Net mine cash flow before major capital ($'000)	**31,508**	**71,946**	**(40,438)**
Major capital ($'000)	(22,621)	(12,713)	(9,908)
Net mine cash flow ($'000)*	**8,887**	**58,446**	**(49,559)**
Gold production (oz)	**60,004**	**77,005**	**(17,001)**
All-in Sustaining Cost ($/oz)	1,782	1,513	(269)
All-in Cost ($/oz)	2,175	1,679	(496)

* Restructuring costs are included in net mine cash flow (FY22: $0.0 million; FY21: $0.7 million)

Mt Rawdon produced 60,004oz of gold at an AISC of $1,782/oz for the full year. The production result was lower than the prior year with extreme weather events creating operational challenges due to instability in the North Wall during the March quarter. Processing throughput was strong but production was impacted due to processing of low grade stockpiles whilst the wall issues were being managed. Access to higher grade ore was re-established in the June 2022 quarter.

Mine operating cash flow of $39.8 million and net mine cash flow of $8.9 million was achieved for the year, post sustaining capital of $8.3 million and major capital of $22.6 million. Capital investment for the year was primarily driven by mine development.

The Mt Rawdon Pumped Hydro project Feasibility Study continued during the year and is due for completion in June 2023. The project has the potential to significantly contribute to Queensland's renewable energy ambitions.

Mt Carlton *(Divested on 14 December 2021, effective 1 October 2021).*

Key Business Metrics	30 June 2022 *	30 June 2021	Change
Operating cash flow ($'000)	11,841	25,698	(13,857)
Sustaining capital ($'000)	(2,683)	(965)	(1,718)
Net mine cash flow before major capital ($'000)	**9,158**	**24,733**	**(15,575)**
Major capital ($'000)	(975)	(5,136)	4,161
Net mine cash flow ($'000)	**8,183**	**19,597**	**(11,414)**
Gold production (oz)	**15,710**	**58,371**	**(42,661)**
All-in Sustaining Cost ($/oz)	1,823	1,937	114
All-in Cost ($/oz)	1,991	2,105	114

* Figures shown for FY22 represent the three months of operation attributable to Evolution. Mt Carlton was divested effective 1 October 2021.

Mt Carlton was divested in December 2021, effective 1 October 2021. For the three months under the Group's ownership, Mt Carlton produced a total of 15,710oz at an AISC of $1,823/oz.

Mine operating cash flow was $11.8 million. Net mine cash flow was $8.2 million, generated post sustaining capital of $2.7 million and major capital of 1.0 million.

Directors' report (continued)

Financial Performance

Profit or Loss

Revenue for the year ended 30 June 2022 increased by 11% to $2,064.9 million (30 June 2021: $1,864.1 million). The higher achieved gold price of $2,425/oz (30 June 2021: $2,369/oz) was partially offset by a decrease in sold ounces for the year to 641,413oz (30 June 2021: 677,150oz). Revenue comprised of $1,556.1 million of gold, $491.4 million of copper and $17.4 million of silver revenue (30 June 2021: $1,605.0 million of gold, $236.9 million of copper and $22.1 million of silver revenue).

Total gold sold included deliveries of 100,000 ounces into the Australian hedge book at an average price of $1,868/oz (30 June 2021: 100,000 ounces, $1,829/oz) and deliveries of 40,000 ounces into the Canadian hedge book at an average price of C$2,271/oz. The remaining 501,413 ounces were sold at spot comprising 435,336 ounces delivered at an average price of $2,522/oz (30 June 2021: 456,001oz, $2,474/oz) and 66,077, ounces delivered at an average price of C$2,357/oz (30 June 2021: 81,169 ounces, $2,361/oz). At 30 June 2022 the Group's gold delivery commitments totalled 100,000 ounces at a price of $1,916/oz for the Australian operations and 40,000 ounces at C$2,272/oz for Red Lake with quarterly deliveries through to June 2023.

Copper revenue achieved a 107% increase from the prior year to $491.4 million (30 June 2021: $236.9 million), driven by an 85% increase in sales to 39,293 tonnes and a 12.3% increase in copper price of $12,546/t. The uplift in copper production was driven by the acquisition of full ownership of Ernest Henry on 6 January 2022 (effective 1 January 2022).

The Group achieved a statutory net profit after tax of $323.3 million for the year ended 30 June 2022 (30 June 2021: $345.3 million). The Group also achieved an underlying net profit after tax of $274.7 million for the year (30 June 2021: $354.3million).

Balance Sheet

Total assets increased 68% during the year to $6,630.1 million (30 June 2021: $3,957.0 million). Cash and cash equivalents increased by $412.4 million driven by a number of factors including share capital issue, draw-down of US private placements, divestment of Mt Carlton and strong cash generation from Ernest Henry. The excess cash received was mainly used to fund the acquisition of the Kundana and EKJV, the acquisition of the full interest in Ernest Henry and further investment in the Cowal Underground Project and transformation projects at Red Lake.

The net carrying amount of property, plant and equipment increased by $672.5 million and mine development and exploration increased by $1,316.4 million, which was primarily driven by the acquisition of the remaining interest in Ernest Henry, acquisition of the Kundana assets and additions at Cowal and Red Lake.

The adoption of hedge accounting to account for the cross currency swaps used to manage foreign exchange exposure from the US Private Placements (USPP) has led to the recognition of $113.2 million non-current derivative asset, which is mostly offset by the foreign exchange revaluation of the US Private Placements.

Total liabilities for the Group increased to $3,376.1 million at 30 June 2022, an increase of $1,953.9 million, or 137.4% on the prior period. The key drivers consist of $1,162.2 million increase in interest bearing liabilities net of capitalised borrowing costs, $295.9 million increase relating to stamp duty payable and the remaining purchase price payable for Ernest Henry, and $170.2 million increase in rehabilitation provisions resulting from the acquisitions and the updated closure liabilities.

Cash Flow

Total cash outflows for the year amounted to $416.7 million inflow (30 June 2021: $211.9 million outflow).

	30 June 2022 $'000	30 June 2021 $'000	Change $'000
Cash flows from operating activities	776,683	757,008	19,675
Cash flows from investing activities	(1,828,032)	(724,115)	(1,103,917)
Cash flows from financing activities	1,468,070	(244,787)	1,712,857
Net movement in cash	416,721	(211,894)	628,615
Cash at the beginning of the year	160,062	372,592	(212,530)
Effects of exchange rate changes on cash and cash equivalents	(4,356)	(636)	(3,720)
Cash at the end of the year	**572,427**	**160,062**	**412,365**

Net cash outflows from investment activities were $1,828.0 million, an increase of $1,103.9 million from the prior period (30 June 2021: $724.1 million outflow). Major items contributing to the increase in outflow was $390.9 million paid for the acquisition of the Kundana assets, and $809.0 million paid for the acquisition of the remaining interest in Ernest Henry. The current year outflows was partially offset by the cash received from the disposal of Mt Carlton for $30.3 million.

Directors' report (continued)

Financial Performance (continued)

Cash Flow (continued)

Net cash inflows from financing activities were $1,468.1 million, an increase of $1,712.9 million from the prior year (30 June 2021: $244.8 million outflow). Financing cash inflows during the year mainly consisted of the share capital issue of $467.9 million, drawdown of $440.0 million from Term Loan Facility ("Facility E") and drawdown of $1,022.9 million from the US Private Placements. Repayments for the year included $145.0 million on the Revolver Facility ("Facility A"), $105.0 million on the Term Loan Facility ("Facility B") and $50.0 million on the Term Loan Facility ("Facility E"). Dividends paid during the year totalled $146.6 million.

Taxation

During the year, the Group made income tax payments of $71.1 million (30 June 2021: $96.7 million) and recognised an income tax expense of $94.4 million (30 June 2021: $150.9 million).

The tax payments made in respect of the 30 June 2021 financial year combined with tax instalments paid over the course of the 30 June 2022 financial year have enabled the declaration of fully franked interim and final dividends.

Capital Investment

Capital investment for the year totalled $606.4 million (30 June 2021: $379.8 million). This consisted of sustaining capital, including near mine exploration and resource definition, of $147.1 million (30 June 2021: $105.7 million) and mine development of $459.3 million (30 June 2021: $274.1 million). The main capital projects included the Underground Project, Integrated Waste Landform (IWL) tailings facility and drilling at Cowal, underground mine development and discovery drilling at Red Lake, tailings storage facility expansion, pre-feasibility study for mill expansion, mine development and underground development drilling at Mungari, and Open pit mine development, tails storage buttressing and fixed plant maintenance at Mt Rawdon.

Financing

Total finance costs for the year were $49.3 million (30 June 2021: $21.1 million). Included in total finance costs are interest expenses of $43.1 million (30 June 2021: $17.4 million), amortisation of debt establishment costs of $2.9 million (30 June 2021: $2.2 million), discount unwinding on mine rehabilitation liabilities of $2.5 million (30 June 2021: $0.4 million) and interest expense on lease liability unwinding of $0.8 million (30 June 2021: $1.2 million).

The increase in interest expense is resulted from the higher interest bearing liabilities assumed in the year used in the acquisition of assets. The repayment periods and the outstanding balances on each debt facility as at 30 June 2022 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	$0.0	$360.0
Performance Bond – Facility C $m	30 Nov 2024	$360.0	$72.8	$287.2
Performance Bond – Facility D CAD $m	30 Nov 2024	$125.0	$66.9	$58.1
Term Loan – Facility B - $m	15 Jan 2025	$570.0	$570.0	$0.0
Term Loan – Facility E - $m	15 Apr 2026	$440.0	$440.0	$0.0
US Private Placement - USD $m	8 Nov 2028	$200.0	$200.0	$0.0
US Private Placement - USD $m	14 Feb 2031	$200.0	$200.0	$0.0
US Private Placement - USD $m	8 Nov 2031	$350.0	$350.0	$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 2022 are:

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.

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

Directors' report (continued)

Material business risks (continued)

COVID-19 (continued)

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 continued to operate under protocols developed to minimise risks to our people and communities and ensured we could safely produce during this challenging period.

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.

Fluctuations in the metal prices and currencies

The Group's revenues are exposed to fluctuations in the gold, silver and copper prices. Volatility in the gold, silver and copper prices creates revenue uncertainty and requires careful management of business performance to ensure that operating cash margins are maintained should the Australian dollar price fall. Currency and commodity markets are linked, resulting in the potential for currency movements to be offset by movements in metal prices and commodity cost inputs.

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.

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 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.

Directors' report (continued)

Material business risks (continued)

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.

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,

Directors' report (continued)

Material business risks (continued)

Risk management (continued)

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 3.0 cents per share. The aggregate amount of the final dividend to be paid on 30 September 2022 is estimated at $55.0 million. Evolution Mining Limited shares will trade excluding entitlement to the dividend on 30 August 2022, with the record date being 31 August 2022 and payment date of 30 September 2022.

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.

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 Chair 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 2022 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:

	FY22	FY21	FY20	FY19	FY18
Number of Level III events	1	4	4	8	9

Directors' report (continued)

Material business risks (continued)

Environmental regulation and performance (continued)

The event was notified to the relevant government authority and the relevant agreed action was taken. There have been no Level IV or Level V events.

The event which was reported to the relevant government authority is in relation to a matter which remains under investigation with a mitigation plan now in place. The event is in relation to the Ernest Henry Operation of which Evolution acquired full control in January 2022. There has been no enforcement action undertaken by a relevant government authority in FY22.

Level III is classified as events with enforcement instruments, penalty or, potential for environmental impact >3 years. Two active enforcement instruments between FY19 and FY21 have been closed with no further action by the relevant government authority.

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 Chair

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

Prior to that, Mr Klein was President and CEO of Sino Gold Mining Limited, where he was one of the founders and led 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 A$100 million and was purchased by Eldorado Gold Corporation in late 2009 for over A$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 (Chair 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 Prodigy Gold NL and is currently the Non-Executive Chairman of Genesis Minerals Limited and Non-Executive Director at Arrow Minerals Limited.

Mr McKeith is 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. Ms Hall 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.

Directors' report (continued)

Information on Directors (continued)

Jason Attew, BSc, MBA, Non-Executive Director

Mr Attew is a mining industry veteran who has dedicated 25 years to the mining sector. Most recently he was the President and CEO of Gold Standard Ventures Corporation until its acquisition by Orla Mining in August 2022. 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 the Lead Independent Director (effective 1 December 2021) and 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 Chair 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, Sims Limited 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.

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.

Directors' report (continued)

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 2022, and the numbers of meetings attended by each Director were:

	Board		Meetings of committees					
			Audit		Risk and Sustainability		Nomination and Remuneration	
	A	B	A	B	A	B	A	B
Jacob (Jake) Klein	12	12	-	-	-	-	-	-
Lawrence (Lawrie) Conway	12	12	-	-	-	-	-	-
James (Jim) Askew	11	12	-	-	3	3	3	3
Thomas (Tommy) McKeith	12	12	-	-	-	-	3	3
Andrea Hall	11	12	4	4	3	3	-	-
Jason Attew	12	12	4	4	-	-	3	3
Victoria (Vicky) Binns	12	12	4	4	-	-	-	-
Peter Smith	12	12	-	-	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

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 2022.

At Evolution, our values of Safety, Excellence, Accountability and Respect underpin how we work. This is for every person working for Evolution including the Board.

The Board and Leadership team recognise that in FY22 we underperformed in terms of our delivery to plan and missed our production and cost targets. This, together with a general retraction in market fundamentals resulted in a ~47% decrease in our share price over the year. We are disappointed by this and have redoubled our commitment and put in place a number of initiatives to ensure we do what we say will we do.

However, we also recognise that FY22 has been a challenging year with several external factors impacting on operational performance. These included the continuation of the COVID-19 pandemic which resulted in sizeable percentages of our workforce being absent at times, disruption, and delays to supply chains, travel restrictions, managing through several extreme weather events in Australia and Canada, increasing labour market pressures and cost inflation.

Notwithstanding these challenges Evolution has continued to improve the asset portfolio through organic and inorganic growth and strengthen our alignment to our strategy centred around margin over volume, safe and efficient production, progressing sustainability initiatives and our pathway to net zero, while aiming to maintain and enhance the Evolution culture supported by high quality talent.

This Remuneration Report will explain how our remuneration framework is linked to our business strategy, overall company performance and shareholder returns. The remuneration outcomes for this year are reflective of our mixed operational performance and disappointing shareholder returns and are the lowest in the Company's history.

FY22 Performance

For FY22 the overall performance was mixed with strong financial performance, with some missteps operationally during a challenging year.

Evolution's health and safety performance improved through the past year, with a noticeable improvement at our Mungari operation resulting in a 60% improvement in their Total Recordable Injury Frequency (TRIF) rate. The management of material and critical risks continued to be a core focus for the Company and this area of the business has been managed well with the outcomes independently audited.

In terms of sustainability, the Company is proud of its ongoing positive relationship with the communities and First Nation Partners where it operates. Initiatives have also progressed towards its Net Zero commitments by 2050 (30% by 2030) aligned with the Paris Agreement. Managing energy consumption and greenhouse gas (GHG) emissions continued, with a reduction (improvement) of around ~7% in the FY22 emissions intensity against baseline.

Aligned to this, through increased transparency, due diligence, and reporting, Evolution's broader Sustainability efforts were recognised externally through improved ESG assessments and performance ratings by key ESG ratings agencies including MSCI (score moved from A to AA, with a performance rating of leading), S&P Global (51 to a 53, performance rating above average), ISS (Environment score of 1 and social score of 2, performance rating of leading), and Sustainalytics (40.2 to 29.2, performance rating of leading). In addition to this, Evolution won two awards as part of the Australasian Reporting Awards (ARA).

The independent stakeholder perception survey was also completed with an overall score of 4 out of 5, maintaining a "high approval" category.

For FY22, Evolution delivered strong financial results including $2,064.9 million in revenue, $323.3 million in statutory profit and $146.6 million return to shareholders while all debt commitments were satisfied during the year.

The Company increased its Gold Mineral Resources and Ore Reserves (MROR) as at 31 December 2021, with Mineral Resources increasing from 26.4 million ounces to 29.6 million ounces and Ore Reserves up from 9.9 million ounces to 10.3 million ounces net of mining depletion as at 31 December 2021. Group Copper Mineral Resources increased from 904,000 tonnes to 1.44 million tonnes of copper and the Group Copper Ore Reserves increased from 505,000 tonnes to 640,000 tonnes of copper net of mining depletion.

Evolution continued to deliver on our margin over volume strategy, by maintaining the position as one of the lowest cost producers globally.

Our balance sheet was further strengthened via an investment grade rating and two successful US Private Placements. These placements moved the debt profile out to longer dated debt at highly competitive and low fixed interest rates.

While there are a range of positive results and achievements throughout FY22, the Board and Leadership team acknowledge that in terms of delivery to plan, production and cost targets were not met. The Board and Leadership team have discussed these at length and the learnings will be applied through the FY23 year.

STI Outcomes

For FY22, STIP outcomes focused on five (5) key measures; safety, material and 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.

Directors' report (continued)

Remuneration Report (Letter continued)

The STIP has proven to work effectively in rewarding employees relative to the overall company results and individual performance. The Key Management Personnel (KMP) have the highest proportion of their STIP linked to the overall Company outcomes. The overall FY22 STIP outcome was the lowest recorded for the Company which resulted in the outcomes for the KMP being significantly reduced to those awarded for FY21, in line with business performance.

The strategic imperatives element of the STIP has a weighting of 30%. For FY22, the Board evaluated progress against Evolution's Net Zero commitment, growth, and extension of the Cowal and Red Lake operations and continued improvement of the portfolio quality via business development and discovery.

Balancing all factors, the Board awarded a score of 95% being between Threshold and Target for the strategic imperatives measure, resulting in an overall STIP outcome of 69%, which the Board believes is an appropriate reflection of the overall performance for FY22. A full breakdown is provided in the report on page 170-171.

LTI Outcomes

Our LTIP performance measures directly link to shareholder expectations and reinforce our focus on delivering sustainable superior shareholder returns. For the FY20 LTIPs, tested and vesting as of 30 June 2022, the measures focused on Absolute Shareholder Return, Relative Shareholder Return, Earnings per share and Ore Reserve growth per share. For the performance against all measures over the three (3) year period, the Company achieved an overall vesting outcome of 33.3%. Similar to the STIP outcomes, this is the lowest recorded result for the Company. A full breakdown is provided in the report on page 174.

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 2022. 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 FY22
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 FY23
j. Summary of Key Terms

(a) Remuneration Overview

(i) Response to COVID-19

The health, safety and well-being of Evolution's employees, contractors and the communities where we operate is core to how we operate.

Evolution managed its response to COVID-19 in a structured way that included reference to the changing recommendations of health authorities, and local and national regulatory requirements. The impacts to people and operations were felt throughout the year, with short term restrictions on workforce participation due to isolation demands or positive cases, particularly when the pandemic was at its peak. Operations continued to safely operate during this time.

We implemented extensive measures to prevent the spread of COVID-19 and continue to provide support to all our employees and local communities. The ongoing efforts continue to be structured around five key pillars:

1. Prevention
Evolution implemented extensive preventive measures across our operations to safeguard the health of our employees, contractors and community. These included the promotion of vaccinations, the wearing of masks, supporting physical distancing and good hygiene practices, implementing remote work wherever feasible, enhanced cleaning and disinfecting protocols, promoting personal preventive measures, and screening all employees, contractors and external visitors for risk factors and symptoms.

2. Worker Support
We focused on operating safely and responsibly that supported employment and economic activity. Sick leave benefits were expanded to ensure anyone that was required to self-isolate remained eligible for sick leave benefits and flexible working arrangements were reviewed. New and expanded employee services such as Employee Assistance Program (EAP) programs were extended that included additional support services and crisis counselling, as well as other on demand and virtual medical and mental healthcare services. Specialist medical advice and care was also provided as required that included the promotion and support of vaccination clinics.

3. Communities and Public Health
Support for Community groups and employees remains and is expected to continue through FY23. 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. Evolution supported critical social initiatives in areas where we operate. This included operating vaccination clinics, providing masks and rapid antigen test kits and other community support efforts. Examples of these initiatives have been addressed in more detail within the FY22 Sustainability Report.

4. Business Continuity
Despite the challenges, all Evolution operations continued to safely operate, with COVID-19 measures in place. These measures followed best practices and guidance from health and government authorities. All Evolution activities continue to be underpinned by our focus on health, safety and sustainability leadership.

Evolution has established a COVID19 Crisis Management Team (CMT), which was chaired by the Vice President Sustainability. This CMT continues today, with regular updates to the Leadership Team and the Board. Formalised COVID19 management teams remain in place.

We continue to identify and implement measures and the formally established Crisis Management Team, led by members of the Leadership team remains as a formal response mechanism.

5. Communications
To mitigate the mental and physical health impacts that lockdowns and periods of isolation may cause, communication lines were strengthened across the business as well as with the Employee Assistance Program (EAP). Sites also deployed technologies to enable risk mitigation and contact tracing, such as contact tracing cards at Cowal and QR codes in the Sydney Office. The site access protocols were also strengthened at each site.
Ongoing communication around COVID-19 management to ensure a continual feedback loop has been delivered where information, questions and feedback is provided. This ensured ongoing connection and feedback loop with the workforce and community.

Directors' report (continued)

Remuneration Report (Audited) (continued)

(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 FY22 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 Chair 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 Chair
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 *

For NEDs Remuneration information refer to page 174-175

(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 Chair	875,000 300,000 fixed Director's Fees	6 months	6 months	12 months Total Fixed Remuneration
Lawrie Conway	Finance Director and Chief Financial Officer	650,000 135,000 fixed Director's Fees	3 months	6 months	6 months Total Fixed Remuneration
Paul Eagle	Vice President People and Culture	450,000	3 months	6 months	6 months Total Fixed Remuneration
Evan Elstein	Company Secretary and Vice President Information Technology	450,000	3 months	6 months	6 months Total Fixed Remuneration
Bob Fulker	Chief Operating Officer	600,000	3 months	6 months	6 months Total Fixed Remuneration
Glen Masterman	Vice President Discovery and Business Development	470,000	3 months	6 months	6 months Total Fixed Remuneration
Fiona Murfitt	Vice President Sustainability	450,000	3 months	6 months	6 months Total Fixed Remuneration

*For a change of control event, the termination payment is 12 months Total Fixed Remuneration (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.

Directors' report (continued)

Remuneration Report (Audited) (continued)

(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:

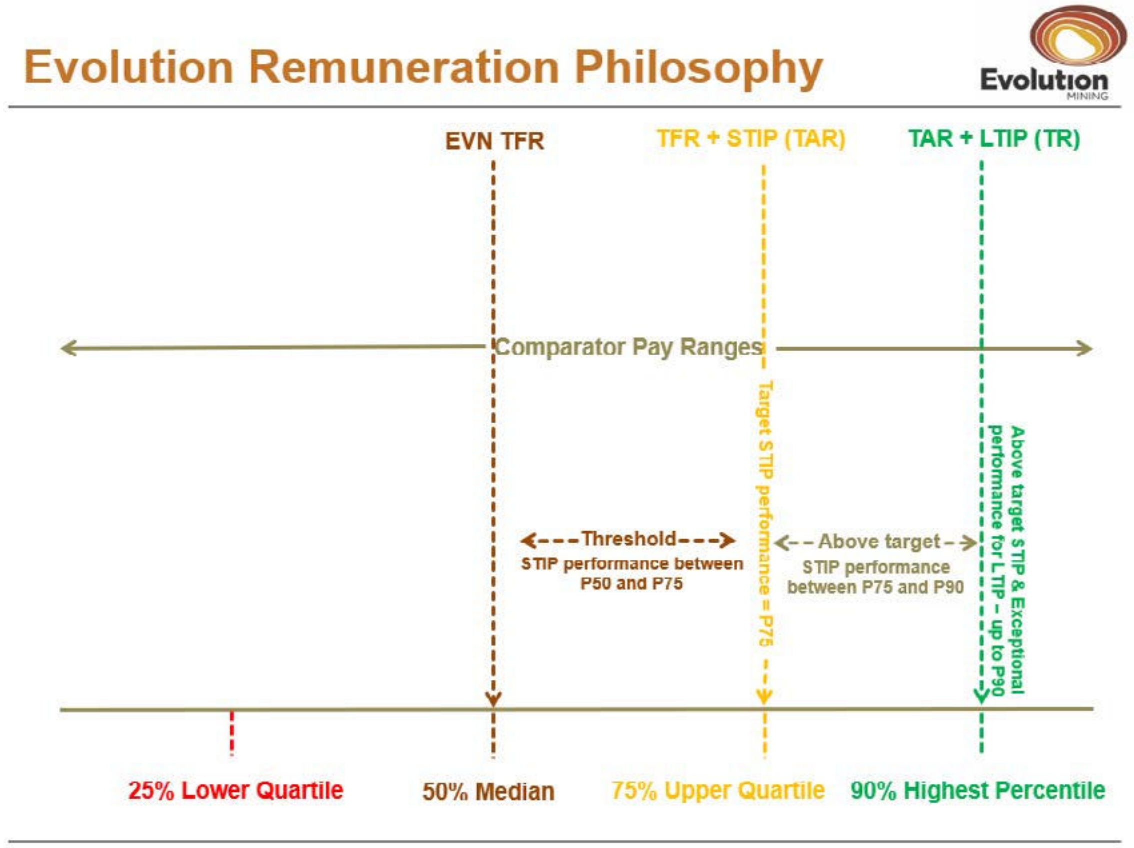
- Appropriateness of the remuneration strategy, philosophy, policies and supporting systems, having regard to whether they are:
  - Relevant to the Group's wider objectives and strategies;
  - Legal and defensible; and
  - In accordance with the people and culture objectives of the Group
- Performance 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:

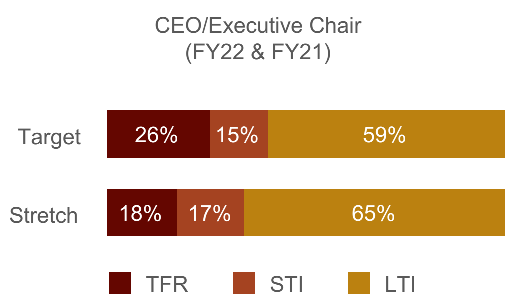
- Total remuneration for each level of the workforce is appropriate and competitive;
- Total remuneration comprises a competitive fixed component and a sizeable “at risk” component based on performance hurdles;
- Short term incentives are appropriate with hurdles that are measurable, transparent and 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

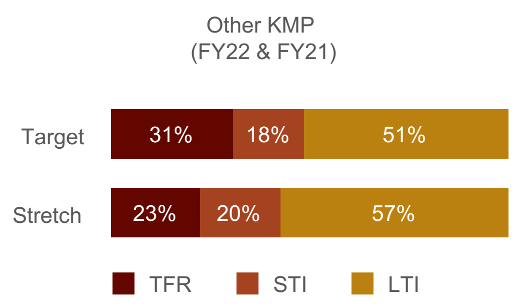
(c) Remuneration Strategy and Framework

The following table outlines the remuneration components for all KMP for the 2022 financial year:

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
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 Chair, 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 FY22, 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 target and stretch for the Executive Chair and the KMP are set at 60% and 90% of TFR respectively.	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 2022 financial year and prior financial year is as follows:



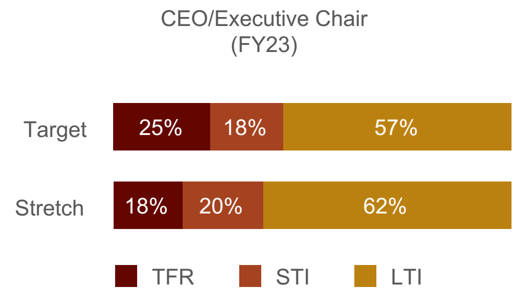


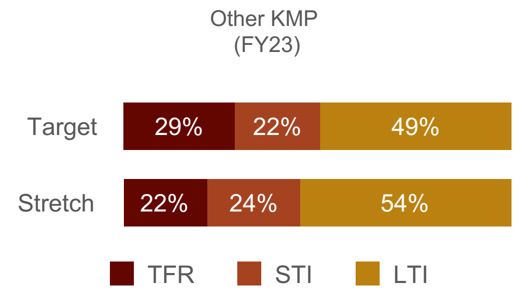
Directors’ report (continued)

Remuneration Report (Audited) (continued)

(c) Remuneration Strategy and Framework (continued)

The target achievement remuneration ratio mix for 2023 financial year will be changed to the following. Refer to note (i) in the Remuneration Report for details of the planned changes for remuneration in FY23.





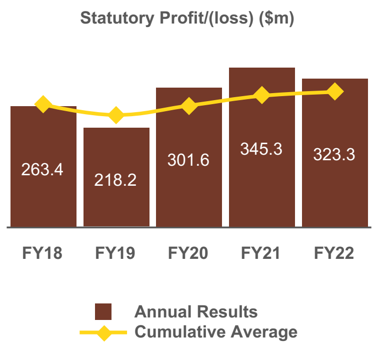
(d) Changes in relation to remuneration in FY22

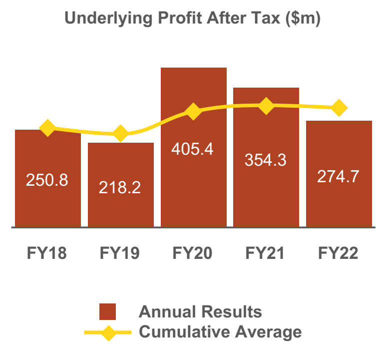
No changes were made in relation to remuneration in FY22. Refer to note (i) for remuneration changes for FY23.

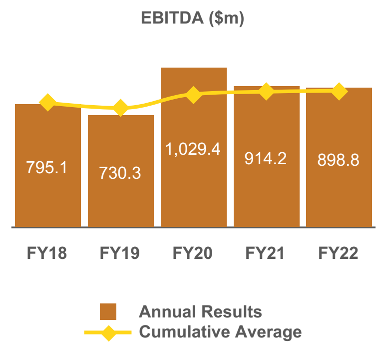
(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs

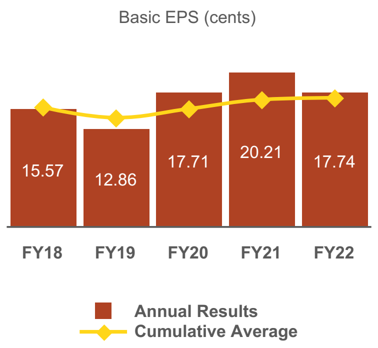
(i) Financial Performance

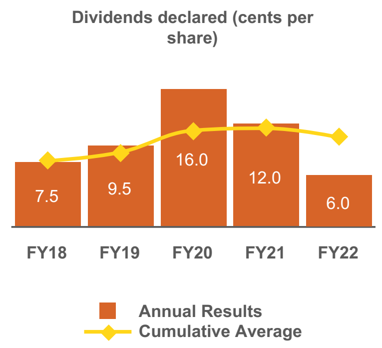
The Group has demonstrated strong financial performance over the past five years as shown in the following charts:

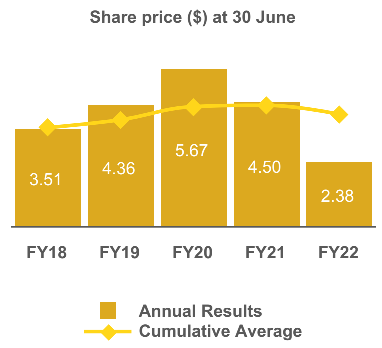












Directors' report (continued)

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 2022 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.
FY22 STIP considerations	At the time of setting the FY22 STIP measures, the Board determined it would consider the following factors when awarding the score for the strategic imperatives measure: 1. Sustainability - progress as per the Evolution Net Zero commitment 2. Key assets - growth and extension of our key assets (Cowal & Red lake operations) are on track as per agreed schedule and budget 3. Business Development (BD) - Continued improvement of portfolio quality via BD and discovery, including early-stage opportunities

STIP Performance Measures and Outcomes

Measure	Weighting	Performance Outcome	Award
TRI Frequency (TRIF) (12mma)			**18.2 %**
Threshold 11.7 Target 10.75 Stretch 9.85	15%	10.37	The overall outcome was an improvement on the underlying performance from FY21, noting the baseline was re-calibrated with Board approval for the transactions completed in FY22. Mungari and Red lake were the two sites that needed the most focus through FY22 and although progress was slow at Red Lake, pleasingly there was a noticeable improvement at our Mungari operation, resulting in a 60% improvement in their Total Recordable Injury Frequency (TRIF) rate.
Risk - Critical and Material Risk Actions			**22.5 %**
Threshold 50% Target 100% Stretch 150%	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 were completed for all sites and all sites achieved a satisfactory rating or better.
Group Cash Contribution ($ million)			**0.0 %**
Threshold 120 Target 130 Stretch 170	20%	$110.5m	The overall outcome of $110.5 million did not reach the threshold level of $120 million and therefore the award for this measure was 0%. The result for the year was predominantly driven by lower than planned production and sales, higher operating costs offset by higher gold prices and lower capital.
Group All in Sustaining Cost ($/oz sold)			**0.0 %**
Threshold 1,245 Target 1,185 Stretch 1,125	20%	$1,259	The result was a group AISC of $1,259, which didn't achieve the threshold level of $1,245 and therefore the award is 0%. The result for the year was predominantly due to lower than planned gold sales and lower by-product prices.

Directors' report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

Measure	Weighting	Performance Outcome	Award
Strategic Imperatives			**28.5 %**
Threshold 50% Target 100% Stretch 150%	30%	95%	**1. Sustainability – progress as per the Evolution Net Zero commitment** The Company continued to move towards its goal of a 30% reduction in emissions by 2030, with a ~7% reduction for FY22. As outlined on page163-164(letter to shareholders), Evolution participates in external third-party performance benchmarking initiatives and sustainability related assessments, including environment, social and governance (ESG) ratings agencies and was recognised for improvements by key rating agencies as well winning two awards as part of the Australian reporting awards (ARA). **2. Key assets - growth and extension of our key assets (CGO & RLO) are on track as per agreed schedule and budget** **CGO:** Significant progress was made on the underground project with the Feasibility Study completed and regulatory approval received. Despite the impacts of rising costs, the mine optimisation plan has minimised the cost pressure impact on the project financials and project budget. The project remains on schedule and on budget. The IWL project has continued to track well against plan even though it has been the impacted by weather and COVID. The Cowal Open Pit Continuation project was approved by the Board to move to Feasibility Phase. This included commencing consultation with stakeholders on the project. The consultation process has progressed with positive engagement received from all key stakeholders. The study remains on track and to budget. **RLO:** The first phase of projects related to stabilising and establishing Red Lake for the growth phase have been completed (projects included hoist automation, shaft decommissioning and the Cochenour maintenance shop). The focus throughout FY22 has moved to the transformation projects. The CYD decline project went through a challenging start-up early in the project with delays in mobilisation of the contractor and achievement of development meters. The team undertook several key changes to move the project back on track with a reduction in schedule shortfall being achieved in the last few months. The development meters are now consistently achieving above 200m per month. Access to first Campbell ore is on track while initial stoping is planned to be ahead of schedule. The mass mining study project was completed, and a decision made to not proceed with the next phase. This was a positive outcome as it addressed one of the long-term options and now allows the team to focus on the more valuable options moving forward. The provincial and life of mine plans identified several opportunities around the overall processing strategy for the 3 processing plants. The original project focused on restarting and grading the Bateman mill, but during the FY23 Life of Mine plan work, a decision has been taken to defer this work and instead look at a whole of operation processing optimization project. This project will also take into consideration the improved performance at the Campbell mill which has been approved to trial unconstrained processing rates in the second half of FY22. The optimization project will continue into FY23. **3. Business Development (BD) – Continued improvement of portfolio quality via BD and discovery, including early-stage opportunities** The A$400m acquisition of Kundana from Northern Star Resources (announced on 22 July 2021) aimed at turning Mungari into a cornerstone asset. Secured 100% ownership in Ernest Henry through the A$1bn acquisition of Glencore's remaining interest and creating another cornerstone asset in our portfolio (announced 17 November 2021) and increasing our Copper exposure. The original transaction was done in 2016 with Glencore for $880m, where we received 100% of the Gold revenue and 30% of the Copper. This have proven to be a highly successful transaction, with the investment repaid in 4 years at an average rate of ~26% per annum achieved up to the time of acquiring the remainder of the asset. In FY22 the mine delivered ~$435m in Net Mine Cash Flow with an EBITDA margin of 62%. We divested our smallest / lowest quality asset through the sale of Mt Carlton to Navarre Minerals for up to A$90m (announced on 5 October 2021). Pleasingly, Navarre was very appreciative of the support and level of transition help provided by our internal divestment team and reinforced our desire to be good sellers as well as good buyers. The company staked its first early stage project in Canada with the Lake St Joseph project 200km east of Red Lake prospective for Dixie Lake style deposits in analogous geologic setting.
Overall Outcome	**100%**		**69.2 %**

Directors' report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

(ii) STIP (continued)

The STIP outcomes for the KMP are set out in the table below. The outcomes reflect the combination of the overall company performance for the year (corporate component) as well as the individual KPI performance for the year (individual component) for each KMP member. For the Executive Chair, the weighting is 70% corporate and 30% individual and for the remainder of the KMP, 60% corporate and 40% individual. The target and stretch for all KMP are set at 60% and 90% of TFR respectively. The FY22 STIP outcomes for all KMP members are significantly lower than FY21 demonstrating the effectiveness of the STIP program and aligning KMP outcomes with the business results.

Component	Performance measure 2022	Total STIP Granted ($)	% of Maximum Entitlement Granted	% of Maximum Entitlement Forfeited
	Directors			
	Jacob Klein	364,000	50.3 %	49.7 %
	Lawrie Conway	329,000	58.3 %	41.7 %
	Key Management Personnel			
	Paul Eagle	216,000	57.0 %	43.0 %
	Evan Elstein	221,000	58.3 %	41.7 %
	Bob Fulker	239,000	49.0 %	51.0 %
	Glen Masterman	226,000	55.7 %	44.3 %
	Fiona Murfitt	213,000	58.3 %	41.7 %

(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 (last approved by shareholders on 26 November 2020) 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

Directors' report (continued)

Remuneration Report (Audited) (continued)

(e) Executive Remuneration Performance Measures and Outcomes – STIs and LTIs (continued)

(iii) LTIP (continued)

LTIP Performance Measures

The following table outlines the performance measures for the LTIPs issued in FY22 and to be issued in FY23.

KPI's	Weighting	Measure	Criteria	FY22	FY23
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**	9th to 15th ranking = 0 8th ranking = 33%	8th to 13th ranking = 0 7th ranking = 33%
			Target	7th ranking = 50% 4th to 6th ranking = Straight-line pro-rata between 50% and 100%	6th ranking = 50% 4th to 5th ranking = Straight-line pro-rata between 50% and 100%
			Exceptional	Top 3 ranking = 100%	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%	10% return per annum = 33% >10% to <15% = pro-rata between 33% and 66%
			Target	15% return per annum= 66% >15% to <20% = Straight-line pro-rata between 66% and 100%	15% return per annum= 66% >15% to <20% = Straight-line pro-rata between 66% and 100%
			Exceptional	>20% return per annum = 100%	>20% return per annum = 100%
Relative AISC Performance	25%	Performance Rights will be tested against Evolution's relative ranking of its AISC performance for the last 12 months of the three year performance period compared to the AISC performance ranking of the Peer Group Companies for the same period.	**Threshold**	9th to 15th ranking = 0 8th ranking = 33%	8th to 13th ranking = 0 7th ranking = 33%
			Target	7th ranking = 50% 4th to 6th ranking = Straight-line pro-rata between 50% and 100%	6th ranking = 50% 4th to 5th ranking = Straight-line pro-rata between 50% and 100%
			Exceptional	Top 3 ranking = 100%	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. The shares on issue used for the calculation are the shares on issue at the time of setting the Baseline and on a weighted average basis over the 3 year testing period for the calculation of the outcome.	**Threshold**	90% of Baseline Ore Reserves = 33% >90% but below 100% of Baseline Ore Reserves = Straight-line pro-rata between 33% and 66%	90% of Baseline Ore Reserves = 33% >90% but below 100% of Baseline Ore Reserves = Straight-line 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 = Straight-line pro-rata between 66% and 100%	100% of Baseline Ore Reserves = 66% >100% of Baseline Ore Reserves and below 120% of Baseline Ore Reserves = Straight-line pro-rata between 66% and 100%
			Exceptional	>120% and above of Baseline Ore Reserves = 100%	>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)

(iii) LTIP (continued)

LTIP Outcomes

Component	Performance measure
Award outcome for the year - ESOP Performance Rights	Outcomes for the FY19 award which were approved by the Board and vested 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 %**

Outcomes for the FY20 award approved by the Board for vesting in August 2022 are set out as follows:

	Performance Target	Measure	Weighting	FY20 Outcome	% of Maximum Vested	% Vested
(i)	Relative TSR Performance	Percentile	25 %	53rd	— %	— %
(ii)	Absolute TSR performance	Compound annual return	25 %	(3.2)%	— %	— %
(iii)	Growth in Earnings per share	Compound annual return	25 %	7.0 %	33.3 %	8.3 %
(iv)	Increase in ore reserves per share	Percentage increase	25 %	129.0 %	100.0 %	25.0 %
		Total	**100.0 %**			**33.3 %**

(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 cash 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 2022, the Equity Amount was $65,000 for each NED, other than the Lead Independent Director (LID), who received an Equity Amount of $80,000. For 2023, the Equity Amount will be $65,000 for each NED, and $80,000 for the LID, which is unchanged from the prior year.
- 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 upcoming year's guidance, and where applicable, any 3 year outlook. For 2022, the VWAP used to determine the number of share rights to be granted to each NED is $2.4580 .

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 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).

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 2022. For remuneration outcomes please refer to table in section g (i).

	Cash Component ($)					Equity ($)	
	Base Fees	Lead Independent	Sub-Committee Chair	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	—	35,000	—	155,000	65,000	220,000
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	15,000	—	40,000	175,000	80,000	255,000
	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 Entitlement**		Post-Employment Benefits		STI		LTI		Remuneration		Performance related remuneration	
	Base Salary and Fees		Movement		Superannuation		Bonus		Amortised Value *		Total	Total	% of total remuneration	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Directors														
Jacob Klein	1,082,106	1,083,980	18,217	30,574	23,568	21,694	364,000	583,000	1,607,044	1,177,278	3,094,935	2,896,526	64 %	61 %
Lawrie Conway	738,306	740,179	36,171	51,645	23,568	21,694	329,000	460,000	892,699	646,785	2,019,744	1,920,303	60 %	58 %
James Askew	175,000	175,000	—	—	—	—	—	—	61,673	52,638	236,673	227,638	—	—
Andrea Hall	164,384	164,384	—	—	16,438	15,616	—	—	61,673	52,638	242,495	232,638	—	—
Thomas McKeith	144,495	155,251	—	—	14,449	14,749	—	—	66,868	64,786	225,812	234,786	—	—
Jason Attew	168,750	160,000	—	—	—	—	—	—	70,710	52,638	239,460	212,638	—	—
Vicky Binns	127,854	127,854	—	—	12,785	12,146	—	—	61,673	32,501	202,312	172,501	—	—
Peter Smith	127,854	127,854	—	—	12,785	12,146	—	—	61,673	32,501	202,312	172,501	—	—
Key Management Personnel														
Paul Eagle	398,306	400,179	14,124	12,148	23,568	21,694	216,000	300,000	629,692	474,594	1,281,690	1,208,615	66 %	64 %
Evan Elstein	398,306	400,179	15,739	8,423	23,568	21,694	221,000	300,000	629,692	482,847	1,288,305	1,213,143	66 %	65 %
Bob Fulker	518,306	520,180	5,069	25,450	23,568	21,694	239,000	385,000	809,415	618,275	1,595,358	1,570,599	66 %	64 %
Glen Masterman	428,306	430,180	14,554	5,345	23,568	21,694	226,000	340,000	674,626	516,408	1,367,054	1,313,627	66 %	65 %
Fiona Murfitt	382,021	383,306	22,466	20,840	23,568	21,694	213,000	300,000	443,870	177,230	1,084,925	903,070	61 %	53 %
	4,853,994	**4,868,526**	**126,340**	**154,425**	**221,433**	**206,515**	**1,808,000**	**2,668,000**	**6,071,308**	**4,381,119**	**13,081,075**	**12,278,585**		

*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.

Directors' report (continued)

Remuneration Report (Audited) (continued)

(g) Other remuneration information (continued)

(ii) Performance Rights granted, vested or lapsed in each financial year:

	FY18	FY19	FY20	FY21	F22	Running Balance
Granted	6,586,571	5,699,933	6,038,033	5,166,893	8,853,605	32,345,035
Vested	(4,019,532)	(2,598,828)	—	—	—	(6,618,360)
Forfeited	(2,567,039)	(3,101,105)	(1,851,528)	(1,047,487)	(968,999)	(9,536,158)
Subject to vesting	—	—	4,186,505	4,119,406	7,884,606	16,190,517
Testing date	30/6/2020	30/6/2021	30/6/2022	30/6/2023	30/6/2024	—
Vesting (%) -	93.7 %	77.0%*	33.3 %	— %	— %	— %

* 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.

(iii) Movement in Performance Rights in FY21 and FY22:

	2022 Number	2021 Number
Outstanding balance at the beginning of the year	12,770,473	13,776,882
Performance rights granted during the period	8,853,605	5,166,893
Vested during the period	(2,598,828)	(4,019,532)
Forfeited during the period	(2,834,733)	(2,153,770)
Outstanding balance at the end of the year	**16,190,517**	**12,770,473**

(iv) Performance Rights and Shares

	Balance at the start of the year	Number of new rights granted	New grant value at grant date	Vested	Forfeited	At end of the year				Unamortised value of SBP expenses
						Balance at the end of the year	Vested and exercisable	To be Forfeited	Unvested	
Directors										
Jacob Klein	1,522,178	711,457	$ 1,928,048	(381,621)	(114,314)	1,737,700	183,567	367,272	1,186,861	$ 1,195,839
Lawrie Conway	838,803	395,404	$ 1,071,545	(206,865)	(61,965)	965,377	101,953	203,982	659,442	$ 664,476
James Askew (i)	10,984	16,400	$ 65,600	(10,984)	—	16,400	—	—	16,400	$ 26,435
Andrea Hall (i)	10,984	16,400	$ 65,600	(10,984)	—	16,400	—	—	16,400	$ 26,435
Thomas McKeith	13,519	16,400	$ 65,600	(13,519)	—	16,400	—	—	16,400	$ 26,435
Jason Attew	10,984	20,184	$ 80,736	(10,984)	—	20,184	—	—	20,184	$ 32,534
Vicky Binns (i)	10,984	16,400	$ 65,600	(10,984)	—	16,400	—	—	16,400	$ 26,435
Peter Smith (i)	10,984	16,400	$ 65,600	(10,984)	—	16,400	—	—	16,400	$ 26,435
Key Management Personnel										
Paul Eagle	557,101	266,099	$ 705,827	(133,954)	(40,125)	649,121	68,512	137,076	443,533	$ 483,537
Evan Elstein	564,812	266,099	$ 705,827	(139,888)	(41,902)	649,121	68,512	137,076	443,533	$ 483,537
Bob Fulker	723,827	341,790	$ 906,596	(178,040)	(53,331)	834,246	88,087	176,241	569,918	$ 621,297
Glen Masterman	604,292	285,022	$ 756,019	(149,214)	(44,697)	695,403	73,406	146,867	475,130	$ 517,978
Fiona Murfitt	256,388	255,828	$ 678,584	—	—	512,216	30,535	61,094	420,587	$ 454,892
	5,135,840	2,623,883	$ 7,161,182	(1,258,021)	(356,334)	6,145,368	614,572	1,229,608	4,301,188	$ 4,586,265

*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 13 September 2021. Jake Klein and Lawrie Conway's performance rights was granted on 25 November 2021 following shareholder approval at the Annual General meeting. Non-Executive Directors had share rights granted on 26 November 2021.
(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.

Directors' report (continued)

Remuneration Report (Audited) (continued)

(g) Other remuneration information (continued)

(iv) Performance Rights and Shares (continued)

The fair value at grant date for the Key Management Personnel FY22 performance rights are stated below:

	Relative TSR	Absolute TSR	Relative AISC	Growth in Ore Reserves
September 2021 Performance Rights issue				
Fair value at grant date ($)	2.19	1.08	3.67	3.67

The fair value at grant date for the Non-Executive Directors FY22 share rights were $4.0 and are based on one year service condition.

The fair value at grant date for the Jake Klein's and Lawrie Conway's FY22 performance rights are stated below:

	Relative TSR	Absolute TSR	Relative AISC	Growth in Ore Reserves
November 2021 Performance Rights issue				
Fair value at grant date ($)	2.03	1.21	3.80	3.80

(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	15,394,864	381,621	65,585	15,842,070
Lawrie Conway	1,116,597	206,865	3,895	1,327,357
James Askew	814,458	10,984	103,896	929,338
Andrea Hall	40,871	10,984	—	51,855
Thomas McKeith	217,028	13,519	3,896	234,443
Jason Attew	26,727	10,984	—	37,711
Vicky Binns	—	10,984	25,800	36,784
Peter Smith	26,126	10,984	13,896	51,006
Key Management Personnel				
Paul Eagle	788,029	133,954	—	921,983
Evan Elstein	685,251	139,888	(97,291)	727,848
Bob Fulker	20,000	178,040	(178,040)	20,000
Glen Masterman	5,072	149,214	(149,214)	5,072
Fiona Murfitt	—	—	—	—
	19,135,023	**1,258,021**	**(207,577)**	**20,185,467**

* The exercise price of the performance right is nil.

(h) Transactions with KMP

(a) Loans:

There are no loans provided to Key Management Personnel as at 30 June 2022.

(b) Related Party Transactions:

Directors fees were paid to Mr Jason Attew and International Mining & Finance Corp, for which Mr James Askew is a Director. Amounts paid in the current financial year period are summarized as follows:

Directors' report (continued)

Remuneration Report (Audited) (continued)

(h) Transactions with KMP (continued)

(b) Related Party Transactions (continued)

	30 June 2022 * $	30 June 2021 $
Related party transactions		
International Mining & Finance Corp	**234,650**	175,000
Jason Attew	**191,757**	—
Total	**426,407**	**175,000**

*** Payment to International Mining & Finance Corp includes $59,650 expense reimbursements and payment to Jason Attew includes $21,990 expense reimbursements. Expenses were mostly related to travel.**

(i) Changes are planned for remuneration in FY23

Element	Changes for FY23	Reason for Change
TFR	Change to the KMP's Total Fixed Remuneration (TFR)	Following the TFR's of the KMP (excluding the VP Sustainability role as this commenced after the freeze was agreed with the Board) being fixed for the last 3 years, the Board approved external market benchmarking to be undertaken by KPMG. As a result of this, the KMP TFRs will be increased by an average of 7.3% effective 1 July 2022. This is the equivalent of a 2.4% per annum increase over the 3 year period.
STIP	Change to annual short term incentive programs	Following external benchmarking by KPMG, the Board agreed to upweight short term incentive programs to enable the company to remain competitive in attracting and retaining high quality talent as well as aligning the approach to the Company's desired remuneration philosophy of being positioned at P75 for total annual reward, with the overall reward mix weighted towards the variable at risk components. The approved change increases the KMP at risk components (STIP and LTIP) by up to 2% to 71-75% for target outcomes and 78-82% for stretch outcomes.
LTIP	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 Directors' 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 10% 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 28(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 services 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)

	2022 $	2021 $
Other assurance services		
PricewaterhouseCoopers firm:		
Other	**6,000**	6,560
Non PricewaterhouseCoopers audit firms		
Internal audit services	**377,763**	217,541
Other assurance services	**38,940**	41,348
Total remuneration for other assurance services	**422,703**	265,449
Taxation services		
PricewaterhouseCoopers firm:		
Tax compliance services	**139,770**	77,380
Tax advisory services	**—**	—
Non PricewaterhouseCoopers audit firms		
Tax compliance services	**148,613**	67,557
Tax advisory services	**255,574**	555,348
Total remuneration for taxation services	**543,957**	700,285
Total remuneration for non-audit services		
Total remuneration paid to PricewaterhouseCoopers	**145,770**	83,940
Total remuneration paid to Non PricewaterhouseCoopers	**820,890**	881,794
	966,660	965,734

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 182.

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.

Jacob (Jake) Klein
Executive Chair

Andrea Hall
Chair of the Audit Committee

Sydney

Auditor's independence declaration

pwc

Auditor's Independence Declaration

As lead auditor for the audit of Evolution Mining Limited for the year ended 30 June 2022, 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.

Brett Entwistle
Partner
PricewaterhouseCoopers

Sydney
18 August 2022

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Consolidated statement of profit or loss and other comprehensive income

	Notes	30 June 2022 $'000	30 June 2021 $'000
Sales revenue	2	**2,064,928**	1,864,058
Cost of sales	2	**(1,572,842)**	(1,285,131)
Gross Profit		**492,086**	578,927
Interest income		**1,993**	1,847
Other income	2	**17,794**	12,950
Share based payments expense	27	**(13,879)**	(11,371)
Corporate and other administration costs	2	**(38,547)**	(37,107)
Transaction and integration costs	2	**(130,117)**	(15,058)
Gain on remeasurement of existing interest in Ernest Henry Mine	25 (c)	**154,206**	—
Exploration and evaluation costs expensed	9	**(16,507)**	(12,877)
Finance costs	2	**(49,281)**	(21,140)
Profit before income tax expense		**417,748**	496,172
Income tax expense	3	**(94,424)**	(150,910)
Profit after income tax expense attributable to Owners of Evolution Mining Limited		**323,324**	345,262
Other comprehensive income			
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI) net of tax (may not be reclassified to profit or loss)	12(d)	**(13,194)**	(25,861)
Exchange differences on translation of foreign operations (may be reclassified to profit or loss)	12(d)	**52,656**	17,713
Cash flow reserve net of tax (may be reclassified to profit or loss)	12(b)	**29,436**	—
Cost of hedging reserve net of tax (may be reclassified to profit or loss)	12(c)	**1,886**	—
Other comprehensive income/(loss) for the period, net of tax		**70,784**	(8,148)
Total comprehensive income for the period		**394,108**	337,114
Total comprehensive income for the period is attributable to:			
Owners of Evolution Mining Limited		**394,108**	337,114
		394,108	337,114
		Cents	Cents
Earnings per share for profit attributable to Owners of Evolution Mining Limited:			
Basic earnings per share	4	**17.74**	20.21
Diluted earnings per share	4	**17.70**	20.14

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated balance sheet

	Notes	30 June 2022 $'000	30 June 2021 $'000
ASSETS			
Current assets			
Cash and cash equivalents	10	**572,427**	160,062
Trade and other receivables	13	**153,449**	115,742
Inventories	15	**250,512**	188,558
Current tax receivables		**33,733**	—
Total current assets		**1,010,121**	464,362
Non-current assets			
Inventories	15	**158,674**	113,634
Equity investments at fair value	16	**60,840**	62,904
Property, plant and equipment	7	**1,662,423**	989,894
Mine development and exploration	9	**3,476,341**	2,159,989
Right-of-use assets	8	**19,092**	22,886
Deferred tax assets	20	**72,797**	94,917
Derivative financial instruments	16(b)	**113,213**	—
Other non-current assets	17	**56,565**	48,449
Total non-current assets		**5,619,945**	3,492,673
Total assets		**6,630,066**	3,957,035
LIABILITIES			
Current liabilities			
Trade and other payables	14	**407,341**	190,977
Interest bearing liabilities	11	**167,318**	102,843
Current tax liabilities		**—**	2,712
Provisions	19	**73,893**	38,448
Derivative financial instruments	16(b)	**2,671**	—
Lease liabilities	8	**12,751**	14,418
Other current liabilities	25(c)	**197,914**	—
Total current liabilities		**861,888**	349,398
Non-current liabilities			
Interest bearing liabilities	11	**1,670,628**	508,389
Provisions	19	**489,579**	319,396
Deferred tax liabilities	20	**274,074**	166,004
Lease liabilities	8	**9,097**	10,684
Other non-current liabilities	18	**70,824**	68,274
Total non-current liabilities		**2,514,202**	1,072,747
Total liabilities		**3,376,090**	1,422,145
Net assets		**3,253,976**	2,534,890
EQUITY			
Issued capital	12(a)	**2,644,103**	2,183,727
Reserves	12(b)(c)(d)	**131,420**	49,406
Retained earnings	12(e)	**478,453**	301,757
Capital and reserves attributable to owners of Evolution Mining Limited		**3,253,976**	2,534,890
Total equity		**3,253,976**	2,534,890

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

	Notes	Issued capital $'000	Share-based payments $'000	Financial assets at FVOCI $'000	Foreign currency translation $'000	Cash flow hedge reserve $'000	Retained earnings $'000	Total equity $'000
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	12(d)	—	—	(25,861)	—	—	—	(25,861)
Exchange differences on translation of foreign operations		—	—	—	17,713	—	—	17,713
Total comprehensive income		**—**	**—**	**(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	27	—	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**
Balance at 1 July 2021		**2,183,727**	**66,833**	**12,606**	**(30,033)**	**—**	**301,757**	**2,534,890**
Profit after income tax expense			—	—	—	—	323,324	323,324
Changes in fair value of equity investments at FVOCI net of tax	12(d)	—	—	(13,194)	—	—	—	(13,194)
Exchange differences on translation of foreign operations		—	—	—	52,656	—	—	52,656
Cash flow hedge reserve net of tax	12(b)	—	—	—	—	29,436	—	29,436
Cost of hedging net of tax	12(c)	—	—	—	—	1,886	—	1,886
Total comprehensive expense		**—**	**—**	**(13,194)**	**52,656**	**31,322**	**323,324**	**394,108**
Transactions with owners in their capacity as owners:								
Issue of share capital	12(a)	460,376	—	—	—	—	—	460,376
Dividends provided for or paid	5	—	—	—	—	—	(146,628)	(146,628)
Recognition of share-based payments	27	—	11,230	—	—	—	—	11,230
		460,376	**11,230**	**—**	**—**	**—**	**(146,628)**	**324,978**
Balance at 30 June 2022		**2,644,103**	**78,063**	**(588)**	**22,623**	**31,322**	**478,453**	**3,253,976**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

	Notes	30 June 2022 $'000	30 June 2021 $'000
Cash flows from operating activities			
Receipts from customers, inclusive of GST		**2,079,678**	1,896,411
Payments to suppliers and employees, inclusive of GST		**(1,161,357)**	(1,014,355)
Payments for transaction and integration costs	2	**(32,174)**	(15,058)
Other income		**3,816**	3,427
Interest received		**1,670**	1,847
Interest paid		**(43,891)**	(18,524)
Income taxes paid		**(71,059)**	(96,740)
Net cash inflow from operating activities	6(a)	**776,683**	757,008
Cash flows from investing activities			
Payments for property, plant and equipment		**(432,916)**	(160,260)
Payments for mine development and exploration		**(236,187)**	(272,561)
Proceeds from sale of property, plant and equipment		**1,723**	—
Proceeds from contingent consideration		**5,486**	6,976
Proceeds from sale of subsidiary		**30,364**	57,022
Payments for equity investments		**—**	(1,123)
Payments for exploration asset acquisitions		**—**	(4,500)
Payments for acquisition of subsidiary, net of cash acquired	25	**(1,196,502)**	(349,669)
Net cash outflow from investing activities		**(1,828,032)**	(724,115)
Cash flows from financing activities			
Proceeds from interest bearing liabilities	11	**1,462,896**	145,000
Repayment of interest bearing liabilities	11	**(300,000)**	(95,000)
Lease liability principal payments	8	**(16,111)**	(21,422)
Dividends paid	5	**(146,628)**	(273,365)
Proceeds from issue of shares	12(a)	**467,913**	—
Net cash inflow/(outflow) from financing activities		**1,468,070**	(244,787)
Net (decrease)/increase in cash and cash equivalents		**416,721**	(211,894)
Cash and cash equivalents at the beginning of the year	10	**160,062**	372,592
Effects of exchange rate changes on cash and cash equivalents		**(4,356)**	(636)
Cash and cash equivalents increase at end of year	10	**572,427**	160,062

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

Contents of the Notes to the consolidated financial statements

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 Chair 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 is not a separate segment and 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, transaction and integration costs and gain or loss resulted from acquisition and divestment of subsidiaries.

The Group's operations are conducted in the mining industry in Australia and Canada. Red Lake is 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 2022 is as follows:

	Ernest Henry $'000	Cowal $'000	Mungari $'000	Red Lake $'000	Mt Rawdon $'000	Mt Carlton $'000	Exploration $'000	Corporate $'000	Total $'000
Revenue	745,799	532,665	330,894	268,703	137,554	49,313	—	—	2,064,928
EBITDA	464,914	286,083	103,203	44,662	43,829	4,308	(16,507)	(31,678)	898,814
Sustaining Capital	28,000	30,962	30,307	45,850	8,290	2,683	—	965	147,057
Major Capital	10,750	229,826	41,762	153,380	22,621	975	—	—	459,314
Total Capital	38,750	260,788	72,069	199,230	30,911	3,658	—	965	606,371

The segment information for the reportable segments for the year ended 30 June 2021 is as follows:

	Ernest Henry $'000	Cowal $'000	Mungari $'000	Red Lake $'000	Mt Rawdon $'000	Mt Carlton $'000	Exploration $'000	Corporate $'000	Total $'000
Revenue	439,513	495,792	278,162	294,277	187,717	168,597	—	—	1,864,058
EBITDA	318,606	288,173	138,602	97,079	83,250	33,620	(12,877)	(32,218)	914,235
Sustaining Capital	14,221	12,876	20,526	46,773	9,307	965	—	1,016	105,684
Major Capital	—	157,546	52,481	46,265	12,713	5,136	—	—	274,141
Total Capital	14,221	170,422	73,007	93,037	22,021	6,102	—	1,016	379,826

Notes to the consolidated financial statements (continued)

1 Performance by Mine (continued)

(c) Segment reconciliation

	30 June 2022 $'000	30 June 2021 $'000
Reconciliation of profit before income tax expense		
EBITDA	**898,814**	914,235
Depreciation and amortisation	**(467,825)**	(383,712)
Interest income	**1,993**	1,847
Transaction and integration costs	**(130,117)**	(15,058)
Finance costs	**(49,281)**	(21,140)
Gain on sale of Mt Carlton	**9,958**	—
Gain on remeasurement of existing interest in Ernest Henry Mine	**154,206**	—
Profit before income tax expense	**417,748**	496,172

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 Leadership Team which assesses the financial performance and position of the Group, and makes strategic decisions. The Leadership Team has been identified as being the chief business decision maker, consisting of the Key Management Personnel (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 2022			
Inventory	158,674	—	158,674
Property, Plant & Equipment	1,105,956	553,006	1,658,962
Mine Development & Properties	2,697,187	764,007	3,461,194
Right of use asset	15,923	1,260	17,183
Other	85	250	335
Total segment non-current assets	3,977,825	1,318,523	5,296,348

2 Revenue and Expenses

	30 June 2022 $'000	30 June 2021 $'000
Revenue from contracts with customers		
Gold sales	**1,556,051**	1,604,997
Silver sales	**17,446**	22,127
Copper sales	**491,431**	236,934
Total Revenue from contracts with customers	**2,064,928**	1,864,058

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 2022								
Gold sales	526,984	330,333	38,444	134,823	256,937	268,530	—	1,556,051
Silver sales	5,681	561	3,190	2,731	5,110	173	—	17,446
Copper sales	—	—	7,679	—	483,752	—	—	491,431
Total Revenue from contracts with customers	532,665	330,894	49,313	137,554	745,799	268,703	—	2,064,928

	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	194,988	1,604,997
Silver sales	4,800	371	10,575	3,239	2,731	413	899	22,127
Copper sales	—	—	22,553	—	214,382		—	236,934
Total Revenue from contracts with customers	495,792	278,162	168,598	187,717	439,513	294,277	195,887	1,864,058

Revenues of $488.9 million (30 June 2021: $217.1 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 previous economic interest in Ernest Henry gold sales were recognised when the metal was received from Glencore and sold by the Group. Post the acquisition of the full ownership of Ernest Henry, gold in concentrate sales are recognised on shipment.

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 previous economic interest in Ernest Henry were recognised as accrued revenue in the same month as their production was reported as the production is in the control of the customer. The transaction price for each contract is allocated entirely to this performance obligation. Post the acquisition of the full ownership of Ernest Henry, copper and silver in concentrate sales are recognised on shipment.

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 four 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 (pre-acquisition of the full ownership)

The Group applied significant judgement as to when gold, silver and copper revenue should be recognised from the Ernest Henry Mine. Gold sales were recognised by the Group when the bullion was delivered to the Group's gold account and sold in the third month after the month of production. Copper and silver sales were recognised as accrued revenue by the Group in the same month as their production was reported by the operator Glencore. Copper and silver was sold in accordance with the Offtake Agreement with Glencore where the metal was sold immediately following treatment and refining and was paid for in cash.

Notes to the consolidated financial statements (continued)

2 Revenue and Expenses (continued)

	30 June 2022 $'000	30 June 2021 $'000
Other Income		
Net foreign exchange gain	**3,041**	11,031
Gain on sale of Mt Carlton	**9,958**	—
Other	**4,795**	1,919
Total Other Income	**17,794**	12,950

	30 June 2022 $'000	30 June 2021 $'000
Cost of sales		
Mine operating costs	**1,039,899**	841,170
Royalty and other selling costs	**68,072**	63,558
Depreciation and amortisation expense	**464,871**	380,403
	1,572,842	1,285,131
Corporate and other administration costs		
Corporate overheads	**35,593**	33,798
Depreciation and amortisation expense	**2,954**	3,309
	38,547	37,107
Transaction and integration costs		
Contractor, consultants and advisory expense	**26,280**	9,736
Corporate and administration expense	**5,894**	5,322
Stamp duty on business combinations	**97,943**	—
	130,117	15,058
Finance costs		
Amortisation of debt establishment costs	**2,860**	2,204
Unwinding of discount on provisions	**2,530**	413
Interest expense unwinding - lease liability	**758**	1,150
Interest expense	**43,133**	17,374
	49,281	21,140
Depreciation and amortisation		
Cost of sales	**464,871**	380,403
Corporate and other administration costs	**2,954**	3,309
	467,825	383,712

Notes to the consolidated financial statements (continued)

3 Income tax expense

(a) Income tax expense

	30 June 2022 $'000	30 June 2021 $'000
Current tax on profits for the period	**52,909**	94,003
Adjustments for current tax of prior periods	**(3,774)**	(408)
Deferred tax	**45,289**	57,315
Total	**94,424**	150,910

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	30 June 2022 $'000	30 June 2021 $'000
Profit before income tax	**417,748**	496,172
Tax at the Australian tax rate of 30% (2021 - 30%)	**125,324**	148,852
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for current tax of prior periods	**(3,774)**	(408)
Share-based payments	**865**	3,411
Accounting gain from sale of Mt Carlton	**(2,988)**	—
Tax loss on sale of Mt Carlton	**(41,841)**	—
Derecognise deferred tax asset on sale of Mt Carlton	**36,968**	—
Gain on remeasurement of existing interest in Ernest Henry Mine	**(46,262)**	—
Stamp duty	**29,383**	—
Previously unrecognised tax losses	**—**	(1,461)
Other	**(2,999)**	(1,039)
Adjustment for difference between Australian and overseas tax rates	**(252)**	1,555
Income tax expense	**94,424**	150,910

Notes to the consolidated financial statements (continued)

4 Earnings per share

(a) Earnings per share

	30 June 2022 Cents	30 June 2021 Cents
Basic earnings per share (cents)	**17.74**	20.21
Diluted earnings per share (cents)	**17.70**	20.14

(b) Earnings used in calculating earnings per share

	30 June 2022 $'000	30 June 2021 $'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	**323,324**	345,262

(c) Weighted average number of shares used as the denominator

	2022 Number	2021 Number
Weighted average number of ordinary shares used in calculating the basic earnings per share	**1,822,135,441**	1,708,094,924
Effect of dilutive securities (i)	**4,704,814**	6,248,654
Adjusted weighted average number of ordinary shares used in calculating the diluted earnings per share	**1,826,840,255**	1,714,343,578

(i) Performance rights and share rights have been included in the determination of diluted earnings per share.

5 Dividends

(a) Ordinary shares

	30 June 2022 $'000	30 June 2021 $'000
Interim dividend - 2022 Interim dividend for the year ended 30 June 2022 of 3.0 cents per share fully franked (30 June 2021: 7.0 cents per share fully franked) per fully paid share paid on 25 March 2022	**54,990**	119,606
Final dividend - 2021 Final dividend for the year ended 30 June 2021 of 5.0 cents per share fully franked (30 June 2020: 9.0 cents per share fully franked) paid on 28 September 2021	**91,638**	153,759
Total dividend paid	**146,628**	273,365

(b) Dividends not recognised at the end of the reporting period

	30 June 2022 $'000	30 June 2021 $'000
In addition to the above dividends, since period end the Directors have recommended the payment of a fully franked final dividend of 3.0 cents per fully paid ordinary share (30 June 2021: 5.0 cents fully franked). The aggregate amount of the proposed dividend expected to be paid on 30 September 2022 out of retained earnings at 30 June 2022, but not recognised as a liability at period end, is	**54,990**	91,300

(c) Franked dividends

The final dividend recommended after 30 June 2022 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 2023. The franking account balance at the end of the financial year is $10.9 million (30 June 2021: $1.3 million).

Notes to the consolidated financial statements (continued)

6 Other cash flow information

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	30 June 2022 $'000	30 June 2021 $'000
Profit after income tax	**323,324**	345,262
Depreciation and amortisation	**467,825**	383,712
(Gain)/loss on disposal of assets	**(979)**	1,508
Share-based payments expense	**12,119**	10,085
Gain on sale of Mt Carlton	**(9,958)**	—
Gain on remeasurement of existing interest in Ernest Henry Mine	**(154,206)**	—
Exploration and evaluation costs expensed	**16,511**	12,877
Income tax expense	**94,424**	150,910
Tax Payments	**(71,059)**	(96,740)
Change in operating assets and liabilities:		
(Increase) in operating receivables	**(29,419)**	(8,112)
(Increase)/Decrease in inventories	**(57,021)**	(12,044)
(Decrease)/Increase in operating payables	**182,179**	(29,393)
(Decrease) in borrowing costs	**(1,978)**	(829)
(Decrease)/Increase in other provisions	**4,920**	(226)
Net cash inflow from operating activities	**776,683**	757,008

(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 2022 $'000	30 June 2021 $'000
Net debt		
Cash and cash equivalents	**572,427**	160,062
Bank loans	**(760,000)**	(620,000)
US Private Placements	**(1,088,692)**	—
Lease Liabilities	**(21,848)**	(25,102)
Net (debt)	**(1,298,113)**	(485,040)

	30 June 2022 $'000	30 June 2021 $'000
Net (debt) at the beginning of the year	(485,040)	(240,540)
Cash inflow/(outflow) inflow	416,721	(211,894)
US Private Placement drawdown	(1,022,896)	—
Bank loan drawdown	(440,000)	(145,000)
Bank loan repayment	300,000	95,000
Foreign exchange rate adjustments*	(70,152)	(636)
Lease liabilities	3,254	18,030
Net (debt) as at end of the year	**(1,298,113)**	(485,040)

* Effects of exchange rate changes included $65.8 million foreign exchange revaluation on US Private Placements of USD $750.0 million.
** The Group's net debt gearing ratio excludes foreign exchange revaluations on US Private Placements and lease liabilities under AASB 16.

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 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
Year ended 30 June 2022			
Carrying amount at the beginning of the year	19,238	970,656	989,894
Additions	—	432,916	432,916
Amounts acquired in business combinations	—	360,570	360,570
Reclassifications	6,978	5,219	12,197
Disposals	—	(1,187)	(1,187)
Depreciation	—	(113,912)	(113,912)
Divestment of Mt Carlton	—	(37,909)	(37,909)
Exchange differences taken to reserve	217	19,637	19,854
Carrying amount at the end of the year	26,433	1,635,990	1,662,423
At 30 June 2022			
Cost	26,433	3,056,967	3,083,400
Accumulated depreciation	—	(1,420,977)	(1,420,977)
Net carrying amount	26,433	1,635,990	1,662,423
Included in above			
Assets in the course of construction	—	261,296	261,296

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 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 combinations	—	235,914	235,914
Reclassification	—	626	626
Disposal	—	(1,508)	(1,508)
Depreciation	—	(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 were restated.

Recognition and measurement

Cost

Plant and equipment is carried at cost less accumulated depreciation and impairment. Cost equals 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 2022 $'000	30 June 2021 $'000
Right-of-use assets		
Plant and Machinery	**16,218**	19,202
Property	**2,612**	3,673
Office Equipment	**262**	11
Total Right-of-use assets	**19,092**	22,886

	30 June 2022 $'000	30 June 2021 $'000
Lease Liabilities		
Current	**12,751**	14,418
Non-current	**9,097**	10,684
Total Lease Liabilities	**21,848**	25,102

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	30 June 2022 $'000	30 June 2021 $'000
Depreciation charge of right-of-use assets		
Plant and Machinery	**12,847**	7,300
Property	**1,430**	775
Office Equipment	**210**	11
Total depreciation charge of right-of-use assets	**14,487**	8,086

	30 June 2022 $'000	30 June 2021 $'000
Other Items		
Interest expense	**758**	651
Expense relating to short-term leases	**421**	1,897
Total Other Items	**1,179**	2,548

The total cash outflow in the current year was $17.8 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 2022						
Lease liabilities	13,187	3,575	2,270	4,742	23,774	21,848

Notes to the consolidated financial statements (continued)

9 Mine development and exploration

	Producing mines $'000	Exploration and evaluation $'000	Total $'000
At 1 July 2021			
Cost	3,870,426	429,654	4,300,080
Accumulated depreciation	(2,140,091)	—	(2,140,091)
Net carrying amount	1,730,335	429,654	2,159,989
Year ended 30 June 2022			
Carrying amount at the beginning of the year	1,730,335	429,654	2,159,989
Additions	266,722	44,659	311,381
Amounts acquired in business combinations*	1,351,225	64,129	1,415,354
Transfers to Mine Development and Exploration	65,269	(65,269)	—
Amortisation	(372,806)	—	(372,806)
Divestment of Mt Carlton	(12,495)	(23,340)	(35,835)
Reclassifications	(12,196)	(7,674)	(19,870)
Write-off	—	(16,511)	(16,511)
Disposal	443	—	443
Exchange differences taken to reserve	27,109	7,087	34,196
Carrying amount at the end of the year	3,043,606	432,735	3,476,341
At 30 June 2022			
Cost	5,525,365	438,327	5,963,692
Accumulated amortisation	(2,481,759)	(5,592)	(2,487,351)
Net carrying amount	3,043,606	432,735	3,476,341

* Producing mines acquired for Ernest Henry relates to the gain on the fair value remeasurement of the Group's pre-existing interest and the fair value of the remaining interest acquired

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 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	(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 depreciation	(2,140,091)	—	(2,140,091)
Net carrying amount	1,730,335	429,654	2,159,989

(i) Upon revising the provision fair values of Red Lake (acquired 1 April 2020), prior year comparative figures were restated.

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)

Mines under construction (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.

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 2022 $'000	30 June 2021 $'000
Current assets		
Cash at bank	**197,427**	160,062
Short term deposits	**375,000**	—
Total Current assets	**572,427**	160,062

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 2022 $'000	30 June 2021 $'000
Current liabilities		
Bank loans	**170,000**	105,000
Less: Borrowing costs	**(2,682)**	(2,157)
Total Current liabilities	**167,318**	102,843
Non-current liabilities		
Bank loans	**590,000**	515,000
US Private Placements	**1,088,692**	—
Less: Borrowing costs	**(8,064)**	(6,611)
Total Non-current liabilities	**1,670,628**	508,389

During the year, the Group successfully raised US$750 million through US Private Placement and arranged foreign exchange swaps to completely eliminate foreign currency exposure on the future interest and principal repayments. The Group drew down Facility E of $440 million and made $50 million repayment, while $105 million was repaid for Facility B as per repayment schedule and $145 million was paid to return Facility A's line of credit to be fully undrawn.

The repayment periods, facility size and amounts drawn at 30 June 2022 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	$0.0	$360.0
Performance Bond – Facility C $m	30 Nov 2024	$360.0	$72.8	$287.2
Performance Bond – Facility D CAD $m	30 Nov 2024	$125.0	$66.9	$58.1
Term Loan – Facility B - $m	15 Jan 2025	$570.0	$570.0	$0.0
Term Loan – Facility E - $m	15 Apr 2026	$440.0	$440.0	$0.0
US Private Placement - USD $m	8 Nov 2028	$200.0	$200.0	$0.0
US Private Placement - USD $m	14 Feb 2031	$200.0	$200.0	$0.0
US Private Placement - USD $m	8 Nov 2031	$350.0	$350.0	$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 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
Shares issued under institutional placement	103,896,104	392,858
Shares issued under Share Purchase Plan	17,639,298	67,518
Shares issued on vesting of performance rights	2,529,221	—
Shares issued under Employee Share Scheme (i)	207,536	—
Shares issued under NED Equity Plan	68,439	—
Balance as at 30 June 2022	1,833,007,683	2,644,103

(i) Information relating to the employee share scheme, including details of shares issued under the scheme, is set out in note 27.

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) Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instrument is recognised in profit or loss.

	Cross currency interest rate swap $'000
Balance at 1 July 2021	—
Movement	
Gain arising on changes in fair value of hedging instruments designated as cash flow hedges	106,058
Income tax related to gain recognised in other comprehensive income during the period	(31,817)
Transfer out	
Gain reclassified to profit or loss – hedged item has affected profit or loss	(64,007)
Income tax related to amounts reclassified to profit or loss	19,202
Balance at 30 June 2022	**29,436**

(c) Cost of hedging reserve

The cost of hedging reserve includes the effects of the following:

The change in fair value of the foreign currency basis spread of a financial instrument when the foreign currency basis spread of a financial instrument is excluded from the designation of that financial instrument as the hedging instrument (consistent with the Group's accounting policy to recognise non designated component of foreign currency derivative in equity).

Notes to the consolidated financial statements (continued)

12 Equity and reserves (continued)

(c) Cost of hedging reserve (continued)

The changes in fair value of the foreign currency basis spread of a financial instrument, in relation to a transaction-related hedged item accumulated in the cost of hedging reserve, are reclassified to profit or loss only when the hedged transaction affects profit or loss, or included as a basis adjustment to the non-financial hedged item. The changes in fair value of foreign currency basis spread of a financial instrument, in relation to a time-period related hedged item accumulated in the cash flow hedging reserve, are amortised to profit or loss on a rational basis over the term of the hedging relationship.

As at 30 June 2022, the amounts deferred in cost of hedging reserve are all time-period related.

	Cross currency interest rate swap $'000
Balance at 1 July 2021	**0**
Changes in fair value of the foreign currency basis spread in relation to time period related hedged items	923
Income tax related to changes in fair value of the foreign currency basis spread	(277)
Amortisation to profit or loss of changes in fair value of the foreign currency basis spread in relation to time-	1,772
Income tax related to amounts reclassified to profit or loss	(532)
Balance at 30 June 2022	**1,886**

(d) Other reserves

	Notes	30 June 2022 $'000	30 June 2021 $'000
Financial assets at FVOCI reserve		**(588)**	12,606
Share-based payments reserve		**78,063**	66,833
Foreign currency translation reserve		**22,623**	(30,033)
		100,098	49,406
Movements:			
Financial assets at FVOCI reserve			
Balance at the beginning of the year		**12,606**	38,467
Change in fair value of equity investments	16(a)	**(13,194)**	(25,861)
Balance at the end of the year		**(588)**	12,606
Share-based payments reserve			
Balance at the beginning of the year		**66,833**	59,002
Share based payments recognised		**11,230**	7,831
Balance at the end of the year		**78,063**	66,833
Foreign currency translation reserve			
Balance at the beginning of the year		**(30,033)**	(47,746)
Currency translation differences arising during the year		**52,656**	17,713
Balance at the end of the year		**22,623**	(30,033)

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 27 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.

Notes to the consolidated financial statements (continued)

12 Equity and reserves (continued)

(e) Retained earnings

Movements in retained earnings were as follows:

	30 June 2022 $'000	30 June 2021 $'000
Balance at the beginning of the year	**301,757**	229,860
Dividends provided for or paid	**(146,628)**	(273,365)
Net profit for the period	**323,324**	345,262
Balance at the end of the year	**478,453**	301,757

13 Trade and other receivables

	30 June 2022 $'000	30 June 2021 $'000
Current assets		
Accrued Revenue	—	58,088
Trade receivables	**123,774**	21,207
GST refundable	**8,596**	6,172
Prepayments	**12,993**	10,752
Other receivables	**8,086**	19,523
Total Current assets	**153,449**	115,742

Recognition and measurement

Accrued Revenue

No accrued revenue was recognized at 30 June 2022 (30 June 2021: $58.1 million). In the prior years, the accrued revenue was measured at fair value through profit or loss, and related to silver and copper sales from the economic interest in Ernest Henry. Post the acquisition of full ownership of Ernest Henry, revenue from gold, silver and copper sales is recognised upon shipment, and accrued revenue based on production is no longer applicable.

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.

The majority of the trade receivable balance relates to concentrate sales at Ernest Henry, 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.

Notes to the consolidated financial statements (continued)

14 Trade and other payables

	30 June 2022 $'000	30 June 2021 $'000
Current liabilities		
Trade creditors and accruals	**245,869**	142,376
Stamp Duty	**97,943**	—
Other payables	**63,529**	48,601
Total Current liabilities	**407,341**	190,977

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.

15 Inventories

	30 June 2022 $'000	30 June 2021 $'000
Current		
Stores	**117,682**	82,239
Ore	**50,736**	33,555
Doré and concentrate	**3,147**	10,211
Metal in circuit	**78,947**	39,257
Metal in transit	**—**	23,296
Total current inventories	**250,512**	188,558
Non-current		
Ore	**158,674**	113,634
Total non-current inventories	**158,674**	113,634

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 net realisable value for inventory stockpile was revalued higher by $3.0 million for the year ended 30 June 2022 (30 June 2021: write-down of $3.2 million).

Notes to the consolidated financial statements (continued)

16 Financial assets and financial liabilities

(a) Equity Investments at fair value

	30 June 2022 $'000	30 June 2021 $'000
Listed securities - Non-current		
Tribune Resources Ltd	**42,833**	51,117
Musgrave Minerals Ltd	**5,318**	8,031
Emmerson Resources Ltd	**4,669**	3,194
Riversgold Ltd	**408**	550
Navarre Minerals Ltd (i)	**7,592**	—
Other	**20**	12
Total Listed securities - Non-current	**60,840**	62,904

(i) On completion of the Mt Carlton divestment, Evolution received 176,565,396 Navarre shares.

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.

(b) Hedging Instrument

	30 June 2022 $'000	30 June 2021 $'000
Cross currency interest rate swaps		
Financial assets - non-current	**113,213**	—
Financial liability - current	**(2,671)**	—
Total cross currency interest rate swaps	**110,542**	—

Recognition and measurement

The Group entered into derivative financial instruments (fixed to fixed cross currency interest rate swap contracts) to manage its exposure to foreign exchange rate risk arising from the US private placements. Under the cross currency interest rate swap interest rate contracts (CCIRS), Evolution agrees to exchange the fixed USD and fixed AUD interest amounts calculated on agreed notional principal amounts. Such contracts enable Evolution to mitigate the exposure to cash flow variability arising from changes in foreign exchange rates.

Evolution designates the CCIRS contracts as cash flow hedges. As the critical terms of the CCIRS contracts and their corresponding hedged items are the same, Evolution performs a qualitative assessment of effectiveness and it is expected that the value of the CCIRS contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying foreign exchange rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and Evolution's own credit risk on the fair value of the CCIRS contracts, which is not reflected in the fair value of the hedged item attributable to the change in foreign exchanges rates.

The following tables details various information regarding CIRCS contracts outstanding at the end of the reporting period and their related hedged items.

Cross currency interest rate swaps	Notional Amount (USD) $'000
Less than 1 year	—
1 to 2 years	—
2 to 5 years	—
5 years +	750,000
Average FX strike rate	0.7332
Average (USD) Interest rate	3.0500%
Average (AUD) Interest rate	3.6105%

Notes to the consolidated financial statements (continued)

16 Financial assets and financial liabilities (continued)

(b) Hedging Instrument (continued)

	Cross Currency Interest Rate Swap $'000
Hedging instruments	
Carrying amount of the hedging instrument assets (liabilities)	110,542
Change in fair value used for calculating hedge ineffectiveness	121,789
Hedged items	
Change in fair value used for calculating hedge ineffectiveness	(131,116)
Balance in cash flow hedge reserve for continuing hedges	(44,746)

17 Other non-current assets

	30 June 2022 $'000	30 June 2021 $'000
Non-current assets -Other		
Contingent consideration attributable to the Edna May Operation	**23,143**	28,629
Contingent consideration attributable to Tennant Creek	**2,790**	2,790
Contingent consideration attributable to the Cracow Operation	**16,500**	16,500
Contingent consideration attributable to the Mt Carlton Operation (i)	**13,797**	—
Other	**335**	530
Total other non-current assets	**56,565**	48,449

(i) Relates to contingent consideration recognised from the divestment of Mt Carlton effective from 1 October 2021.

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 2022 $'000	30 June 2021 $'000
Non-current liabilities -Other		
Contingent consideration liability to Newmont Corporation	**56,812**	52,176
Other	**14,012**	16,098
Total Non-current liabilities - Other	**70,824**	68,274

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 on 1 April 2020 and is now carried at AUD $56.8 million at 30 June 2022. 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 resource.

Notes to the consolidated financial statements (continued)

19 Provisions

	30 June 2022 $'000	30 June 2021 $'000
Current		
Employee entitlements	**73,893**	38,448
Total Current provisions	**73,893**	38,448
Non-current		
Employee entitlements	**7,030**	6,743
Rehabilitation provision	**482,126**	312,230
Other long term provision	**423**	423
Total Non-current provisions	**489,579**	319,396
Total provisions	**563,472**	357,844

(a) Movements in provisions

Movements in each class of provision during the financial year are set out below:

	Employee $'000	Rehabilitation $'000	Other $'000	Total $'000
30 June 2022				
Carrying amount at the beginning of the year	45,191	312,230	423	357,844
Charged to profit or loss				
provision recognised	4,795	—	—	4,795
Re-measurement of provision	—	78,303	—	78,303
Amounts recognised in business combinations*	39,237	124,164	—	163,401
Exchange differences taken to reserve	164	(5,198)	—	(5,034)
Divestment of Mt Carlton	(8,464)	(27,373)		(35,837)
Carrying amount at the end of the year	80,923	482,126	423	563,472
30 June 2021				
Carrying amount at the beginning of the year	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

* Amount acquired for Ernest Henry relates to fair value of the remaining interest acquired.

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.

The increase in employee provision in FY22 is largely driven by the acquisition of full ownership of Ernest Henry and the acquisition of Kundana assets.

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 FY22 is largely driven by the acquisition of full ownership of Ernest Henry and the acquisition of Kundana assets.

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 2022 $'000	30 June 2021 $'000
Inventories	**31,983**	31,983
Equity investments at fair value	**3,146**	—
Exploration and evaluation expenditure	**(33,808)**	(49,100)
Property, plant and equipment	**(77,600)**	(129,870)
Mine development	**(386,911)**	(68,543)
Employee benefits	**12,499**	10,189
Lease liabilities	**2,108**	2,030
Provisions	**122,226**	75,392
Gain from derivative financial instruments recognised in equity	**(13,424)**	—
Other	**2,180**	3,865
Deferred tax balances from temporary differences	**(337,601)**	(124,054)
Tax losses carried forward	**136,324**	52,967
Deferred tax (liabilities)/assets	**(201,277)**	(71,087)
Deferred tax (liabilities)/assets - Australian entities	**(242,593)**	(111,793)
Deferred tax assets/(liabilities) - Canadian entity	**41,316**	40,706
Deferred tax (liabilities)/assets	**(201,277)**	(71,087)

(b) Movement in deferred tax balances during the year

	Balance at 1 July 2021 $'000	Recognised in profit or loss $'000	Recognised in equity $'000	Utilised to reduce tax liability $'000	Recognised on business combinations $'000	FX translation $'000	Balance at 30 June 2022 $'000
Inventories	31,983	—	—	—	—	—	31,983
Equity investments at fair value	—	—	3,146	—	—	—	3,146
Exploration and evaluation expenditure	(49,100)	14,031	—	—	—	1,261	(33,808)
Property, plant and equipment	(129,870)	52,758	—	—	—	(488)	(77,600)
Mine development	(68,543)	(251,517)	—	—	(62,031)	(4,820)	(386,911)
Employee benefits	10,189	2,322	—	—	—	(12)	12,499
Lease liabilities	2,030	21	—	—	—	57	2,108
Provisions	75,392	45,934	—	—	—	900	122,226
Share issue costs	—	—	—	—	—	—	—
Tax losses carried forward	52,967	—	—	78,494	—	4,863	136,324
Gain from derivative financial instruments recognised in equity	—	—	(13,424)	—	—	—	(13,424)
Other	3,865	(1,816)	—	—	—	131	2,180
Deferred tax assets/ (liabilities)	(71,087)	(138,267)	(10,278)	78,494	(62,031)	1,892	(201,277)

(c) Unrecognised deferred tax assets

The Group has unrecognised available tax losses of $292.7 million as at 30 June 2022 (30 June 2021: $307.5 million). For Canada, $238.6 million are unrecognised temporary differences with $59.7 million as a deferred tax asset. For Australia, $4.1 million tax losses and a deferred tax asset of $1.2 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 2022 $'000	30 June 2021 $'000
Financial Assets		
Cash and cash equivalents	**572,427**	160,062
Trade and other receivables at amortized cost	**50,683**	43,411
Trade and other receivables at FVTPL	**102,766**	72,331
Equity investments at FVOCI	**60,840**	62,904
Contingent consideration assets	**56,565**	48,449
Derivative financial instruments	**113,213**	—
	956,494	387,157
Financial Liabilities		
Trade and other payables	**407,341**	190,977
Interest bearing liabilities	**1,837,946**	611,232
Contingent consideration liabilities	**56,812**	52,176
Other Current Liabilities	**197,914**	—
Derivative financial instruments	**2,671**	—
	2,502,684	854,385

(a) Derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. During the year, the Group entered into cross currency interest rate swaps to mitigate the US dollar exposure arising from the US Private Placements of US$750.0 million. (30 June 2021: 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. During the year, the Group entered into cross currency interest rate swaps to mitigate the US dollar exposure arising from the US Private Placements of US$750.0 million.

As at 30 June 2022, the Group held US$14.4 million (30 June 2021: US$2.5 million) in US dollar currency bank accounts, C$25.6 million in Canadian dollar currency bank account, outstanding receivables of US$90.1 million relating to Ernest Henry (30 June 2021: US$43.7 million).

The Group also recognised a USD denominated contingent consideration liability being US$39.1 million (30 June 2021: US$38.4 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 $2.0 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 $48.0 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 2022 covering sales of 100,000 oz (30 June 2021: 200,000 oz) of gold at an average forward price of $1,916 per ounce (30 June 2021: $1,892 per ounce) and oz of gold at an average forward price of C$2,271 (30 June 2021: C$2,272).

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 2022 was $153.4 million (30 June 2021: $115.7 million). Cash and cash equivalents at 30 June 2022 were $572.4 million (30 June 2021: $160.1 million).

(d) Interest rate risk

The Group is exposed to interest rate risk through its long term borrowings comprising $370.0 million on the Term Loan Facility ("Facility B") and $390.0 million on the Term Loan Facility ("Facility E"). 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 1% increase/decrease in the rate of interest on the long term borrowings of the Group would be a decrease/increase of $5.0 million.

The Group is also exposed to interest rate risk arising from the cross currency swap contracts.

The sensitivity analyses below have been determined based on the exposure to interest rates for derivatives at the reporting date. A 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Notes to the consolidated financial statements (continued)

21 Financial risk management (continued)

(d) Interest rate risk (continued)

If both AUD and USD interest rates had been 1% higher and all other variables were held constant, the Group's other comprehensive income would decrease by $10.2 million mainly as a result of the changes in the fair value of cross currency swaps designated in cash flow hedge relationships.

If both AUD and USD interest rates had been 1% lower and all other variables were held constant, the Group's other comprehensive income would increase by $11.1 million mainly as a result of the changes in the fair value of cross currency swaps designated in cash flow hedge relationships.

(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.

(i) Financing arrangements

The Group had access to the following borrowing facilities at the end of the reporting period:

	30 June 2022 $'000	30 June 2021 $'000
Existing debt facilities - Undrawn		
Expiring within one year	**360,000**	—
Expiring beyond one year	**—**	655,000
	360,000	655,000

(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.

Notes to the consolidated financial statements (continued)

21 Financial risk management (continued)

(e) Liquidity risk (continued)

Cash (Inflows)/Outflows	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 (assets)/ liabilities $'000
At 30 June 2022						
Non-derivatives						
Trade and other payables	407,341	—	—	—	407,341	407,341
Other Current Liabilities	200,000	—	—	—	200,000	197,914
Bank loans including interest	191,453	201,047	414,908	—	807,408	760,000
US Private Placement	33,205	33,205	99,615	1,209,025	1,375,050	1,088,692
Lease liabilities	13,187	3,575	2,270	4,742	23,774	21,848
	845,186	**237,827**	**516,793**	**1,213,767**	**2,813,573**	**2,475,795**
Derivatives						
Derivative instruments – CCIRS:						(110,542)
- Inflow	(33,205)	(33,205)	(99,615)	(1,209,025)	(1,375,050)	
- Outflow	36,932	37,002	110,826	1,158,161	1,342,921	
	3,727	**3,797**	**11,211**	**(50,864)**	**(32,129)**	**(110,542)**
At 30 June 2021						
Non-derivatives						
Trade and other payables	190,977	—	—	—	190,977	190,977
Bank loans including interest	116,708	274,447	252,986	—	644,141	620,000
Lease liabilities	14,973	3,620	3,439	5,460	27,492	25,102
	322,658	**278,067**	**256,425**	**5,460**	**862,610**	**836,079**

(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 2022 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 2022. The total of these guarantees at 30 June 2022 was $148.0 million with various financial institutions (30 June 2021: $278.0 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 2022 $'000	30 June 2021 $'000
Within one year	**11,513**	13,787
Later than one year but not later than five years	**31,032**	28,173
Later than five years	**50,320**	36,556
	92,865	78,516

(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 2022 $'000	30 June 2021 $'000
Within one year	**148,876**	124,575
	148,876	124,575

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 2022 Evolution has invested capital of US$367.4 million on existing operations and US$73.4 million on exploration.

Notes to the consolidated financial statements (continued)

23 Commitments (continued)

(b) Gold delivery commitments

Australia	Gold for physical delivery oz	Average contracted sales price $/oz	Value of committed sales $'000
At 30 June 2022			
Within one year	100,000	1,916	191,600
	100,000	**1,916**	**191,600**
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**

Canada	Gold for physical delivery oz	Average contracted sales price C$/oz	Value of committed sales C$'000
At 30 June 2022			
Within one year	40,000	2,271	90,840
	40,000	**2,271**	**90,840**
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**

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

No matter or circumstance has occurred subsequent to the year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or state of affairs of the Group or economic entity in subsequent financial years.

Subsequent to the end of the period on 1 August 2022, the group announced a material increase in the Ernest Henry Mineral Resource. The new model includes 30,159 metres of new drilling from 119 drill holes for a total aggregate increase of 28% in contained copper and 24% in contained gold, along with upgrades to the Mineral Resource classifications. The update includes all drilling results to 31 May 2022 and the model is depleted for mining to June 30, 2022. The new Mineral Resource estimate is being used to inform the Mine Extension Pre-feasibility study (PFS) due for completion by December 2022.

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) 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.

Purchase price accounting has been finalised. 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 on a provisional basis as a result of the acquisition are as follows:

	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**

(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 $0.7 million were incurred for Battle North and included in the statement of profit or loss for the year ended 30 June 2022. A total of $3.9 million acquisition and integration costs was incurred in the year ended 30 June 2021.

Notes to the consolidated financial statements (continued)

25 Business Combinations (continued)

b) Kundana Operations and EKJV Acquisition

(i) Summary of acquisition

On 18 August 2021, the Group announced the completion of the acquisition of the Kundana Assets (as defined below) from Northern Star Resources Limited effective from 1 August 2021.

The Kundana Assets, located in the Eastern Goldfields of Western Australia, comprise:
- 100% interest in the Kundana Operations ("Kundana Operations")
- 51% interest in the East Kundana Joint Venture ("EKJV")
- 100% interest in certain tenements comprising the Carbine Project ("Carbine")
- 75% interest in the West Kundana Joint Venture ("WKJV") (together, the "Acquisition Assets")

The main Kundana Assets are located within 8km of Evolution's Mungari Operations and represent an important strategic opportunity for Evolution to consolidate the region, optimise the value of its existing infrastructure and capture significant operational synergies.

Details of the purchase consideration and the net assets acquired are as follows:

	AUD $'000
Purchase consideration	
Cash paid	390,913
	390,913

Purchase price accounting has been finalised. The assets and liabilities recognised are as follows:

	Fair Value $'000
Net assets acquired	
Cash and cash equivalents	2,450
Trade and other receivables	1,094
Inventories	13,062
Property, plant and equipment	46,970
Mine development and exploration	384,491
Right-of-use-assets	6,119
Deferred tax asset	4,696
Trade and other payables	(23,519)
Employee entitlements	(6,837)
Lease liabilities	(6,334)
Rehabilitation Provisions	(31,279)
Total	**390,913**

(ii) Outflow of cash to acquire subsidiary

	AUD $'000
Outflow of cash to acquire subsidiary	
Cash paid	390,913
Less: balance acquired	(2,450)
Total outflow of cash - investing activities	**388,463**

Notes to the consolidated financial statements (continued)

Notes to the consolidated financial statements (continued)

25 Business Combinations (continued)

b) Kundana Operations and EKJV Acquisition (continued)

(iii) Acquisition and Integration costs

Acquisition and integration related costs incurred during the period were $27.3 million including $20.1 million stamp duty. The costs were not directly attributable to the issue of shares and are included in the statement of profit or loss and in operating cash flows in the statement of cash flows for the year ended 30 June 2022, excluding the stamp duty costs which were not paid as at 30 June 2022.

c) Ernest Henry Acquisition

(i) Summary of acquisition

On 6 January 2022, the Group completed the acquisition of the full ownership of Ernest Henry, with effective date being 1 January 2022. Under AASB 3, the acquisition by the Group to acquire the remaining 70% of copper and silver above the 1200mRL, and the 51% rights of Glencore of the copper, silver and gold production rights below the 1200mRL results in a business combination achieved in stages or step acquisition. In a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss or other comprehensive income. The fair vale uplift on the net assets of the Group's existing stake in Ernest Henry (representing 100% of gold and 30% of copper still to be mined above the 1200mRL) has been recognized as a gain of $154.2 million at 30 June 2022. The gain is estimated to be in the range of $100-$200 million upon finalisation of the purchase price allocation. The purchase price allocation and fair value assessment are then applied to 100% of Ernest Henry mine net assets.

Details of the purchase consideration for the net assets acquired are as follows:

	AUD $'000
Purchase consideration	
First tranche of purchase price payment paid on 6 January 2022*	800,000
Final working capital adjustment paid on 13 May 2022	8,998
Discounted value of second purchase price payment due on 6 January 2023 **	195,829
Total	**1,004,827**

* $800.0 million cash paid on 6 January 2022 included $190.4 million tax clear exit payment.
** $195.8 million was $200.0 million discounted to 6 January 2021. Present value at 30 June 2022 was $197.9 million.

The provisional fair value of the Group's previously held economic interest in Ernest Henry mine is estimated at $450.7 million. The provisional fair value for the 100% of Ernest Henry mine net assets is then estimated to be $1,455.5 million:

	AUD $'000
Fair Value Estimate	
Previously held equity interest	450,695
Acquiring equity interest	1,004,827
Total	**1,455,522**

At the time the financial statements were authorised for issue, the group had not yet completed and were not required to complete the accounting for the acquisition of Ernest Henry at 30 June 2022. In particular, the fair values of the assets and liabilities, including associated tax balances and tax positions as a result of the acquisition have only been determined provisionally. The Group may recognise an adjustment to these provisional values as a result of completing fair value accounting within 12 months following acquisition date. The provisional completion balance sheet and purchase price accounting are as follows:

Notes to the consolidated financial statements (continued)

25 Business Combinations (continued)

c) Ernest Henry Acquisition (continued)

(i) Summary of acquisition (continued)

	Provisional Fair Value $'000
Net assets acquired	
Cash and cash equivalents	959
Trade and other receivables	3,932
Inventories	32,221
Property, plant and equipment	313,600
Mine development and exploration	1,382,332
Trade and other payables	(30,534)
Employee entitlements	(32,400)
Deferred tax liability	(66,727)
Rehabilitation Provisions	(147,861)
Total	**1,455,522**

(ii) Outflow of cash to acquire subsidiary

	AUD $'000
Outflow of cash to acquire subsidiary in FY22:	
First purchase price payment paid in cash	800,000
Final working capital adjustment	8,998
Total outflow of cash to acquire subsidiary	**808,998**

* Second purchase payment $200.0 million due on 06 Jan 2023

(iii) Gain from remeasurement of the fair value of the previously held equity interest

The gain from remeasurement of the fair value of the previously owned economic interest is preliminarily recognised at $154.2 million at 30 June 2022:

	AUD $'000
The previously held equity interest at acquisition date	
Fair value of previously held interest	450,695
Carrying value as at date of acquisition	296,489
Gain from fair value remeasurement	**154,206**

(iv) Acquisition and Integration costs

Acquisition and integration related costs incurred during the period were $94.0 million including $76.8 million stamp duty. The costs were not directly attributable to the issue of shares and are included in the statement of profit or loss and in operating cash flows in the statement of cash flows for the year ended 30 June 2022, excluding the stamp duty costs which were not paid as at 30 June 2022.

Notes to the consolidated financial statements (continued)

25 Business Combinations (continued)

c) Ernest Henry Acquisition (continued)

(v) Revenue and profit contribution

The acquired business contributed revenues of $511.4 million and net profit of $192.0 million to the group for the period from 1 January to 30 June 2022. If the acquisition had occurred on 1 July 2021, consolidated pro-forma revenue and profit for the year ended 30 June 2022 would have been $1,098.3 million and $533.3 million respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and mine development assets had applied from 1 July 2021, together with the consequential tax effects.

26 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 30.

(c) Non-executive directors and key management personnel compensation

	30 June 2022 $	30 June 2021 $
Short-term employee benefits	**6,661,994**	7,536,526
Long Service Leave	**126,340**	154,425
Post-employment benefits	**221,433**	206,515
Share-based payments	**6,071,308**	4,381,119
	13,081,075	12,278,585

Detailed remuneration disclosures are provided in the remuneration report on pages 163 - 179

Directors fees were paid to Mr Jason Attew and International Mining & Finance Corp, for which Mr James Askew is a Director. Amounts paid in the current financial year period are summarized as follows:

	30 June 2022 * $	30 June 2021 $
Related party transactions		
International Mining & Finance Corp	**234,650**	**175,000**
Jason Attew	**191,757**	**—**
Total	**426,407**	**175,000**

*** Payment to International Mining & Finance Corp includes $59,650 expense reimbursements and payment to Jason Attew includes $21,990 expense reimbursements. Expenses were mostly related to travel.**

Notes to the consolidated financial statements (continued)

27 Share-based payments

(a) Types of share based payment plans

The Group has two Option and Performance Rights plans in existence:

(i) 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.

(ii) 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 2022 $'000	30 June 2021 $'000
Expense arising from equity settled share based payment transactions recognised in profit and loss	13,879	11,371

Summary and movement of share based payment plans

The following table illustrates the number and movements in, performance rights issued during the year.

	2022 Number	2021 Number
Outstanding balance at the beginning of the year	12,770,473	13,776,882
Performance rights granted during the period	8,853,605	5,166,893
Vested during the period	(2,598,828)	(4,019,532)
Forfeited during the period	(2,834,733)	(2,153,770)
Outstanding balance at the end of the year	**16,190,517**	**12,770,473**

The following table illustrates the number and movements in, Share Rights issued during the year.

	2022 Number	2021 Number
Outstanding balance at the beginning of the year	68,439	53,845
Share Rights granted	102,184	68,439
Vested	(68,439)	(53,845)
Lapsed	—	—
Outstanding balance at the end of the year	**102,184**	**68,439**

There were 102,184 Share Rights granted during the 2022 financial year. Provided the NEDs remain directors of the Group, Share Rights will vest and automatically exercise 12 months after the grant date of 26 November 2021 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 2024. 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 2024.

Notes to the consolidated financial statements (continued)

27 Share-based payments (continued)

(c) Fair value determination (continued)

(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 2024 (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 2020, to the Ore Reserves as at 31 December 2023 on a per share basis, with testing to be performed at 30 June 2024.

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 2021 Performance Rights issue				
Number of rights issued	1,781,242	1,781,243	1,781,243	1,781,243
Spot price ($)	3.94	3.94	3.94	3.94
Risk-free rate (%)	0.15%	0.15%	0.15%	0.15%
Term (years)	2.80 years	2.80 years	2.80 years	2.80 years
Volatility (%)	42%	42%	42%	42%
Fair value at grant date ($)	2.19	1.08	3.67	3.67
November 2021 Performance Rights issue				
Number of rights approved in AGM*	276,716	276,715	276,715	276,715
Spot price ($)	4.06	4.06	4.06	4.06
Risk-free rate (%)	0.84%	0.84%	0.84%	0.84%
Term (years)	2.60 years	2.60 years	2.60 years	2.60 years
Volatility (%)	42%	42%	42%	42%
Fair value at grant date ($)	2.03	1.21	3.8	3.8
February 2022 Performance Rights issue				
Number of rights issued	155,444	155,444	155,443	155,443
Spot price ($)	3.94	3.94	3.94	3.94
Risk-free rate (%)	1.29%	1.29%	1.29%	1.29%
Term (years)	2.37 years	2.37 years	2.37 years	2.37 years
Volatility (%)	43%	43%	43%	43%
Fair value at grant date ($)	1.87	1.11	3.70	3.70

* November 2021 performance rights related to the Executive Chair and the Finance Director and Chief Financial Officer.

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.

Notes to the consolidated financial statements (continued)

27 Share-based payments (continued)

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.

28 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

	2022 $	2021 $
Audit and other assurance services		
Audit and review of financial statements	**987,000**	640,757
Canadian related audit services	**—**	79,830
Other	**6,000**	6,560
Total remuneration for audit and other services	**993,000**	727,147
Taxation services		
Tax compliance services	**139,770**	77,380
Tax advisory services	**—**	—
Total remuneration for taxation services	**139,770**	77,380
Total remuneration of PricewaterhouseCoopers	**1,132,770**	804,527

(b) Non-PricewaterhouseCoopers related audit firms

	2022 $	2021 $
Audit and other assurance services		
Other assurance services		
Internal audit services	**377,763**	217,541
Other assurance services	**38,940**	41,348
Total remuneration for audit and other assurance services	**416,703**	258,889
Taxation services		
Tax compliance services	**148,613**	67,557
Tax advisory services	**255,574**	555,348
Total remuneration for taxation services	**404,187**	622,905
Total remuneration of non-PricewaterhouseCoopers audit firms	**820,890**	881,794

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.

Notes to the consolidated financial statements (continued)

29 Deed of cross guarantee

Evolution Mining Limited and those entities identified in note 30 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 2022 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.

30 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:

Name of entity	Country of Incorporation	Class of shares	Equity holding 2022 %	Equity holding 2021 %
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 (Connors Arc) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**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 (Phoenix) Pty Limited (i) (ii)	Australia	Ordinary	**100%**	**100%**
Hayes Mining Pty Ltd (i)	Australia	Ordinary	**100%**	**100%**
Gilt-Edged Mining Pty Limited (v)	Australia	Ordinary	**100%**	**0%**
EKJV Management Pty Ltd (v)	Australia	Ordinary	**100%**	**0%**
Kundana Gold Pty Ltd (v)	Australia	Ordinary	**100%**	**0%**
Toledo Tenement Holdings Pty Ltd (v)	Australia	Ordinary	**100%**	**0%**
Evolution Mining (Aurum 2) Pty Ltd (i) (ii)	Australia	Ordinary	**100%**	**100%**
Evolution Mining Finance Pty Limited	Australia	Ordinary	**100%**	**100%**
Ernest Henry Mining Pty Ltd (vi)	Australia	Ordinary	**100%**	**0%**
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) (vii)	Canada	Ordinary	**0%**	**100%**
Rubicon Nevada Corp (iv)	USA	Ordinary	**100%**	**100%**
BNG Alaska Corp (iv)	USA	Ordinary	**100%**	**100%**

(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 29.
(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.
(v) These entities have been acquired as part of the Kundana acquisition
(vi) This entity has been acquired as part of the Ernest Henry acquisition
(vii) This entity was amalgamated with Evolution Mining Gold Operations during the financial year.

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)

31 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 2022 $'000	30 June 2021 $'000
Balance sheet		
Assets		
Current assets	**521,357**	161,289
Non-current assets	**4,296,683**	2,904,584
Total assets	**4,818,040**	3,065,873
Liabilities		
Current liabilities	**270,116**	128,728
Non-current liabilities	**1,854,187**	696,404
Total liabilities	**2,124,303**	825,132
Net assets		
Shareholders' equity	**2,693,737**	2,240,741
Issued capital	**2,644,103**	2,183,727
Financial assets at FVOCI reserve	**892**	14,094
Share based payment reserve	**78,064**	66,759
Cash flow reserve	**29,436**	—
Cost of hedging reserve	**1,886**	—
Other	**(77)**	—
Accumulated losses	**(60,566)**	(23,839)
Total equity	**2,693,737**	2,240,741
Statement of Profit or Loss and Other Comprehensive Income		
Profit for the year	**109,901**	371,529
Other comprehensive Income	**31,322**	—
Total comprehensive expense	**141,223**	371,529

(b) Guarantees entered into by the parent entity

The parent entity has provided bank guarantees, as detailed in note 22.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2022. For information about guarantees given by the parent entity, please see above.

Notes to the consolidated financial statements (continued)

32 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 30.

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.

(d) Derivative financial instruments and hedging

(i) Derivative financial instruments

The Group enters into derivative financial instruments (fixed to fixed cross currency interest rate swap contracts) to manage its exposure to foreign exchange rate risk.

Derivatives are recognised initially at fair value and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Notes to the consolidated financial statements (continued)

32 Summary of significant accounting policies (continued)

(d) Derivative financial instruments and hedging (continued)

(i) Derivative financial instruments (continued)

A derivative with a positive fair value is recognised as financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.

(ii) Hedge Accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

a. there is an economic relationship between the hedged item and the hedging instrument;
b. the effect of credit risk does not dominate the value changes that result from that economic relationship; and
c. the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Foreign currency basis spread of a financial instrument is excluded from the designation of that financial instrument as the hedging instrument, the non-designated foreign currency basis spread component is recognised in the cost of hedging reserve and amortised to profit or loss on a rational basis.

(iii) Cash flow hedges

The effective portion of changes in the fair value of derivative and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised item. If the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

(iv) Discontinuation of hedge accounting

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively.

For cash flow hedges, any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in cash flow hedge reserve is reclassified immediately to profit or loss. For fair value hedges, the fair value adjustment to the carrying amount of the hedged item arising from the hedge risk is amortised to profit or loss from that date.

33 New accounting standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 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

Evolution Mining Limited
Directors' Declaration 30 June 2022

In the Directors' opinion:

(a) the financial statements and notes set out on pages 183 to 230 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 2022 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 29 will be able to meet any obligations of the deed of cross guarantee described in note 29.

Note 32(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.

Jacob (Jake) Klein	Andrea Hall
Executive Chair	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 2022 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 2022
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income 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 $24.5 million, which represents approximately 5% of the three year average profit before tax of the Group for the current and two previous years. • 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 profit before tax because, in our view, it is the benchmark against which the performance of the Group is most commonly measured. We applied a three-year average to address potential volatility in the calculation of materiality that arises from commodity price fluctuations between years. We also adjusted for the gain on remeasurement of the existing interest on Ernest Henry mine, impairment, and transaction and integration costs, as they are unusual or infrequently occurring items impacting profit and loss. • We utilised a 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.

Independent auditor's report (continued)

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.

Key audit matter	How our audit addressed the key audit matter
Acquisition of Kundana operations and EKJV *(Refer to note 25 (b)) [$391 million]* During the year, the Group acquired the Kundana Assets from Northern Star Resources Limited for a total consideration of $391 million which comprise of 100% interest in the Kundana Operations, 51% interest in the East Kundana Joint Venture, 100% interest in certain tenements comprising the Carbine Project, and 75% interest in the West Kundana Joint Venture (the "Kundana Assets). The fair values of the assets and liabilities were determined using various valuation methods, which were applied according to the assets and liabilities being measured. The Group was assisted by experts in the process to determine the fair values of the acquired assets and liabilities at acquisition date. The acquisition of a business is complex and Australian Accounting Standards require the Group to identify all assets and liabilities of the Kundana Assets and estimate the fair value of the acquired assets and liabilities at the date of acquisition. The fair value of the acquired assets and liabilities may be significantly different to the historical cost. The acquisition of the Kundana Assets is a key audit matter because it was a significant transaction for the year given the financial and operational impacts on the Group. In addition, the Group made significant and complex judgements when accounting for the acquisition.	Assisted by our PwC experts in aspects of our work, we performed the following procedures, amongst others: • Evaluated the Group's accounting policy by considering the requirements of Australian Accounting Standards, key transaction agreements, our understanding obtained of the business acquired and selected minutes of the board of directors' meetings. • Assessed the fair values of the acquired assets and liabilities recognised, including: ○ Assessed the scope, competence and objectivity of the Group's external experts involved in estimating the fair value of the acquired assets and liabilities. ○ Read the external valuation reports and worked with our valuation experts to assess the significant assumptions used in valuing the acquired assets and liabilities. ○ Evaluated the methodology used by the Group's valuation experts in preparing the purchase price allocation against the requirements of the Australian Accounting Standards. • Agreed the amount of the purchase consideration paid to the transaction agreement and bank statements. • Assessed the reasonableness of the note disclosures in Note 25 (b) 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 remaining interest in Ernest Henry Mine *(Refer to note 25 (c)) [$1,005 million]* During the year the Group acquired the remaining interest in Ernest Henry Mine (Ernest Henry) from Glencore for a total consideration of $1,005 million. Prior to the acquisition, the Group held an economic interest in Ernest Henry providing it with the right to the production output from Ernest Henry in relation to 100% of gold and 30% of copper and silver from the agreed life of mine area. The consideration included an initial cash payment of $800 million including working capital adjustments of $9 million upon completion and the remaining $200 million payable in cash in January 2023 (discounted to $198 million at acquisition). The provisional fair values of the assets and liabilities were determined using various valuation methods, which were applied according to the assets and liabilities being measured. The Group was assisted by an external valuation expert in determining the fair value of the acquired property, plant and equipment. The acquisition of a business is complex and Australian Accounting Standards require the Group to identify all assets and liabilities of Ernest Henry and estimate the fair value of the acquired assets and liabilities at the date of acquisition. The fair value of the acquired assets and liabilities may be significantly different to the historical cost. The acquisition of Ernest Henry is a key audit matter because it was a significant transaction for the year given the financial and operational impacts on the Group. In addition, the Group made significant and complex judgements when accounting for the acquisition, including, estimating the fair value of the previously held interest.	Assisted by PwC experts in aspects of our work, we performed the following procedures, amongst others: • Evaluated the Group's accounting policy by considering the requirements of Australian Accounting Standards, key transaction agreements, our understanding of the business acquired and selected minutes of the board of directors meeting. • Assessed the provisional fair value estimated by the Group on the previously held interest by evaluating the reasonableness of the cash flow projections included in the valuation model and assessed the appropriateness of the key assumptions by: ○ Evaluated the cash flow forecasts with reference to our knowledge of the industry, accuracy of forecasts in respect of production costs and capital expenditure and evaluating the potential risk of management bias. ○ Evaluated the reasonableness of the gold price forecasts used in the valuation model with reference to external forecasts by comparing the projected gold, copper and silver prices against external forward prices. ○ Compared the discount rate to market indicators, together with our valuation experts. ○ Considered the valuation methodology in the models in light of the requirements of Australian Accounting Standards. • Assessed if the gain on remeasurement of the previously held interest was recognised in the consolidated statement of profit or loss and other comprehensive income in light of

Independent auditor's report (continued)

Key audit matter	How our audit addressed the key audit matter
	the requirements of Australian Accounting Standards. • Assessed the provisional fair values of the acquired assets and liabilities recognised including: • Assessed the scope, competence and objectivity of the Group's external expert involved in estimating the fair value of the acquired property, plant and equipment. • Read the external valuation report and worked with our valuation experts to assess the key assumptions used in valuing the property, plant and equipment. • Evaluated the methodology used by the Group's valuation experts in determining the fair value of property, plant and equipment • 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. • Agreed the amount of the purchase consideration paid to the transaction agreement and bank statements. • Assessed the reasonableness of the note disclosures in Note 25 (c) 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
Rehabilitation provision *(Refer to note 19) [$482 million]* As a result of its mining and processing operations, the Group is obligated to restore and rehabilitate the land and environment disturbed by these operations and remove the related infrastructure. Rehabilitation activities are governed by a combination of regulatory and legislative requirements and Group standards. This was a key audit matter due to the significance of the balance and the required judgements in the assessment of the nature and extent of future works to be performed, the future cost of performing the works, and the timing of when the rehabilitation will take place.	To assess the Group's rehabilitation obligations, we performed the following procedures, amongst others: • Developed an understanding of how the Group identified the relevant methods, assumptions or sources of data that are appropriate for developing the closure plans and associated cost estimates in the context of the Australian Accounting Standards. • Developed an understanding of and tested a sample of the relevant controls the Group has in place to estimate the rehabilitation provision. • Where experts were engaged by the Group, we evaluated the scope, competency and objectivity of these experts. • Developed an understanding of and assessed the appropriateness of the significant assumptions and key data used to develop the closure and rehabilitation provision with regard to applicable regulatory and legislative requirements. • Evaluated the reasonableness of the expected timing of rehabilitation activities against the closure and rehabilitation plan. • Tested the mathematical accuracy of the calculations included in the rehabilitation provision model. • Assessed provision movements in the year relating to rehabilitation obligations to determine whether they were consistent with our understanding of the Group's operations and associated rehabilitation plans. • Assessed the reasonableness of the note disclosures in note 19 in light of the requirements of Australian Accounting Standards.

Independent auditor's report (continued)

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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 2022, 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 Director's report. We expect the remaining other information to be made available to us after the date of this auditor's report.

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)

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Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 163 to 179 the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of Evolution Mining Limited for the year ended 30 June 2022 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

Brett Entwistle
Partner

Sydney
18 August 2022

Shareholder information

Capital (as at 19 September 2022)

Share Capital	**1,834,914,135**
Ordinary shareholders	**36,182**
Shareholdings with less than a marketable parcel of $500 worth of ordinary shares	**3,428**
Market price (closing price on the Australian Securities Exchange as at 16 September 2022)	**A$2.03**

Distribution of Fully Paid Shares (as at 16 September 2022)

Range	Securities	%	No. of Holders	%
100,001 and Over	1,624,324,235	88.52	287	0.79
10,001 to 100,000	130,994,467	7.14	5,153	14.24
5,001 to 10,000	36,363,987	1.98	4,861	13.43
1,001 to 5,000	37,601,115	2.05	14,176	39.18
1 to 1,000	5,630,331	0.31	11,705	32.35
Total	**1,834,914,135**	**100.00**	**36,182**	**100.00**
Unmarketable Parcels	456,078	0.02	3,428	9.47

Substantial Shareholders (as at 31 August 2022)

	Fully Paid Ordinary Shares	
	Number	**%**
Australian Super	178,278,481	9.72
Van Eck Global	176,845,572	9.64
Total	**355,124,053**	**19.36**

The disclosed number of ordinary shares held by substantial shareholders may not be equal to the actual number of ordinary shares held as at 31 August 2022 as only movements of at least 1% are required to be notified to the Australian Securities Exchange.

Shareholder information

Twenty Largest Shareholders (as at 16 September 2022)

		Fully Paid Ordinary Shares	
		Current balance	**Issued capital %**
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	781,828,549	42.61
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	413,215,100	22.52
3	CITICORP NOMINEES PTY LIMITED	153,792,627	8.38
4	BNP PARIBAS NOMS PTY LTD	66,401,230	3.62
5	NATIONAL NOMINEES LIMITED	47,286,818	2.58
6	BNP PARIBAS NOMINEES PTY LTD	17,917,253	0.98
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,009,996	0.65
8	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	10,606,957	0.58
9	ROXI PTY LIMITED	8,983,784	0.49
10	CITICORP NOMINEES PTY LIMITED	6,966,733	0.38
11	EQUITY PLAN SERVICES PTY LTD	5,432,067	0.30
12	LUJETA PTY LTD	4,507,692	0.25
13	PACIFIC CUSTODIANS PTY LIMITED	4,361,569	0.24
14	MUTUAL TRUST PTY LTD	3,428,217	0.19
15	PM1942 PTY LTD	3,137,500	0.17
16	BNP PARIBAS NOMINEES PTY LTD	2,827,490	0.15
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,730,938	0.15
18	NETWEALTH INVESTMENTS LIMITED	2,624,593	0.14
19	NETWEALTH INVESTMENTS LIMITED	2,524,640	0.14
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	2,488,058	0.14
	Total	**1,553,071,811**	**84.64**
	Balance of register	**281,842,324**	**15.36**
	Grand total	**1,834,914,135**	**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 Chair
Lawrie Conway	Finance Director and CFO
Jim Askew	Non-executive Director
Tommy McKeith	Non-executive Director
Andrea Hall	Non-executive Director
Jason Attew	Lead Independent Director
Vicky Binns	Non-executive Director
Peter Smith	Non-executive Director

Company Secretary

Evan Elstein

Registered and principal office

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Share Register

Link Market Services

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F: +61 2 9287 0303

Auditor

PricewaterhouseCoopers

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Website

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Stock Exchange Listing

Evolution Mining Limited (EVN) shares are listed on the Australian Securities Exchange

Mungari operations, Western Australia

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