



Evolution
MINING

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ASX Announcement

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PRODUCTION UPDATE

Evolution Mining Limited (ASX: CAH) is pleased to provide an update on recent production performance at its operations in Queensland and Western Australia. The Company took ownership and assumed management of Newcrest Mining Limited's ("Newcrest") interests in the Cracow and Mt Rawdon gold projects on 2 November 2011.

The merger and asset acquisition transaction has elevated Evolution into a new league of Australian gold producers. With four wholly owned operating mines (Edna May, Cracow, Mt Rawdon and Pajingo) and a wholly owned development asset (Mt Carlton), the Company is now positioned as a leading mid-cap Australian gold producer with pro forma forecast production maintained for the full 2011/12 financial year of 335,000 to 375,000 ounces at an estimated cash cost of \$800-850 per ounce.

Commenting on the outlook for Evolution, Executive Chairman of the Company, Jake Klein, said:

"Already, we are seeing the benefits of having a portfolio of producing assets which we anticipate will allow us to deliver with a level of predictability that is not possible in single asset companies – which is where Catalpa and Conquest were before the merger. We have an exciting opportunity to grow an outstanding gold company."

An update on each operation follows:

Pajingo Gold Mine

The Pajingo mine processed 34,232 tonnes of ore grading 6.79g/t Au to produce 7,781 ounces of gold in October. This was a good result following the previously reported unplanned mill stoppage in September as a result of the failure of the mill gear box. The mill achieved a utilisation rate of 99.4% in October. A reasonably large ROM stockpile, approximately 31,700 tonnes, remains and throughput will be increased over coming months.

The Pajingo mine remains on track to achieve its production guidance and has the potential to exceed it.

Edna May Gold Mine

The Edna May mine processed 172,134 tonnes of ore grading 1.06g/t Au to produce 5,168 ounces of gold in October which was in line with the forecast. Lower mill throughput, predominantly a result of increased ore hardness, was offset by higher feed grade.

Improvements to mill throughput will be required at Edna May to achieve the previously released production guidance. A detailed operational review has commenced and is scheduled to be completed early in CY 2012. The review will assess whether any material changes are required to the previously released production guidance.

Mt Rawdon and Cracow Gold Mines

The transition to Evolution control of the Mt Rawdon and Cracow mines has occurred almost seamlessly and is testament to the comprehensive integration process that has been underway over the past few months and the shared goodwill of all parties to the transaction. Moving forward, Evolution will have access to Newcrest support for specific services under a Transitional Services Agreement (“TSA”) for the next 6 months. The TSA provides for an orderly handover of financial and technical data and migration of IT services.

The Cracow mine is operating to forecast. At Mt Rawdon, whilst ounces produced are in line with forecast, waste movement is below forecast and this is now being addressed. Should waste material movement continue at below forecast rates there is the potential for full year production guidance to be impacted. The impact of delays in waste movement on forecast production levels will remain under review

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About Evolution Mining

Evolution Mining was formed through the all scrip merger of equals of Catalpa Resources Limited and Conquest Mining Limited, and the concurrent purchase of Newcrest Mining Limited’s interests in the Cracow and Mt Rawdon gold mines in Queensland.

The Company operates four wholly-owned Australian gold mines – Cracow, Edna May, Mt Rawdon and Pajingo – and the Mt Carlton development project, providing the company with a defined path for further growth.