



Evolution
MINING

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ASX Announcement

9 November 2011

EVOLUTION MINING TO RAISE \$152.5M THROUGH AN ACCELERATED, RENOUNCEABLE ENTITLEMENT OFFER

Evolution Mining Limited (ASX: EVN) (**Evolution Mining**) announced today the launch of an underwritten 3 for 17 accelerated, renounceable entitlement offer to all eligible shareholders to raise approximately \$152.5 million (**Entitlement Offer**).

The funds raised under the Entitlement Offer will be used to strengthen Evolution Mining's balance sheet and increase the company's financial flexibility. The funds will also enable Evolution Mining to progress development plans and to pursue additional growth opportunities.

The Entitlement Offer is being made following the successful implementation of the all scrip merger of equals of Catalpa Resources Limited (**Catalpa**) and Conquest Mining Limited by scheme of arrangement and completion of Catalpa's acquisition from Newcrest Mining Limited's (**Newcrest**) interests in the Cracow and Mt Rawdon gold mines on 2 November 2011.

The offer price of \$1.45 (**Offer Price**) per new share in Evolution Mining (**New Share**) represents a 15.7% discount to the closing price of the company's shares on ASX on 8 November 2011 and a 14.7% discount to TERP¹.

New Shares issued under the Entitlement Offer will rank equally with existing shares in Evolution Mining. Renounced entitlements will be sold via institutional and retail bookbuilds, with any proceeds from such sale in excess of the Offer Price to be returned to renouncing shareholders (less any applicable deductions).

As announced on 19 July 2011, at the request of Evolution Mining and its now wholly owned subsidiary Conquest Mining Limited, Evolution Mining's largest shareholder, Newcrest Holdings (Investments) Pty Ltd, a wholly-owned subsidiary of Newcrest has agreed not to take up its entitlement of approximately \$59 million. As announced by Catalpa on 19 June 2011, BlackRock Investment Management (UK) Limited (**BlackRock**) and Baker Steel Capital Managers LLP (**Baker Steel**) have committed to subscribe for:

- Their respective pro rata entitlements under the Entitlement Offer (**Pre-commitment Entitlements**), at the Offer Price; and
- Approximately 17.2 million additional New Shares each (approximately 34.5 million in total), at the price determined under the institutional bookbuild², having an aggregate value of \$50 million based on the Offer Price (**Pre-commitment Shares**).

¹ The theoretical market price for shares in Evolution Mining immediately following the Entitlement Offer assuming the Entitlement Offer is fully subscribed, based on the volume weighted average price of a share in Evolution Mining on 8 November 2011.

² Commitment subject to an institutional bookbuild price cap of approximately \$1.98, being 15% or more than Evolution Mining's closing share price on 8 November 2011.

Their commitment is subject to conditions, including the underwriting agreement in respect of the Entitlement Offer remaining on foot and New Shares being issued before 31 December 2011. The Pre-commitment Shares comprise approximately 34.5 million of the approximately 40.8 million New Shares that Newcrest has agreed not to take up under the Offer.

The Entitlement Offer is being underwritten by Goldman Sachs Australia Pty Limited and Macquarie Capital (Australia) Limited, except that they will not underwrite the Pre-commitment Shares and will only provide settlement support for BlackRock's and Baker Steel's Pre-commitment Entitlements. Investec Bank (Australia) Limited is co-lead manager of the Entitlement Offer.

The key dates for the Entitlement Offer are:

Entitlement Offer announced and open of Institutional Entitlement Offer	9 November 2011
Close of Institutional Entitlement Offer	10 November 2011
Institutional Bookbuild	11 November 2011
Trading resumes	14 November 2011
Record date for Entitlement Offer	7pm on 14 November 2011
Despatch of retail offer booklet and open of Retail Entitlement Offer	16 November 2011
Settlement of subscriptions under Institutional Entitlement Offer and Institutional Bookbuild	17 November 2011
Issue of New Shares under Institutional Entitlement Offer and Institutional Bookbuild (Institutional Shares)	18 November 2011
Commencement of trading in Institutional Shares on ASX	18 November 2011
Despatch of holding statements for Institutional Shares and earliest despatch of refund cheques to renouncing institutional shareholders (if applicable)	18 November 2011
Close of Retail Entitlement Offer	5pm on 30 November 2011
Retail Bookbuild	6 December 2011
Settlement of subscriptions under Retail Entitlement Offer and Retail Bookbuild	12 December 2011
Issue of New Shares under Retail Entitlement Offer and Retail Bookbuild (Retail Shares)	13 December 2011
Despatch of holding statements for Retail Shares and earliest despatch of refund cheques to renouncing retail shareholders (if applicable)	13 December 2011
Commencement of trading in Retail Shares on ASX	14 December 2011

These times are indicative only. Evolution Mining reserves the right to change these dates without prior notice. All references to time are to Australian Eastern Daylight Time (AEDT).

Shareholder Enquiries

Eligible retail shareholders will be sent further details about the Entitlement Offer via a retail offer booklet expected to be lodged with ASX on 16 November 2011 and despatched on the same date.

Retail shareholders who have questions relating to the Entitlement Offer should call the Evolution Mining offer information line on 1300 880 751 (within Australia) or +61 2 8280 7503 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday before 30 November 2011 or go to the Evolution Mining website (www.evolutionmining.com.au).

Further information in relation to the matters described in this announcement including important notices, key risks and key assumptions is set out in an investor presentation released today to ASX by Evolution Mining. The information in the Important Notices section of that presentation applies to this announcement as if set out in full in this announcement.

Gilbert + Tobin is Evolution Mining's legal adviser in relation to the Entitlement Offer.

For further information please contact:

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Neither this announcement nor any other documents relating to the offer of new shares may be sent or distributed to persons in the United States.

This announcement contains certain forward looking statements. Forward looking statements should or can generally be identified by the use of forward looking words such as "expect", "will", "propose" "may", and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this announcement involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Evolution Mining, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not differ materially from these forward looking statements.