

To: Company Announcements Office

From: The Company Secretary

Date: 17 September 2012

Subject: Appendix 3B for Immediate Release to the Market

Attached for release to the market is the Appendix 3B relating to the issue of Performance Rights to employees of Evolution Mining Limited (**Evolution or Company**) under the Evolution Mining Limited Employee Share Option and Performance Rights Plan. In term of Listing Rule 3.10.3, the following additional information is disclosed in relation to a proposed issue of Performance Rights subject to security holder approval:

Class of securities to be issued	Performance Rights (under the Evolution Employee Share Option and Performance Rights Plan)
Number of securities to be issued if known or maximum number which may be issued	Up to 1,057,299 Performance Rights
Principal terms of the securities to be issued	The Performance Rights are issued under the Evolution Employee Share Option and Performance Rights Plan approved by shareholders at the Annual General Meeting in November 2010. Each Performance Right will convert to one fully paid ordinary share, subject to satisfaction of certain Vesting Conditions. The Performance Rights will be performance tested as at 30 June 2015 (the Relevant Date) The number of Performance Rights which vest on the Relevant Date will depend on the extent to which the Vesting Conditions have been satisfied at the Relevant Date. The Vesting Conditions will be based on: • Evolution's relative total shareholder return (TSR) measured against the TSR for a peer group of 20 comparator gold mining companies (Peer Group Companies); • Evolution's net C1 cash costs per ounce ranking amongst the Peer Group Companies, and • Evolution's ability to increase its average mine life to 8 years calculated at 30 June 2015 production rates. All Performance Rights have a zero exercise price. Performance Rights which do not vest will lapse immediately.
Issue price or consideration	Nil

Purpose of the issue	The Performance Rights are issued under the Evolution Mining Limited Employee Share Option and Performance Rights Plan
Whether entity will seek security holder approval in relation to the proposed issue of securities	Yes, security holder approval will be sought the next Annual General Meeting to be held on 27 November 2012.
Whether the issue will be to a new class of security holders	No

Yours sincerely



Evan Elstein

Company Secretary

Evolution Mining Limited



Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

EVOLUTION MINING LIMITED (Evolution or Company)

ABN

74 084 669 036

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Performance Rights (under the Evolution Employee Share Option and Performance Rights Plan) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,903,006 |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

3 Principal terms of the ⁺ securities (eg, if options, exercise price and expiry date; if partly paid ⁺ securities, the amount outstanding and due dates for payment; if ⁺ convertible securities, the conversion price and dates for conversion)	The Performance Rights are issued under the Evolution Employee Share Option and Performance Rights Plan approved by shareholders at the Annual General Meeting in November 2010. Each Performance Right will convert to one fully paid ordinary share, subject to satisfaction of certain Vesting Conditions. The Performance Rights will be performance tested as at 30 June 2015 (the Relevant Date) The number of Performance Rights which vest on the Relevant Date will depend on the extent to which the Vesting Conditions have been satisfied at the Relevant Date. The Vesting Conditions will be based on: • Evolution's relative total shareholder return (TSR) measured against the TSR for a peer group of 20 comparator gold mining companies (Peer Group Companies); • Evolution's net C1 cash costs per ounce ranking amongst the Peer Group Companies, and • Evolution's ability to increase its average mine life to 8 years calculated at 30 June 2015 production rates. All Performance Rights have a zero exercise price. Performance Rights which do not vest will lapse immediately.
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⁺ See chapter 19 for defined terms.

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	No. Performance Rights do not rank equally with existing fully paid ordinary securities from the date of issue and do not participate in any dividend, distribution or interest payment. Any fully paid ordinary shares allotted on the conversion of Performance Rights will rank equally in all respects with existing issued ordinary fully paid shares.
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Performance Rights are issued under the Evolution Mining Limited Employee Share Option and Performance Rights Plan
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	N/A
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	N/A

⁺ See chapter 19 for defined terms.

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New issue announcement

6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	N/A	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	17 September 2012	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	Number	⁺ Class
		707,605,713	Fully paid ordinary Shares

⁺ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in section 2 if applicable)	Number	⁺ Class	
			Exercise price	Expiry
		329,548	\$0.829	23/12/2013
		329,548	\$1.049	23/12/2013
		329,547	\$1.269	23/12/2013
		272,726	\$1.489	23/12/2013
		56,819	\$0.609	23/12/2013
		113,637	\$0.609	11/03/2014
		113,637	\$0.829	11/03/2014
		113,637	\$1.049	11/03/2014
		113,637	\$1.269	11/03/2014
		629,000	\$1.69	30/06/2015
		505,291	\$1.822	25/11/2016
		6,290	\$1.782	25/11/2016
		15,172	\$1.86	25/11/2016
		454,645	\$1.936	25/11/2016
		634,672	\$1.879	25/11/2016
		346,865	\$2.072	25/11/2016
		1,560,450	\$1.802	25/11/2016
		582,141	\$1.472	25/11/2016
		221,645	\$2.072	18/11/2016
		350,264	\$2.412	18/11/2016
		600,000	\$3.062	26/02/2013
		93,572	\$1.822	25/11/2015
		1,164	\$1.782	25/11/2015
		2,810	\$1.86	25/11/2015
		84,194	\$1.936	25/11/2015
		117,532	\$1.879	25/11/2015
		64,234	\$2.072	25/11/2015
		400,084	\$1.802	25/11/2015
		107,804	\$1.472	25/11/2015
		41,046	\$2.072	18/11/2016
		64,864	\$2.412	18/11/2016
		1,215,000	\$1.27	1/06/2015
		600,000	\$1.84	25/11/2016
		315,000	\$1.40	6/10/2015
		675,000	\$2.13	25/11/2015
		555,000	\$1.88	1/04/2016
		1,650,000	\$1.962	19/10/2012
		6,483,765	Performance Rights	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.		

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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|----|---|--|
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |

+ See chapter 19 for defined terms.

28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
 (*tick one*)
- (a) ☐ Securities described in Part 1
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A	
39	Class of +securities for which quotation is sought	N/A	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	Number N/A	+Class N/A

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary

Date: 17 September 2012

Print name: Evan Elstein

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+ See chapter 19 for defined terms.