



Evolution
MINING

ABN 74 084 669 036

Sydney Office

P +61 2 9696 2900
F +61 2 9696 2901

Level 30
175 Liverpool Street
Sydney NSW 2000

www.evolutionmining.com.au

To: Company Announcements Office
From: The Company Secretary
Date: 4 February 2016
Subject: **Appendix 3B for Immediate Release to the Market**

Attached for release to the market is the Appendix 3B relating to the issue of Fully Paid Ordinary Shares and Performance Rights to employees of Evolution Mining Limited (**Evolution or Company**).

1. 865,520 Fully Paid Ordinary Shares are issued in accordance with the Evolution Employee Share Plan under which eligible employees can acquire Fully Paid Ordinary Shares up to the value of approximately \$1000 for nil consideration. The actual number of Fully Paid Ordinary shares issued was determined using the Volume Weighted Average Market Price (VWAMP) of Evolution Shares traded on the ASX over the five trading days up to and including 17 December 2015 which has been calculated at 698 Fully Paid Ordinary Shares for each participating employee.
2. The Company confirms that 604,072 Performance Rights have been issued under the Evolution Employee Share Option and Performance Rights Plan and 46,684 Performance Rights have been cancelled following employee departures, resulting in a net new issue of 557,388 Performance Rights. There are a total of 29,429,811 Performance Rights currently in issue, comprising of 25,679,811 Performance Rights with various testing dates and vesting conditions and 3,750,000 Performance Rights issued subject to shareholder approval.

A summary of the Performance Rights in issue is provided in the table below:

Date	Details	Number of Performance Rights in Issue	Running Balance
	Opening Balance	28,872,423	
4/02/2016	Cancelled due to Employee departures	46,684	28,825,739
4/02/2016	Granted to Employees	604,072	29,429,811

Yours sincerely

Evan Elstein

Company Secretary



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 | <ol style="list-style-type: none">1. Fully Paid Ordinary Shares2. 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 | <ol style="list-style-type: none">1. 865,520 Fully Paid Ordinary Shares2. 557,388 Performance Rights |

+ See chapter 19 for defined terms.

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)

1. Fully Paid Ordinary Shares

2. The Performance Rights are issued under the Evolution Employee Share Option and Performance Rights Plan approved by shareholders at the Annual General Meeting held on 25 November 2014.

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 2018 (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 absolute total shareholder return (TSR) measured as the cumulative annual TSR over the three year period ending 30 June 2018;
- Evolution's growth in Earnings Per Share (EPS), measured as the cumulative annual growth rate in EPS, excluding non-recurring items, over the three year period ending 30 June 2018; and
- Evolution's growth in Ore Reserves Per Share, measured by comparing the baseline measure of the Ore Reserves as at 31 December 2014, to the Ore Reserves as at 31 December 2017 on a per share basis, with testing to be performed at 30 June 2018.

All Performance Rights have a zero exercise price.

Performance Rights which do not vest will lapse immediately.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	<p>1. Yes, the shares rank equally with existing Fully Paid Ordinary Shares</p> <p>2. 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.</p> <p>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.</p>
<p>5 Issue price or consideration</p>	<p>1. Nil</p> <p>2. Nil</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. The Fully Paid Ordinary Shares are issued in accordance with the Evolution Employee Share Plan under which eligible employees can acquire Fully Paid Ordinary Shares up to value of approximately \$1000 for nil consideration. The actual number of Fully Paid Ordinary shares was determined using a Volume Weighted Average Market Price (VWAMP) of Evolution Shares traded on the ASX over the five trading days up to and including 17 December 2015 which has been calculated at 698 Fully Paid Ordinary Shares for each participating employee.</p> <p>2. The Performance Rights are issued under the Evolution Employee Share Option and Performance Rights Plan.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
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	4 February 2016	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		1,466,557,508	Fully Paid Ordinary Shares

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in section 2 if applicable)	Number	⁺ Class	
			Exercise Price	Expiry
		555,000	\$1.880	1/04/2016
		20,523	\$1.998	18/11/2016
		242,168	\$2.072	18/11/2016
		32,432	\$2.338	18/11/2016
		382,695	\$2.412	18/11/2016
		582,141	\$1.472	25/11/2016
		6,290	\$1.782	25/11/2016
		1,560,450	\$1.802	25/11/2016
		505,291	\$1.822	25/11/2016
		600,000	\$1.840	25/11/2016
		634,672	\$1.879	25/11/2016
		15,172	\$1.860	25/11/2016
		454,645	\$1.936	25/11/2016
346,865	\$2.072	25/11/2016		
	25,679,811	Performance Rights		
	3,750,000	Performance Rights – subject to shareholder approval		
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change - All Shares participate equally		

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	
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?	

+ See chapter 19 for defined terms.

- 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
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.
- 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
- 28 Date rights trading will begin (if applicable)

- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* 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 (in respect of the Fully Paid Ordinary Shares)
- (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

+ See chapter 19 for defined terms.

37 A copy of any trust deed for the additional +securities

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

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)	N/A	N/A

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: 4 February 2016

Print name: Evan Elstein

+ See chapter 19 for defined terms.