

Evolution
MINING

2016 Full Year Financial Results

17 Aug 2016

Jake Klein – Executive Chairman

Lawrie Conway – Finance Director and CFO

Forward looking statement

- These materials prepared by Evolution Mining Limited (or “the Company”) include 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.

Strategic ambitions



A group portfolio generating superior returns with 6 – 8 assets and an average mine life of 8 – 10 years

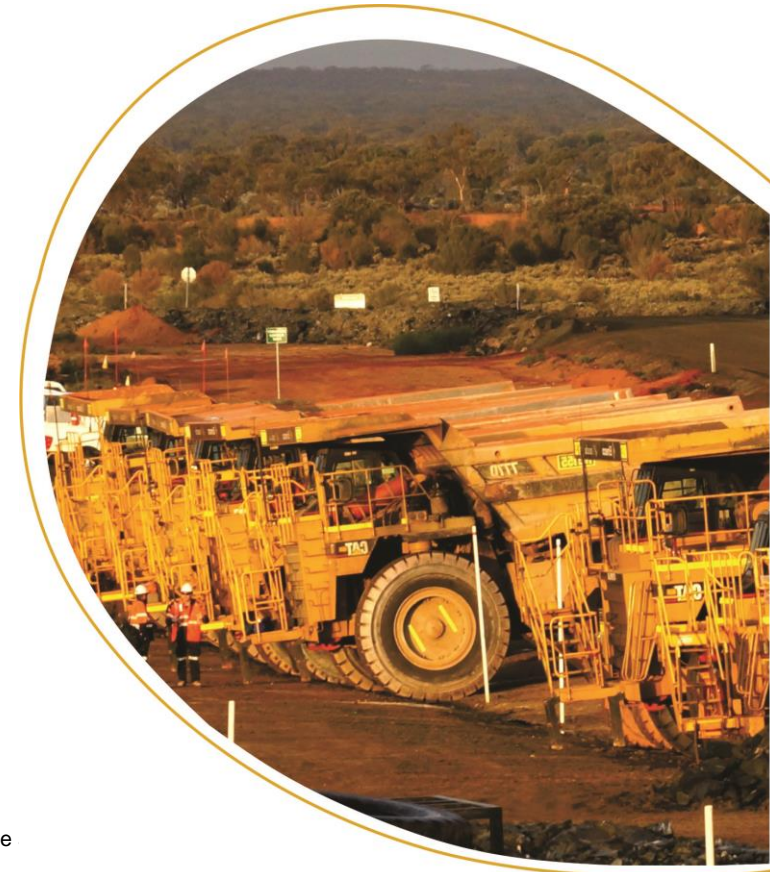
6 – 8 active exploration and development programs of quality, including brownfields

Open to all good gold, silver and copper-gold investment opportunities

We will prioritise Australia, but will be open to other opportunities

FY16 financial highlights

- Outstanding financial results
 - Underlying profit up 114% to A\$226.9M
 - Statutory net loss of A\$24.3M after acquisition, integration and impairment costs
 - EBITDA increased by 123% to A\$607.5M
 - Record gold production up 84% to 803,476oz
 - Record low AISC¹ of A\$1,014/oz (US\$739/oz)²
 - Record operating cash flow of A\$628.4M and net mine cash flow of A\$428.2M
- Healthy balance sheet
 - Gearing reduced from a peak of 32%³ to 15%
 - Final dividend up 100% to 2cps (unfranked)

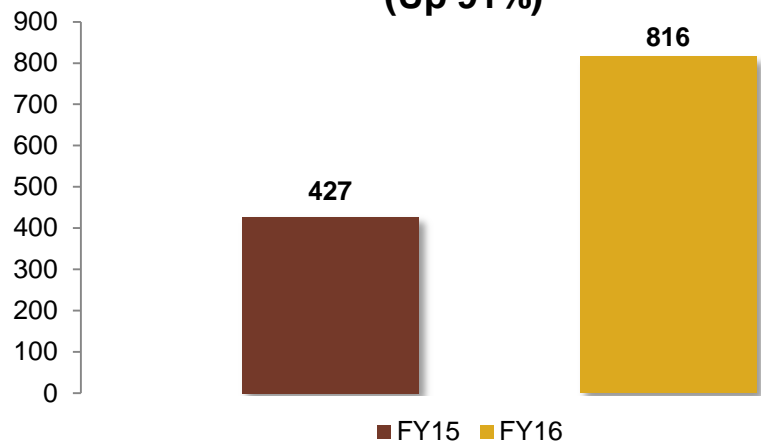


1. All-in Sustaining Cost includes C1 cash cost, plus royalty expense, plus sustaining capital expense, plus general corporate
2. Calculated using an average AUD:USD exchange rate for FY16 of US\$0.7284
3. Post completion of Cowal and Mungari acquisitions

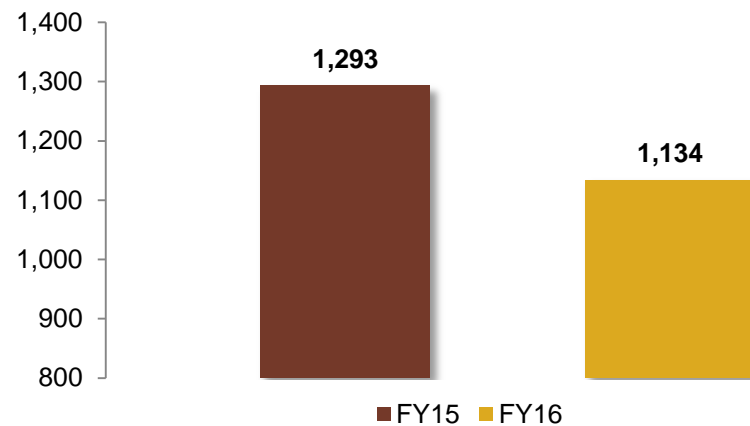
Delivering superior returns through capital growth and increased dividends

Profit metrics continue to improve

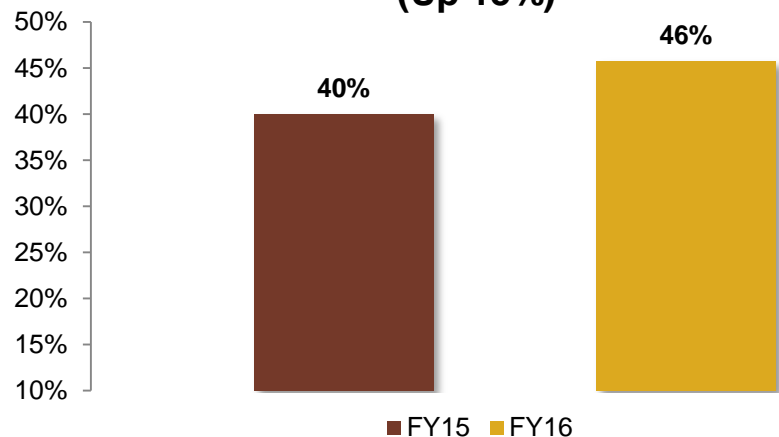
Gold Sales (koz)¹
(Up 91%)



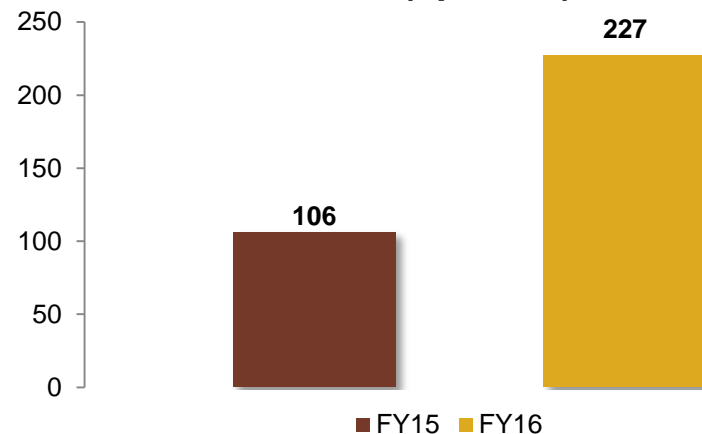
AIC (A\$/oz)^{2,3}
(Down 12%)



EBITDA margin²
(Up 15%)



Underlying Profit (A\$M)
(up 114%)



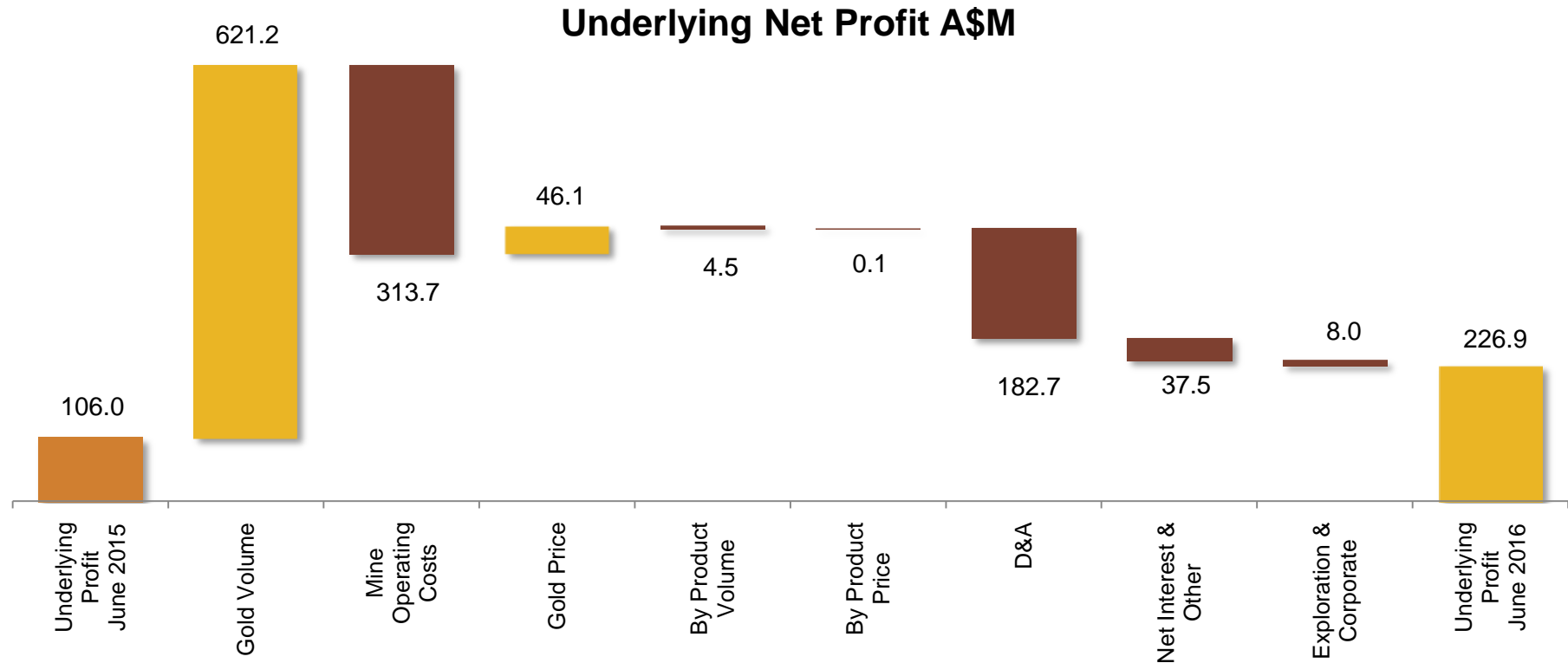
1. Gold sales are gold only – not gold equivalent

2. EBITDA margin and AIC are non-IFRS financial information and are not subject to audit

3. Includes C1 cash cost, plus royalty expense, sustaining capital, general corporate and administration expense, growth (major project) capital and discovery expenditure. Calculated on per ounce sold basis

Record underlying net profit

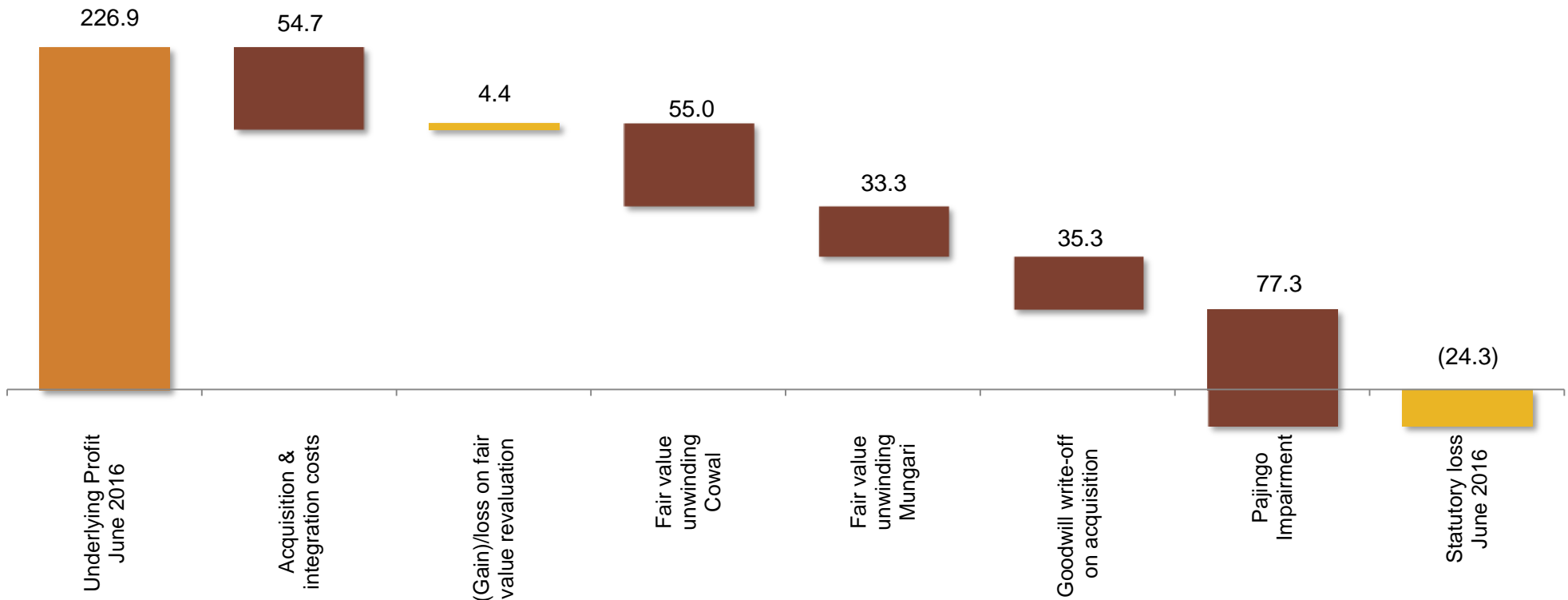
- Benefits realised from successful integration of Cowal and Mungari
 - EBITDA contributions of A\$222.2M (Cowal) and A\$115.1M (Mungari)
- Gold price increase (A\$108/oz) delivered A\$46.1M to original five assets
- Higher interest and financing costs relate to new debt facility for Cowal acquisition



Statutory loss reconciliation

- Stamp duty for Cowal and Mungari of A\$48.1M
- Integration costs of A\$6.6M
- Acquisition accounting fair value unwinding of A\$84.0M
- Impairment on sale of Pajingo of A\$77.3M

Reconciliation of Underlying to Statutory Loss A\$M



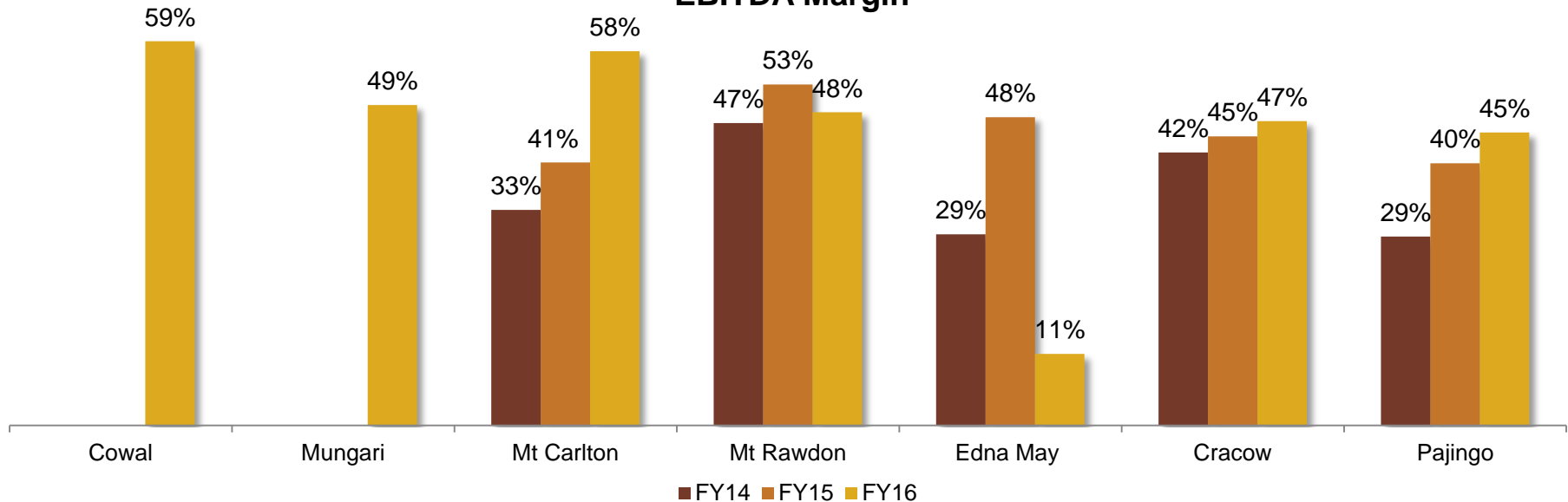
EBITDA margins

- Group EBITDA margins trending towards 50%
- Improved margins at majority of sites
- Outstanding performance from Mt Carlton
- Benefiting from a diversified portfolio

Group EBITDA Margin (%)



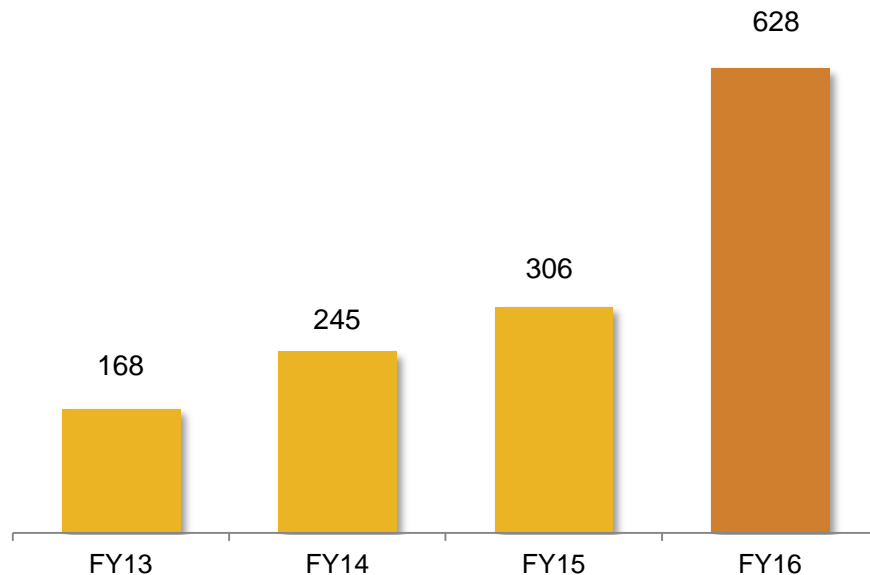
EBITDA Margin



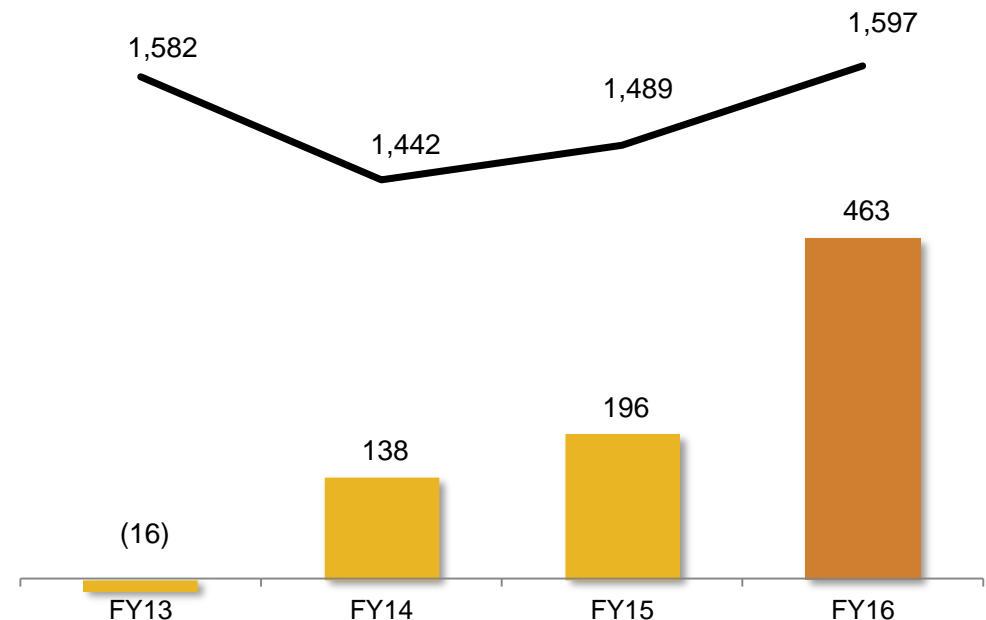
Operating mine cash flow & AIC margin

- Operating mine cash generation increased by 274% since 2013
- Group AIC Margin expanded each year for last four years
- Cash and margin growth achieved from improved asset quality; productivity improvements; and reduced cost pressures
- Gold price impact on margin expansion from FY13 to FY16 of only 1% (A\$15/oz)

Group operating mine cash flow
A\$M



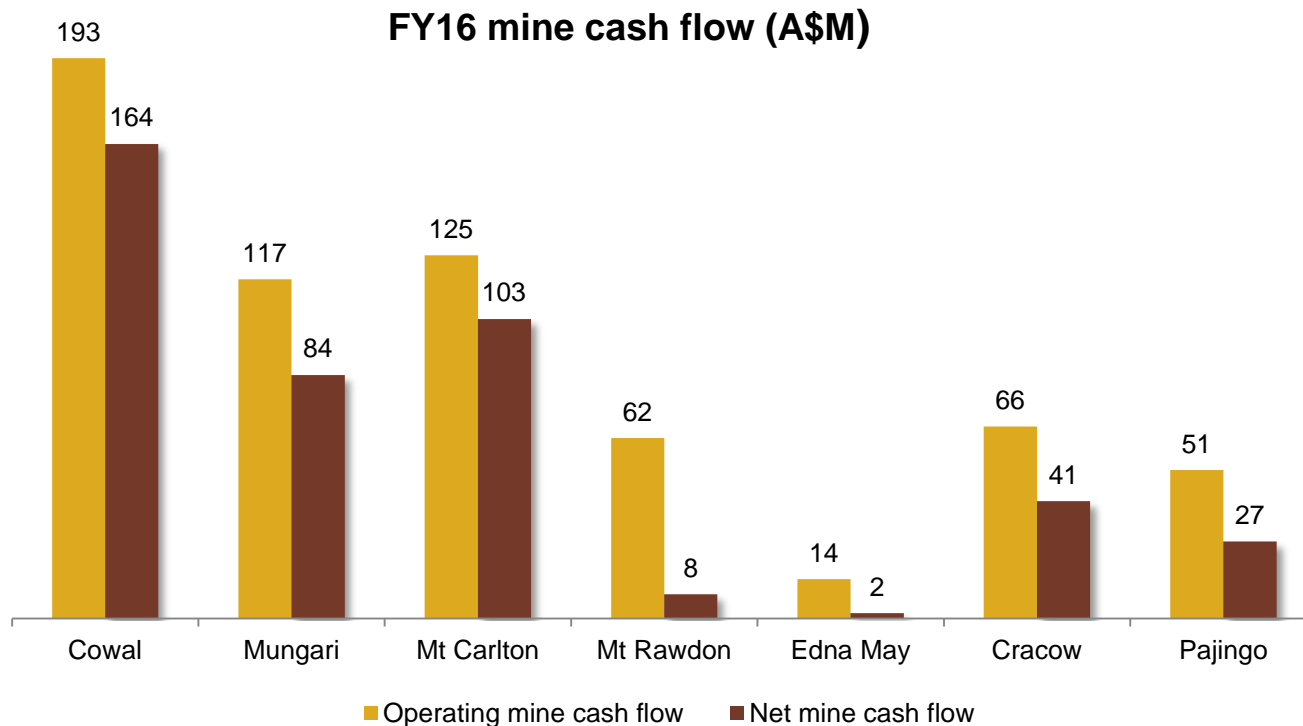
Group AIC margin (A\$/oz)



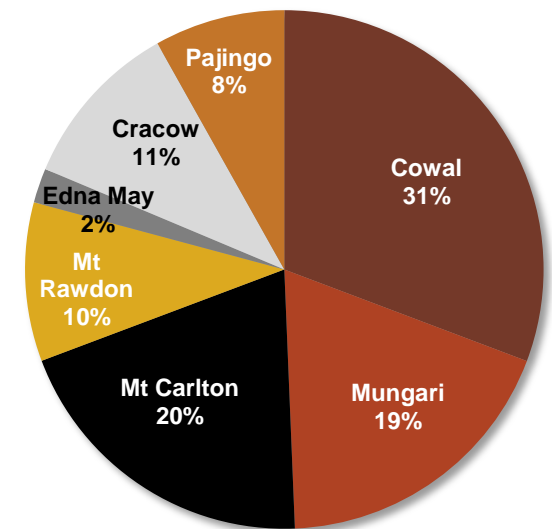
■ All-in Cost Margin (A\$/oz) — Achieved gold price (A\$/oz)

Mine cash flow

- Net mine cash generation up 211%
- All assets cash flow positive after capital investment programs
- Strong contribution from Cowal, Mungari and Mt Carlton

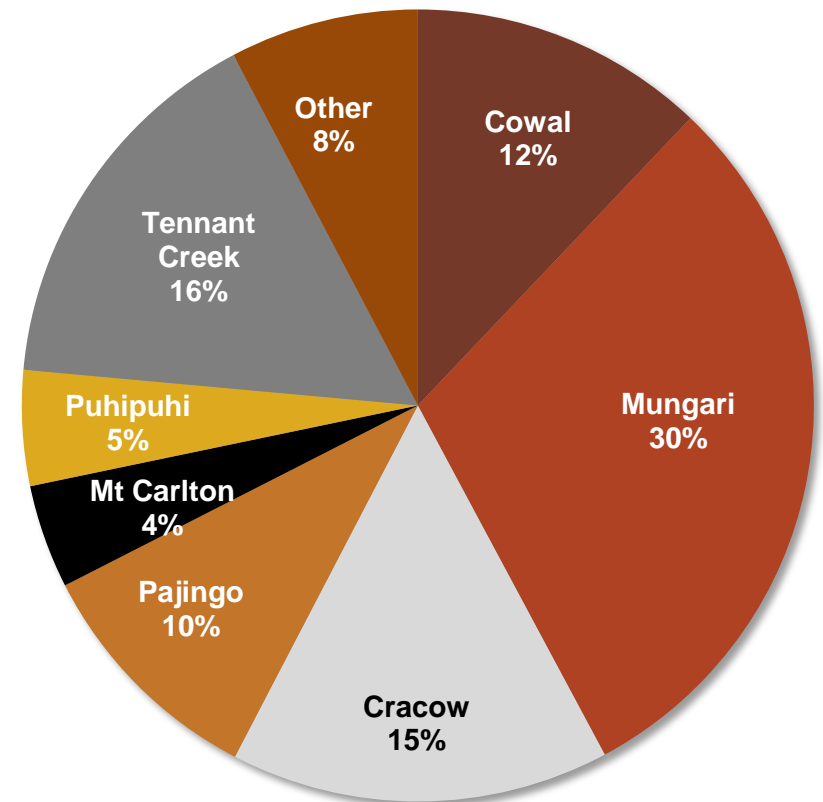


Operating mine cash flow contribution FY16



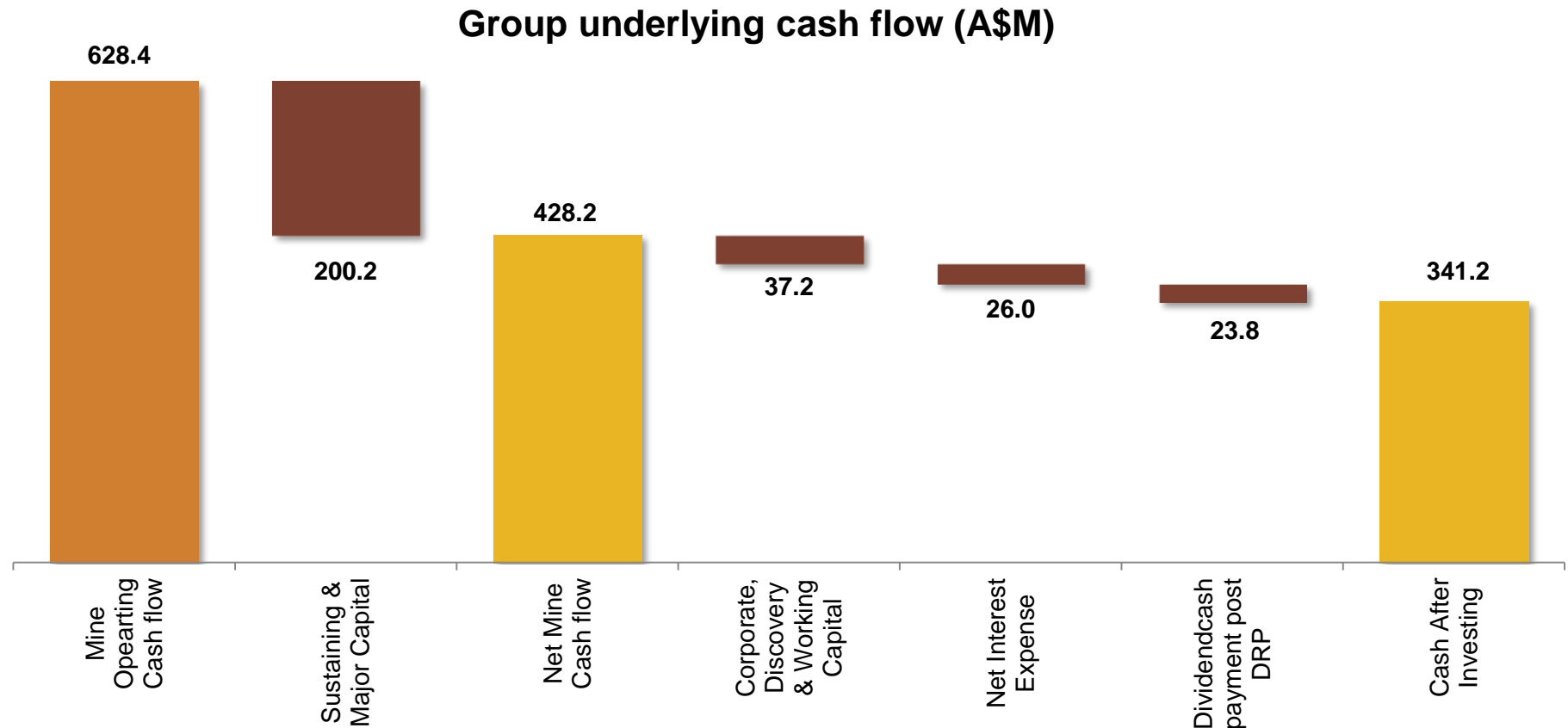
- Exploration expenditure increased by 15% to A\$27.8M (FY15: A\$24.0M)
- Increased resource definition spend of A\$14.9M undertaken to grow existing resource base (FY15: A\$10.0M)
 - Positive drill results from Cowal Stage H resource definition returning broad, consistent grades
 - Exploration success at Mungari Regional – Johnson’s Rest
 - Drilling at Mungari extended mineralisation at Frog’s Leg and White Foil
 - Significant drill intersections at Mt Carlton supporting V2 pit extension and future underground potential
 - New mineralised structures identified by resource definition drilling at Cracow

Exploration investment



Group underlying cash flow

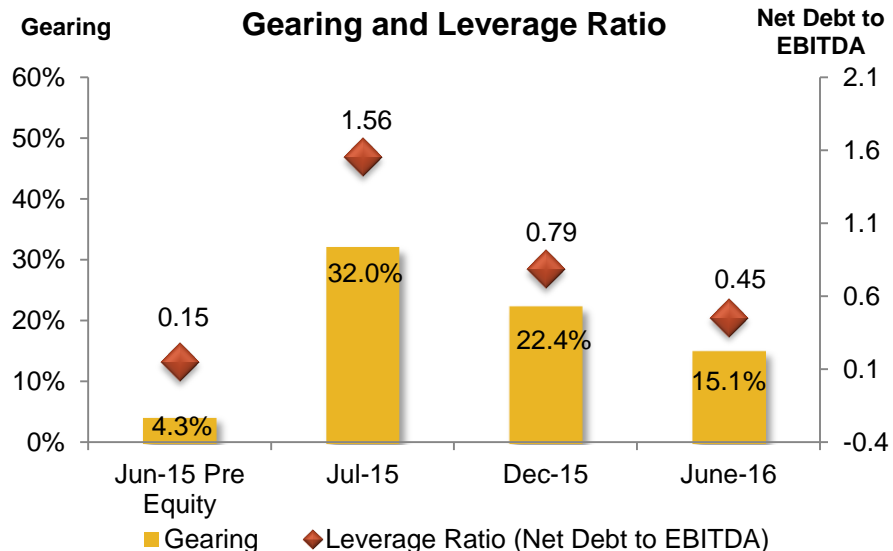
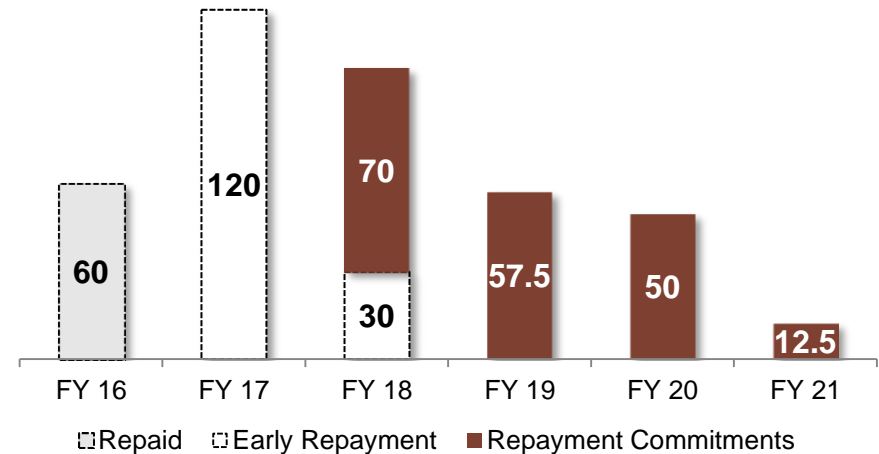
- Record cash flow from operations underpinning Group growth strategy
- Sustaining and major capital in line with guidance
- Net cash flow allowing for rapid reduction in debt level



Balance sheet and gearing

- Cash and undrawn debt of A\$220.0M
- Debt at end of FY16 of A\$285.0M
 - Revolver Facility: A\$95.0M
 - Term Facility: A\$190.0M
- A\$322.0M repaid during the year
 - Term facility repayments ahead by 15 months
 - Revolver facility reduced by A\$112.0M
- Gearing reduced to 15% from July 2015 peak of 32%
- Prudent level of hedging in place
 - Total of 706,989oz at A\$1,624/oz average
- Final dividend of 2 cps (unfranked) – up 100%
 - Franked dividend expected from end of FY17

Term loan facility amortisation profile (A\$M)



Updated FY17 guidance

| Updated FY17 Guidance | Gold production (oz) | C1 cash costs (A\$/oz) | All-in sustaining cost (A\$/oz) | D&A (A\$/oz) |
|----------------------------------|--------------------------|------------------------|---------------------------------|------------------|
| Cowal | 245,000 – 260,000 | 615 – 675 | 885 – 945 | 240 - 250 |
| Mungari | 150,000 – 160,000 | 740 – 800 | 970 – 1,030 | 450 – 470 |
| Mt Carlton | 90,000 – 100,000 | 400 – 450 | 675 – 725 | 565 – 585 |
| Mt Rawdon | 90,000 – 100,000 | 690 – 770 | 960 – 1,040 | 475 – 495 |
| Edna May | 80,000 – 85,000 | 1,020 – 1,100 | 1,140 – 1,220 | 510 – 530 |
| Cracow | 80,000 – 85,000 | 740 – 800 | 1,100 – 1,160 | 550 – 570 |
| Pajngo ¹ | 10,000 | 840 – 860 | 1,230 – 1,270 | n/a |
| Corporate | - | - | 30 – 35 | |
| Revised Group² | 745,000 – 800,000 | 675 – 735 | 970 – 1,030 | 420 - 450 |

1. Assumes Pajngo contribution to 1 September as per Evolution's announcement on 16 August 2016

2. Original Group guidance was 800,000-860,000oz at a cost of A\$685-745/oz (C1) and A\$985-1,045/oz (AISC)

Summary



- Financial performance reflects quality of the portfolio
- Underlying profit up 114% to A\$226.9M
- Low cost producer with Group AISC of A\$1,014/oz (US\$739/oz)¹
- Record operating cash flow of A\$628.4M and net mine cash flow of A\$428.2M
- Cash generation directed to deleveraging with A\$322.0M in debt repayments
- Gearing reduced down to 15%
- Consistent returns to shareholders via increased dividend payout rate
- Sale of Pajingo aligned to Evolution's strategy
- Revised FY17 Group gold production guidance of 745,000 – 800,000 ounces
- Revised FY17 AISC guidance to A\$970 – A\$1,030 per ounce
- Fundamentals of the business in great shape to deliver superior returns

1. Calculated using an average AUD:USD exchange rate for FY16 of US\$0.7284

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