



Evolution Mining Limited
ACN 084 669 036

NOTICE OF GENERAL MEETING

PROXY FORM

EXPLANATORY MEMORANDUM

Date of General Meeting

21 June 2017

Time of General Meeting

10.00am (Sydney time)

Place of General Meeting

Hilton Hotel
Level 2, 488 George Street
Sydney NSW 2000

12 May 2017

Letter to Shareholders

Dear Evolution Shareholder

Enclosed is a Notice of General Meeting and Explanatory Memorandum plus a proxy form relating to a meeting of Evolution Mining Limited (**Evolution**) shareholders to be held on 21 June 2017.

The purpose of the meeting is to seek shareholder approvals in connection with:

- an internal reorganisation within the La Mancha Group, which is Evolution's largest shareholder; and
- a proposal to grant performance rights to Evolution's Executive Chairman, Mr Jacob (Jake) Klein.

Internal reorganisation within the La Mancha Group

La Mancha Group International B.V. (**La Mancha**) currently has a 'relevant interest' (as defined in the Corporations Act) in approximately 28.24% of Evolution's issued shares¹. You may recall that La Mancha first became an Evolution shareholder when it was issued Evolution shares as consideration for Evolution's acquisition of La Mancha's Australian operations. La Mancha has been a strong supporter of Evolution's growth strategy and has since invested additional equity on two occasions to assist with funding the transformational acquisitions of Cowal and the economic interest in Ernest Henry. La Mancha currently has two nominees on the Evolution Board, being Naguib Sawiris and Sébastien de Montessus.

The Sawiris family, which manages La Mancha, wishes to undertake a reorganisation (the **Reorganisation**) under which the shares in an indirect holding company of La Mancha, Marchmont Limited (**Marchmont**), will be transferred to Mrs. Yousriya Loza-Sawiris, and then potentially transferred by her to one or more member(s) of the Sawiris Family Group (as such term is defined in the enclosed document). The Sawiris family has advised that the Reorganisation is for family estate and financial planning purposes, and that the transfer of the shares in Marchmont Limited to Mrs. Yousriya Loza-Sawiris, and any potential transfer by her to one or more member(s) of the Sawiris Family Group, would each be for no consideration.

While the reorganisation is internal to the La Mancha Group, because La Mancha has a relevant interest in more than 20% of Evolution Mining, and because Mrs Yousriya Loza-Sawiris (and any other Sawiris Family Group member(s) who acquire(s) the Marchmont shares from her) will be deemed to acquire a 'relevant interest' in La Mancha's Evolution shares if she/they acquire the shares in Marchmont, the reorganisation cannot proceed without approval of Evolution shareholders in general meeting under the takeover provisions of the Australian Corporations Act. La Mancha cannot vote its shares on that resolution.

This is the purpose of Resolution 1 in the enclosed Notice of General Meeting and Explanatory Memorandum.

As required by ASIC policy, Evolution has engaged an independent expert, Ernst & Young Transaction Advisory Services Limited, to provide a report on whether the disadvantages of the proposed reorganisation outweigh the

¹ La Mancha is the beneficial owner of approximately 20.88% of Evolution's issued shares, and in addition has a deemed 'relevant interest' under the Corporations Act in an additional 7.36% of Evolution shares by virtue of an equity derivative collar financing arrangements which La Mancha entered into with Citigroup Global Markets Limited, as referred to in Evolution's announcement to the ASX on 24 March 2017.

advantages to Evolution shareholders other than La Mancha. The Independent Expert's Report is attached as Appendix A of the enclosed Notice of General Meeting and Explanatory Memorandum. In its report, the independent expert concludes that the disadvantages of the Proposed Reorganisation do not outweigh the advantages, the key reason being that the independent expert considers there to be no impact of the Proposed Reorganisation on Evolution shareholders other than La Mancha.

It should also be noted that La Mancha has agreed to meet Evolution's costs incurred in respect of the general meeting and the proposed transactions. These matters are explained in more detail in the enclosed Notice of General Meeting and Explanatory Memorandum.

Proposed issue of Performance Rights to Executive Chairman

Following Evolution's withdrawal of a proposal shortly prior to last year's Annual General Meeting to issue 3,750,000 retention rights to the Executive Chairman, Jacob (Jake) Klein, Evolution engaged an independent remuneration consultant to assist with structuring a revised retention scheme for Mr Klein that aligns with Evolution's remuneration philosophy and growth ambitions while mitigating concerns expressed by shareholders and proxy advisors about the absence of performance conditions attaching to the retention rights.

The Evolution Board has withdrawn the invitation to Mr Klein to be issued 3,750,000 retention rights. It is now proposed that Evolution issue to Mr Klein 3,375,000 performance rights, subject to vesting conditions and on the terms and conditions of Evolution's Employee Share Option and Performance Rights Plan (**Plan**). The vesting conditions would be tested on 16 December 2019 against shareholder return benchmarks and achievement of specific long term strategic objectives as determined by the Evolution Board.

Subject to the satisfaction of the vesting conditions (which include that Mr Klein remains an employee and executive director of Evolution as at 16 December 2019), Mr Klein will be entitled to exercise vested Performance Rights and, following such exercise, to be issued one Evolution Share for each vested Performance Right that is exercised. No amount will be payable by Mr Klein to receive each such Evolution Share. The number of Performance Rights which vest on the Vesting Date will depend on the extent to which the vesting conditions have been satisfied for the relevant period.

The issue of the performance rights to Mr Klein cannot be made without approval of Evolution shareholders under the ASX Listing Rules.

This is the purpose of Resolution 2 in the enclosed Notice of General Meeting and Explanatory Memorandum.

Board recommendation

For the reasons given in the enclosed Notice of General Meeting and Explanatory Memorandum, the Evolution board of directors recommends that you vote in favour of Resolution 1 (with La Mancha's nominees Naguib Sawiris and Sébastien de Montessus abstaining).

For the reasons given in the enclosed Notice of General Meeting and Explanatory Memorandum, the Evolution board of directors recommends that you vote in favour of Resolution 2 (with Jacob (Jake) Klein abstaining).

The Evolution board of directors thanks you for your continued support of Evolution.

You are strongly encouraged to read the enclosed Explanatory Memorandum in full and participate in the general meeting of Evolution to be held on 21 June 2017.

Yours sincerely



Jake Klein
Executive Chairman
Evolution Mining Limited



Colin Johnstone
Lead Independent Director
Evolution Mining Limited

IMPORTANT NOTICES

What you should do

STEP ONE - *Read the meeting documentation*

This is an important document. You should read all of the Notice of General Meeting, Explanatory Memorandum and Proxy Form before deciding whether or not to vote in favour of any of the resolutions. If you do not understand any of the meeting documents, or are not sure what to do, please consult your legal or financial adviser immediately.

STEP TWO - *Vote*

If you are unable to attend the General Meeting in person, you should complete the Proxy Form and ensure that it (and any power of attorney under which it is signed) is received by Evolution's share registry at an address given below not later than 10.00am (Sydney time) on 19 June 2017. Proxy Forms received after that time will be invalid.

Online: The Proxy Form can be lodged online by visiting www.linkmarketservices.com.au. Select 'Investor Login' and enter Evolution Mining Limited in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your Proxy Form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

By mail: Evolution Mining Limited
c/o Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

By hand: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

By fax: (+612) 9287 0309

For details on how to complete the Proxy Form, please refer to the instructions in the Notice of General Meeting and Proxy Form.

Defined Terms

Capitalised terms used in this 'Important Notices' section, Notice of General Meeting and Explanatory Memorandum are defined in section 2 of the Explanatory Memorandum.

Responsibility Statement

Except as outlined below, the information contained in the Notice of General Meeting and Explanatory Memorandum has been prepared by Evolution and is its responsibility.

La Mancha has prepared and provided all of the information in sections 1.1 to 1.5 (both inclusive) of the Explanatory Memorandum (the **La Mancha Information**) and is responsible for that information. None of Evolution, its directors, officers or advisers assume any responsibility for the accuracy or completeness of the La Mancha Information.

Ernst & Young Transaction Advisory Services Limited as Independent Expert has prepared the Independent Expert's Report (as set out in Appendix 1 to the Explanatory Memorandum) and takes responsibility for that report. None of Evolution, its directors, officers or advisers assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except in relation to the information which it has provided to the Independent Expert.

Questions

If you have any questions about any matter contained in this document, please contact Evolution's share registry, Link Market Services Limited, on +61 1300 554 474.

Key Dates

Deadline for lodgement of Proxy Forms	10.00am (Sydney time) on 19 June 2017
Date and time for determining eligibility to vote	7.00pm (Sydney time) on 19 June 2017
Date and time of General Meeting	10.00am (Sydney time) on 21 June 2017

Contents

Notice of General Meeting	3
Explanatory Memorandum.....	6
1. Information regarding acquisitions of relevant interests in Evolution Shares (Resolution 1).....	6
1.1. Overview	6
1.2. Current ownership and control of La Mancha.....	7
1.3. Proposed transfers	9
1.4. Requirement for shareholder approval	10
1.5. Other information relating to the Transfers.....	10
1.6. Board resolution to seek shareholder approval	14
1.7. Board recommendation	14
2. Information regarding proposed issue of Performance Rights to Mr Jacob (Jake) Klein (Resolution 2)	15
2.1. Background.....	15
2.2. Proposed issue of Performance Rights	15
2.3. Vesting conditions.....	15
2.4. Other key aspects of Performance Rights	17
2.5. Disclosure for the purposes of ASX Listing Rule 10.15.....	17
2.6. Other proposed arrangements.....	18
2.7. Board recommendation	18
3. Consents.....	18
4. Glossary.....	18

Notice of General Meeting

EVOLUTION MINING LIMITED
ACN 084 669 036
NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Members of Evolution Mining Limited ACN 084 669 036 ("Evolution") will be held at Hilton Hotel, Level 2, 488 George Street, Sydney NSW 2000 on 21 June 2017 at 10.00am (Sydney time).

Agenda

Resolution 1 – Acquisitions of relevant interests in Evolution Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purposes of item 7 of section 611 of the Corporations Act 2001 (Cth), approval is given for:

- (a) *the acquisition by Mrs. Yousriya Loza-Sawiris of a relevant interest in a maximum of 475,144,992 issued ordinary shares in Evolution Mining Limited ('Evolution'), as a result of the transfer to Mrs. Yousriya Loza-Sawiris of all of the shares in Marchmont Limited, an indirect holding company of La Mancha Group International B.V.; and*
- (b) *the subsequent acquisition by one or more members of the 'Sawiris Family Group' (as defined below) of a relevant interest in a maximum of 475,144,992 issued ordinary shares in Evolution, as a result of the transfer by Mrs. Yousriya Loza-Sawiris to one or more members of the Sawiris Family Group of all of the shares in Marchmont Limited,*

in each case on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of General Meeting.

For the purposes of this Resolution 1, 'Sawiris Family Group' means:

- (i) *Yousriya Loza-Sawiris;*
- (ii) *Onsi Sawiris, being the husband of Yousriya Loza-Sawiris;*
- (iii) *Naguib Sawiris, Nassef Sawiris and Samih Sawiris, being the children of the persons referenced in paragraphs (i) and (ii) above, and/or their respective direct lineal descendants;*
- (iv) *a discretionary trust which has as its only beneficiaries one or more of the persons referred to in paragraphs (i), (ii) or (iii) above; and/or*
- (v) *a corporation all of the shares in which are legally and beneficially owned or held, directly or indirectly, by any one or more of the persons referred to in paragraphs (i), (ii), (iii) or (iv) above.*

Resolution 2 – Issue of Performance Rights to Mr Jacob (Jake) Klein

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purposes of ASX Listing Rule 10.14, approval is given for the issue to Mr Jacob (Jake) Klein of up to 3,375,000 Performance Rights on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of General Meeting.

Entitlement to Vote

It has been determined that under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the General Meeting, shares in Evolution will be taken to be held by the persons who are the registered holders at 7.00pm (Sydney time) on 19 June 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

Voting Exclusion Statements

Resolution 1

In accordance with section 611 item 7 of the Corporations Act, no votes may be cast in favour of Resolution 1 by, or on behalf of:

- (a) February Private Trust Company (Jersey) Limited as trustee of Marchmont Trust, being the person from whom Mrs. Yousriya Loza-Sawiris is to acquire a relevant interest in Evolution Shares, or any of its Associates (which includes La Mancha);
- (b) Mrs. Yousriya Loza-Sawiris or any of her Associates; or
- (c) any member of the Sawiris Family Group or any of their Associates.

Resolution 2

In accordance with ASX Listing Rule 14.11, Evolution will disregard any votes cast by Resolution 2 by Mr Jacob (Jake) Klein and his associates.

However, Evolution need not disregard a vote cast on Resolution 2 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, a vote must not be cast on Resolution 2 as a proxy by a member of the Key Management Personnel (**KMP**) at the date of the Meeting, or a closely related party of any such person, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting because the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Mr Klein will not chair the Meeting for the consideration of Resolution 2. For the duration of Resolution 2, the Meeting will be chaired by a Non-Executive Director, expected to be Thomas McKeith. As Chairman of the Meeting during Resolution 2, this Non-Executive Director will also be entitled to exercise any undirected proxies in respect of Resolution 2 as the express authorisation on the Proxy Form to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP is given to the Chairman of the Meeting (and not any one individual).

“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act.

Proxies

A shareholder of Evolution (**Member**) entitled to attend and to vote at the General Meeting is entitled to appoint a proxy to attend and to vote instead of the Member. The proxy need not be a Member and can be an individual or a body corporate.

If a Member appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Annual General Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the General Meeting.

If such evidence is not received before the General Meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

Members are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Member's voting rights. If the Member appoints two proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise half of the votes. On a show of hands, neither proxy may vote if more than one proxy attends.

Any directed proxies that are not voted on any poll at the General Meeting by a Member's appointed proxy will automatically default to the Chairman of the General Meeting, who is required to vote proxies as directed on a poll.

A proxy must be signed by the Member or his/her attorney duly authorised in writing or, if the Member is a corporation, in accordance with the Corporations Act. The Proxy Form and the power of attorney or other authority (if any) under which

the Proxy Form is signed, or a copy or facsimile which appears on its face to be an authentic copy of that proxy, power or authority, must be returned to Evolution's share registry at an address given below by no later than 10.00am (Sydney time) on 19 June 2017:

Online: The Proxy Form can be lodged online by visiting www.linkmarketservices.com.au. Select 'Investor Login' and enter Evolution Mining Limited in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your Proxy Form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

By mail: Evolution Mining Limited
c/o Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

By hand: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

By fax: (+61 2) 9287 0309

A Proxy Form accompanies this Notice of General Meeting.

To be valid, a Proxy Form and the Power of Attorney under which it is signed or proof thereof must be to the satisfaction of the Directors of Evolution.

Evolution reserves the right to declare invalid any proxy not received in this manner.

BY ORDER OF THE BOARD OF EVOLUTION



Evan Elstein
Company Secretary
Dated: 12 May 2017

Explanatory Memorandum

This Explanatory Memorandum is for the information of Members in connection with resolutions to be considered at the General Meeting of Evolution to be held on 21 June 2017 at 10.00am (Sydney time).

This Explanatory Memorandum is dated 12 May 2017.

1. Information regarding acquisitions of relevant interests in Evolution Shares (Resolution 1)

1.1. Overview

La Mancha Group International B.V. (**La Mancha**) currently has a 'relevant interest' (as defined in the Corporations Act) in 475,144,992 Evolution shares, representing approximately 28.24% of Evolution's issued shares. This relevant interest arises as follows:

- La Mancha is the beneficial owner of 351,292,058 Evolution Shares (representing approximately 20.88% of Evolution's issued shares). These shares are held by a Citibank group entity as custodian for La Mancha;
- La Mancha has a deemed 'relevant interest' under the Corporations Act in an additional 123,852,934 Evolution Shares (representing approximately 7.36% of Evolution's issued shares) by virtue of an equity derivative collar financing arrangements which La Mancha entered into with Citigroup Global Markets Limited, as referred to in Evolution's announcement to the ASX on 24 March 2017.

La Mancha first became an Evolution shareholder when it was issued Evolution shares as consideration for Evolution's acquisition of La Mancha's Australian operations. La Mancha has been a strong supporter of Evolution's growth strategy and has since invested additional equity on two occasions to assist with funding the transformational acquisitions of Cowal and the economic interest in Ernest Henry. La Mancha currently has two nominees on the Evolution Board, being Naguib Sawiris and Sébastien de Montessus.

The Sawiris family, which manages La Mancha, wishes to undertake a reorganisation (the **Reorganisation**) under which the shares in an indirect holding company of La Mancha, Marchmont Limited (**Marchmont**), will be transferred to Mrs. Yousriya Loza-Sawiris, and then potentially transferred by her to another member of the Sawiris Family Group (defined in section 1.3 below). The Sawiris family has advised that the Reorganisation is for family estate and financial planning purposes, and that the transfer of the shares in Marchmont Limited to Mrs. Yousriya Loza-Sawiris, and any potential transfer by her to any member(s) of the Sawiris Family Group (defined in section 1.3 below), would each be for no consideration.

While the reorganisation is internal to the La Mancha Group, because La Mancha has a relevant interest in more than 20% of Evolution, and because Mrs Yousriya Loza-Sawiris (and any other Sawiris family member who acquires the Marchmont shares from her) will be deemed to acquire a relevant interest in La Mancha's Evolution shares if she/they acquire the shares in Marchmont, the reorganisation cannot proceed without approval of Evolution shareholders in a general meeting under the takeover provisions of the Australian Corporations Act. La Mancha cannot vote its shares on that resolution.

This is the purpose of Resolution 1 in the attached Notice of General Meeting.

As required by ASIC policy, Evolution has engaged an independent expert, Ernst & Young Transaction Advisory Services Limited, to provide a report on whether the disadvantages of the proposed reorganisation outweigh the advantages to Evolution shareholders other than La Mancha. The Independent Expert's Report is attached as Appendix A of this document.

In its Independent Expert's Report, the Independent Expert concludes that the disadvantages of the Proposed Reorganisation do not outweigh the advantages, the key reason being that the Independent Expert considers there to be no impact of the Proposed Reorganisation on Evolution shareholders other than La Mancha. Shareholders are encouraged to read the Independent Expert's Report in full.

The Independent Expert, in its Independent Expert's Report, also states that:

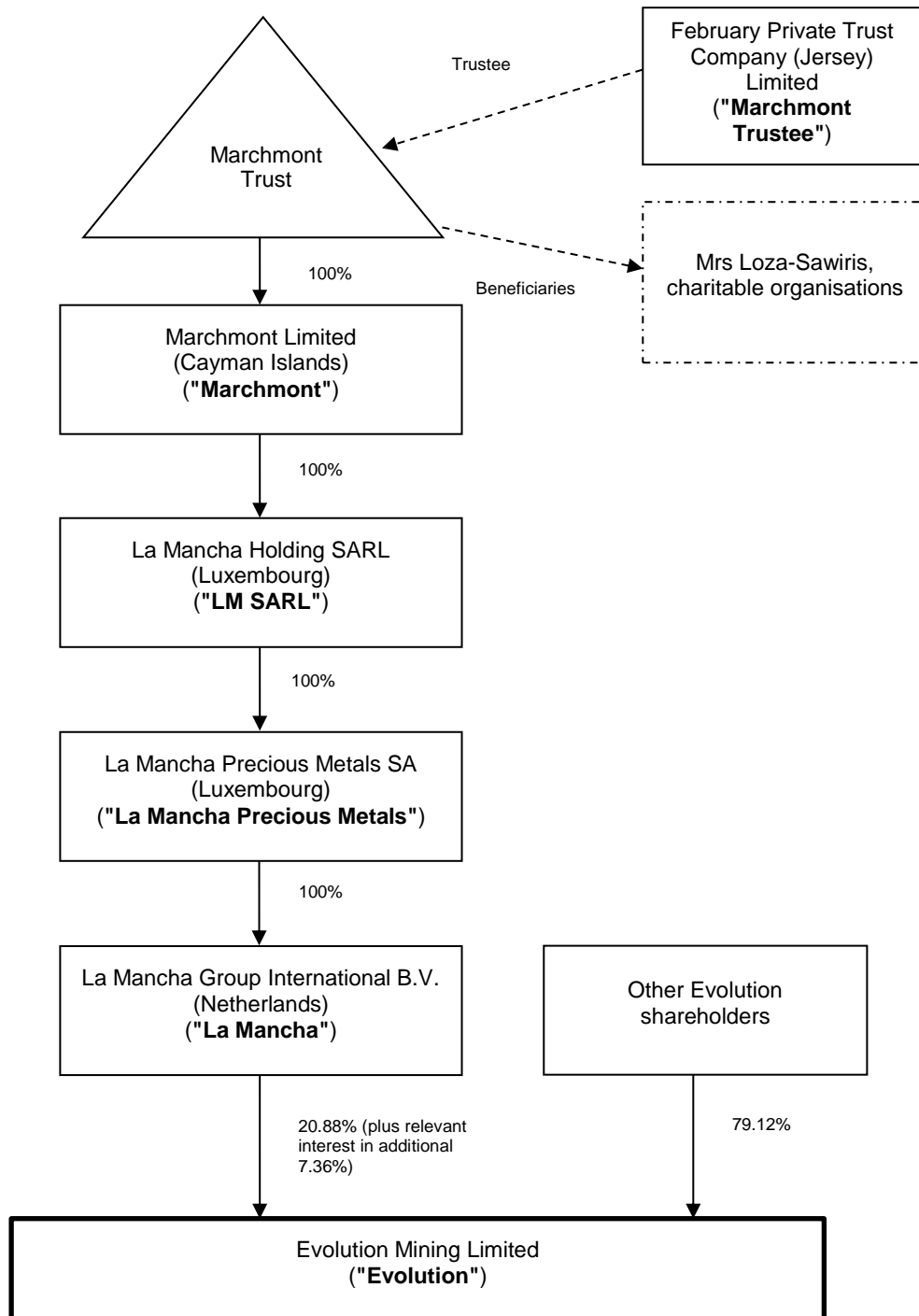
"A reason for voting to approve the Proposed Reorganisation would be to assist the Sawiris family, as a material, and historically supportive, shareholder in Evolution (via La Mancha BV [ie. La Mancha Group International B.V.]) to complete a transfer of shares for family estate and financial planning purposes. While we do not consider this to be a significant advantage, in the absence of any material disadvantage we do consider

it to be worthy of consideration by the Non Associated Shareholders."

1.2. Current ownership and control of La Mancha

The current ownership of La Mancha Group International B.V., the entity holding the La Mancha Group's shares in Evolution, is shown in the diagram on the next page.

Diagram 1: Current ownership of La Mancha



All of the shares in La Mancha are legally and beneficially owned by La Mancha Precious Metals SA (**La Mancha Precious Metals**), a Luxembourg company. All of the shares in La Mancha Precious Metals are legally and beneficially owned by La Mancha Holding S.à r.l. (**LM SARL**), a Luxembourg company.

All of the shares in LM SARL are legally and beneficially owned by Marchmont Limited (**Marchmont**), a Cayman Islands company.

All of the shares in Marchmont are held by February Private Trust Company (Jersey) Limited (**Marchmont Trustee**), a Jersey company, as trustee of a discretionary trust called Marchmont Trust. The discretionary beneficiaries under the Marchmont Trust comprise Mrs. Yousriya Loza-Sawiris and certain charitable organisations.

As Mrs. Loza-Sawiris is a discretionary beneficiary under the Marchmont Trust, La Mancha takes the view that Mrs Loza-Sawiris does not currently have a relevant interest in the Evolution Shares in which La Mancha has a relevant interest.

1.3. Proposed transfers

The Sawiris family, which manages La Mancha, wishes to proceed with an internal reorganisation within the La Mancha Group. The reorganisation is for family estate and financial planning purposes.

The proposed Reorganisation involves the following transfers, which would occur within 12 months after the date of the General Meeting:

- Marchmont Trustee as trustee of Marchmont Trust would transfer 100% of the shares in Marchmont to Mrs. Loza-Sawiris for no consideration, with the end result being that Mrs. Loza-Sawiris becomes the sole legal and beneficial owner of 100% of the shares in Marchmont (the **Initial Transfer**); and
- Mrs Loza-Sawiris may subsequently transfer 100% of the shares in Marchmont to one or more members of the Sawiris Family Group (as defined below) for no consideration, with the end result being that the relevant member(s) of the Sawiris Family Group become(s) the sole legal and beneficial owner(s) of 100% of the shares in Marchmont (the **Subsequent Transfer**), (collectively the **Transfers**).

For the purposes of this Explanatory Memorandum, **Sawiris Family Group** means:

- (a) Yousriya Loza-Sawiris;
- (b) Onsi Sawiris, being the husband of Yousriya Loza-Sawiris;
- (c) Naguib Sawiris, Nassef Sawiris and Samih Sawiris, being the children of the persons referenced in paragraphs (a) and (b) above, and/or their respective direct lineal descendants;
- (d) a discretionary trust which has as its only beneficiaries one or more of the persons referenced in paragraphs (a), (b) or (c) above; and/or
- (e) a corporation all of the shares in which are legally and beneficially owned or held, directly or indirectly by any one or more of the persons referenced in paragraphs (a), (b), (c) or (d) above.

There is no intention or expectation that the Transfers will have an impact on the current relationship between La Mancha and Evolution. La Mancha has advised that its intention and expectation, and the intention and expectation of the Sawiris family, is that following the Transfers:

- La Mancha will continue to be a supportive strategic partner in Evolution;
- Naguib Sawiris and Sébastien de Montessus will remain La Mancha's nominees on the Evolution Board;
- there will not be any change to the board composition and management of any of La Mancha, LM SARL or Marchmont, and Marchmont, LM SARL and La Mancha will continue to be managed by the Sawiris family and each of Naguib Sawiris and Sébastien de Montessus will remain on the advisory board of LM SARL; and
- La Mancha will continue to be bound by the terms of the agreements it entered into with Evolution in 2015, when La Mancha acquired its original shareholding in Evolution. This includes a restriction on La Mancha disposing of 322,023,765 Evolution Shares prior to 24 August 2017, subject to specific exceptions.

Moreover, the Transfers:

- will not prevent La Mancha from exercising any vote in respect of La Mancha's Evolution Shares, or disposing, in the manner it sees fit, any of La Mancha's Evolution Shares;
- do not require Evolution to issue any new Evolution Shares; and
- do not involve the transfer of the registered ownership in any of the La Mancha Shareholding away from La Mancha's custodian Citicorp Nominees Pty Ltd.

The Initial Transfer will only be completed following:

- Evolution Shareholder approval of the Initial Transfer by passing Resolution 1;
- receipt of Australian foreign investment approval of the Initial Transfer under the *Foreign Acquisitions and Takeovers Act 1975* (Cth); and
- approval of the Initial Transfer by the Financial Conduct Authority in the United Kingdom.

The Subsequent Transfer will only be completed following:

- completion of the Initial Transfer;
- Evolution Shareholder approval of the Subsequent Transfer by passing Resolution 1;
- receipt of foreign investment approval of the Marchmont Transfer under the *Foreign Acquisitions and Takeovers Act 1975* (Cth); and

- a decision by Mrs. Loza-Sawiris to proceed with the Subsequent Transfer.

1.4. Requirement for shareholder approval

By reason of section 606 of the Corporations Act, a person must not acquire a relevant interest in issued voting shares of Evolution through a transaction in relation to securities entered into by or on behalf of that person if, as a result of the transaction, that person or someone else's voting power in Evolution increases:

- from 20% or below to more than 20%; or
- from a starting point that is above 20% and below 90%.

Item 7 of section 611 of the Corporations Act allows Evolution Shareholders to approve an acquisition of relevant interests in Evolution Shares that would otherwise contravene the prohibitions in section 606 of the Corporations Act.

Mrs. Loza-Sawiris will acquire a relevant interest in the Evolution Shares in which La Mancha has a relevant interest as a result of her acquiring all of the shares in Marchmont under the Initial Transfer (note that La Mancha takes the view that Mrs Loza-Sawiris does not currently have a relevant interest in the Evolution Shares in which La Mancha has a relevant interest).

The reason why Mrs. Loza-Sawiris will be taken to acquire a relevant interest in the Evolution Shares in which La Mancha has a relevant interest, as a result of acquiring 100% of the shares in Marchmont, is because that would result in her controlling La Mancha, as Marchmont controls La Mancha (see section 1.3 of this Explanatory Memorandum), and section 608(3)(b) of the Corporations Act provides that a person has the same relevant interests in shares that a body corporate which the person controls has a relevant interest in.

Similarly, if the Subsequent Transfer occurs, the relevant member or members of the Sawiris Family Group would acquire a relevant interest in the Evolution Shares in which La Mancha has a relevant interest as a result of it/them acquiring all of the shares in Marchmont under the Subsequent Transfer (note that La Mancha takes the view that the members of the Sawiris Family Group do not currently have a relevant interest in the Evolution Shares in which La Mancha has a relevant interest).

Again, the reason why the relevant member or members of the Sawiris Family Group will be taken to acquire a relevant interest in the Evolution Shares in which La Mancha has a relevant interest, as a result of acquiring 100% of the shares in Marchmont, is because that would result in it/them controlling La Mancha, as Marchmont controls La Mancha (see section 1.3 of this Explanatory Memorandum), and section 608(3)(b) of the Corporations Act provides that a person has the same relevant interests in shares that a body corporate which the person controls has a relevant interest in.

Accordingly, approval of the Transfers is being sought from Evolution Shareholders by way of Resolution 1 whereby approval is sought for:

- the acquisition by Mrs. Loza-Sawiris of a relevant interest in a maximum of 475,144,992 issued ordinary shares in Evolution (which currently represents 28.24% of the Evolution Shares on issue) as a result of her acquiring all of the shares in Marchmont under the Initial Transfer; and
- the acquisition by the relevant member or members of the Sawiris Family Group of a relevant interest in a maximum of 475,144,992 issued ordinary shares in Evolution (which currently represents 28.24% of the Evolution Shares on issue) as a result of the member acquiring all of the shares in Marchmont under any Subsequent Transfer.

1.5. Other information relating to the Transfers

(a) Identity of the proposed acquirers of relevant interests in Evolution Shares and their associates

About Mrs. Loza-Sawiris

Mrs. Loza-Sawiris holds a Bachelor of Commerce from Cairo University (1970) as well as an MBA from the American University in Cairo (1982). She is an alumna of Harvard University's Executive Education Programs (1998-2011). During her studies she trained at Price Waterhouse (1969-1971). She joined Ford Foundation regional office in Cairo, as a Senior Financial Officer, Regional Office for the Middle East and North Africa (1971-1981) where she registered as auditor. She thereafter opened a private audit office where she specialized in auditing non-profit organizations.

Mrs. Loza-Sawiris is currently Chairwoman and Managing Director of the Enhancement of Integrated Services and Waste Recycling, which she founded in 2008. In addition, she has founded and served on the board of several organizations in Egypt, including the Sawiris Foundation for Social Development, the Association for the Protection of the Environment, "Ana El Masry" (I the Egyptian), Banati Organizations for Street Children, the Egyptian Liver Care Society and the Gouna Nursing Institute. She has also served as a

Board Member of the National Council for Women, the National Council for Childhood and Motherhood, the Social Fund for Development, the Egyptian Water and Wastewater Regulatory Agency, the Cleveland Clinic International Leadership Board, the Sustainable Waste Resources International and the Magdi Yacoub Heart Foundation. In addition, Mrs. Loza-Sawiris served as a member of the Egyptian Parliament from 1995 to 2000.

Mrs. Loza-Sawiris has received numerous awards for her work, including the AUC Distinguished Alumni Award in 1998, the Global Women's Leadership Award in 2006, the Future Generation Foundations Women Leadership Award in 2007, the Ashoka Arab World Award for Distinction and Entrepreneurship in 2009, and the Clinton Global Initiative Award in 2010. She was also named one of Women's eNews' 21 Leaders for the 21st century in 2012. In 2014, the authority of the Board of Trustees of the American University in Cairo conferred upon Mrs. Loza-Sawiris the Degree of Doctor of Philosophy *honoris causa* in recognition of her accomplishments as an environmental advocate, pioneering philanthropist and long-time supporter of the University.

Mrs. Loza-Sawiris currently has no Associates with a relevant interest in Evolution Shares.

About the Sawiris Family Group

The Sawiris family has substantial interests in the telecom, construction and fertiliser, cement, mining, real estate and hotel development industries and other businesses.

Dr. Onsi Sawiris

Founder of Orascom Group

In 1976, Mr. Onsi Sawiris founded Orascom, a leading private sector contractor working in partnership with international companies. Mr. Sawiris is Chair of Orascom Construction Industries, the Egyptian Cement Company (ECC), Orascom Trading Company, Orascom Technology Systems, AIG Insurance, the YMCA in Cairo, and the Egyptian–Scandinavian Business Association in Egypt. He is Honorary Chair and member of the Board of Directors of Mobinil. Mr. Onsi Sawiris has been awarded an honorary Doctoral Degree in recognition of his contribution to business and philanthropy.

Mr. Naguib Sawiris

Executive Chairman & CEO - Orascom Telecom Media and Technology Holding

Chairman - Orascom TMT Investments S.à r.l.

Chairman of the Advisory Board - La Mancha Holding S.à r.l.

Chairman – Euronews

Naguib Sawiris is Chairman of the Board of Orascom TMT Investments S.à r.l., Chairman of the Advisory Board of La Mancha Holding S.à r.l. and is also the Executive Chairman of Orascom Telecom, Media and Technology Holding S.A.E.

Since joining Orascom, the family business, in 1979, Naguib Sawiris has continuously worked for the growth and diversification of the company into what it is today – one of Egypt's largest and most diversified conglomerates and the country's largest private sector employer. Mr. Sawiris oversaw the growth of the railway, information technology, and telecommunications sectors of Orascom.

Mr. Sawiris also advised and negotiated the full acquisition of La Mancha Resources Inc., an international gold producer, and was appointed as Chairman of the Advisory Board of La Mancha Holding S. à r.l. in 2012. In 2015, La Mancha closed two landmark transactions; the first one with Evolution Mining to create the second largest gold producer in Australia, and the second one with Endeavour Mining Corporation to create Africa's third largest mining company. La Mancha is the largest shareholder both companies.

In 2015, Mr. Sawiris also advised and negotiated the acquisition of 53% of Euronews, the most watched news channel in Europe, and one of the leading channels worldwide, reaching approximately 425 million households across 158 countries in 13 language editions. Mr. Sawiris is currently the Chairman of the Board of Euronews.

At international and regional levels, Mr. Sawiris served on several boards, committees and councils:

- Founding member of the London Stock Exchange Group's Africa Advisory Group
- Member of the Board of Trustees and the Executive Committee of Tahya Misr, a development fund under the direct supervision of the President of Egypt
- Member of the Board of Trustees of Nile University (NU)
- Member of the International Advisory Committee to the New York Stock Exchange (NYSE) Board of Directors (IAC) since November 2005
- Board member of the International Advisory Board to the National Bank of Kuwait
- Member of both the Board of Trustees and the Board of Directors of the Arab Thought Foundation
- Member of the Board of Trustees of the French University in Egypt (UFE)
- Vice-Chair of Sawiris Foundation for Social Development

- Member of the Egyptian Council for Foreign Affairs
- Board member of the Consumer Rights Protection Association of Egypt

Mr. Sawiris is also the recipient of numerous honorary degrees, industry awards and civic honors, including the Honor of Commander of the "Legion d'Honneur" (the highest award given by the French Republic for outstanding services rendered to France). In July 2011 Mr. Sawiris was awarded the Honor of Commander of the Order of the "Stella della Solidarietà Italiana" (Star of Italian Solidarity) for his outstanding contribution to the Italian economy through investments in Italy. In 2006, the prestigious "Sitara-e-Quaid-e-Azam" award was conferred upon him by General Pervez Musharref for services rendered to the people of Pakistan in the field of telecommunication, investments and social sector work.

Mr. Sawiris holds a diploma of Mechanical Engineering with a Masters in Technical Administration from the Swiss Federal Institute of Technology Zurich (ETH Zürich) and a Diploma from the German Evangelical School, Cairo, Egypt. Mr. Sawiris is married, with four children and lives in Cairo. He speaks Arabic, English, German and French.

Mr. Nassef Sawiris

Chief Executive Officer of Orascom Construction Industries (OCI N.V)

Mr. Nassef Sawiris holds a Bachelor of Arts in Economics from the University of Chicago. In 1998, he became CEO of Orascom Construction Industries (OCI) in 1998 and has since expanded the family business into an international corporation. OCI, is one of the largest nitrogen fertilizer producers in the world. It has plants in Texas, and is building facilities in Iowa. Originally Orascom Construction Industries, Sawiris split the company into two entities in 2015. Orascom Construction now trades on Egypt's exchange and Nasdaq Dubai, while OCI, the fertilizer and chemicals business, trades on the Euronext Amsterdam exchange. Sawiris also owns nearly 5% of cement giant LafargeHolcim, and 7% of Adidas. A University of Chicago graduate, he established in 2015 a scholarship program named after his father, Onsi. The funds benefit Egyptian students.

He was also a board member of NASDAQ Dubai from July 2008 - June 2010 where he is still a board member, and currently sits on the boards of Besix (Belgium) and NNS Holding (Luxembourg), and is a director at LafargeHolcim. He was on the board of directors of the Cairo & Alexandria Stock Exchanges from 2004 to 2007, and in July 2008 was appointed as a board director at the Dubai International Financial Exchange (DIFX).

Mr. Samih Sawiris

Chairman of ODH

After receiving his Diploma in economic engineering from the Technical University of Berlin in 1980, Mr. Sawiris founded his first company, National Marine Boat factory. In 1996 he established Orascom Projects for Touristic Development and in 1997 Orascom Hotels Holdings, the two companies that later merged to form Orascom Hotels & Development S.A.E (OHD). He has served as CEO and chairman of OHD since its incorporation and he also serves as chairman or as a member of the board of a number of Orascom Development subsidiary companies and he is the executive Chairman of the Board of Directors and CEO of Orascom Development Holding AG.

Starting with one hotel, a few villas, and a marina, Mr. Samih Sawiris has grown El Gouna, located in a remote spot on the Red Sea coast, into an internationally-renowned resort. OHD is the owner and operator of 22 hotels in El Gouna and Taba. Mr. Samih Sawiris is currently developing a luxury resort in the Alpine village of Andermatt in Switzerland. He was a member of the Board of Trustees of the Peggy Guggenheim Museum in Venice.

Furthermore, Mr. Sawiris established El Gouna Beverages Company in 1998 which he sold in 2001 when it was the largest beverage company in Egypt.

In 2011 he took a 12.5% stake in Swiss football club FC Luzern.

(b) Voting power in Evolution

Initial Transfer

Person	Relevant interest in Evolution Shares pre-Initial Transfer	Voting power in Evolution pre-Initial Transfer	Relevant interest in Evolution Shares resulting from Initial Transfer	Voting power in Evolution resulting from Initial Transfer (which represents maximum voting power)
Mrs. Loza-Sawiris	0	0.00%	475,144,992	28.24%
Associates	N/A	N/A	N/A	N/A
Total	0	0.00%	475,144,992	28.24%

Subsequent Transfer

Person	Relevant interest in Evolution Shares pre-Subsequent Transfer	Voting power in Evolution pre-Subsequent Transfer	Relevant interest in Evolution Shares resulting from Subsequent Transfer	Voting power in Evolution resulting from Subsequent Transfer (which represents maximum voting power)
Member(s) of the Sawiris Family Group	0	0.00%	475,144,992	28.24%
Associates	N/A	N/A	N/A	N/A
Total	0	0.00%	475,144,992	28.24%

(c) Details of material agreements

No contracts or proposed contracts between Mrs. Loza-Sawiris or members of the Sawiris Family Group, on the one hand, and Evolution, on the other hand, are conditional upon, or are directly or indirectly dependent on, approval of the Transfers and the resulting acquisition by Mrs. Loza-Sawiris or any member of the Sawiris Family Group of a relevant interest in the La Mancha Total Interest.

However, La Mancha has executed a Deed Poll in favour of Evolution in which La Mancha undertakes to bear all costs incurred by Evolution in connection with this General Meeting and Transfers, and indemnifies Evolution and its directors against all liabilities incurred in connection with this General Meeting and Transfers. The Deed Poll also contains a warranty by La Mancha that the La Mancha Information complies in all respects with applicable law, and is not misleading or deceptive in any material respect (including because of any material omission).

(d) Intentions regarding Evolution

There is no intention by Mrs. Loza-Sawiris or by a member of the Sawiris Family Group as a result of the approval of Resolution 1 to:

- change the business, operations or structure of Evolution;
- inject further capital into Evolution;
- change the future employment of Evolution's employees;
- redeploy any fixed assets of Evolution; or
- change the financial or dividend policies of Evolution.

(e) Interests of Evolution Directors

Naguib Sawiris is the executive chairman of LM SARL and a member of the Advisory Board of LM SARL. He is also the son of Mrs. Loza-Sawiris. Sébastien de Montessus is a member of the Advisory Board of LM SARL.

As such, Naguib Sawiris and Sébastien de Montessus are considered to have an interest in Resolution 1.

No other Evolution Director has an interest in Resolution 1.

1.6. Board resolution to seek shareholder approval

All of the Evolution Directors (with Naguib Sawiris and Sébastien de Montessus abstaining as interested Evolution Directors by virtue of the matters referred to in section 1.5(e)) approved the proposal to put Resolution 1 to Evolution Shareholders and this Explanatory Memorandum.

1.7. Board recommendation

Each Evolution Director (other than Naguib Sawiris and Sébastien de Montessus who do not make a recommendation in relation to Resolution 1 due to their interest in the matters), recommends that Evolution Shareholders vote to approve Resolution 1.

In making this recommendation, the Evolution Directors have had regard to the opinion of the Independent Expert commissioned to prepare the Independent Expert's Report which is attached to this Explanatory Memorandum.

The reasons for this recommendation are:

- Ernst & Young Transaction Advisory Services Limited, the Independent Expert engaged by Evolution, has concluded in its Independent Expert's Report (attached as Appendix 1 to this document) that the disadvantages of the Proposed Reorganisation do not outweigh the advantages, the key reason being that the Independent Expert considers there to be no impact of the Proposed Reorganisation on Evolution shareholders other than La Mancha. It is also the Evolution Directors' view that the Proposed Reorganisation will have no impact on Evolution shareholders other than La Mancha.
- Approval of Resolution 1 will assist La Mancha and the Sawiris family to proceed with the Reorganisation, which La Mancha has advised is for family estate and financial planning purposes, whilst not resulting in any material detriment to Evolution or Evolution Shareholders. This is because:
 - La Mancha has executed a Deed Poll in favour of Evolution in which La Mancha undertakes to bear all costs incurred by Evolution in connection with this General Meeting and Transfers, and indemnifies Evolution and its directors against all liabilities incurred in connection with the Reorganisation and this General Meeting;
 - the Reorganisation will not affect La Mancha's shareholding in Evolution, or the equity derivative collar financing arrangements which La Mancha entered into with Citigroup Global Markets Limited and which were referred to in Evolution's announcement to the ASX on 24 March 2017, under which La Mancha is deemed to have a 'relevant interest' in Evolution Shares;
 - La Mancha has advised that it will continue to be a supportive strategic partner in Evolution;
 - Naguib Sawiris and Sébastien de Montessus will remain La Mancha's nominees on the Evolution Board;
 - La Mancha has advised that there will not be any change to the board composition and management of any of La Mancha, LM SARL or Marchmont, and that Marchmont, LM SARL and La Mancha will continue to be managed by the Sawiris family and each of Naguib Sawiris and Sébastien de Montessus will remain on the advisory board of LM SARL;
 - La Mancha will continue to be bound by the terms of the agreements it entered into with Evolution in 2015, when La Mancha acquired its original shareholding in Evolution. This includes a restriction on La Mancha disposing of 322,023,765 Evolution Shares prior to 24 August 2017, subject to specific exceptions.

It is recognised there may be reasons why an Evolution Shareholder might not wish to vote to approve Resolution 1, notwithstanding the recommendation of the Evolution Board to vote in favour. An Evolution Shareholder might not share the view of the Independent Expert and the Evolution Directors that the Proposed Reorganisation will have no impact on Evolution shareholders other than La Mancha.

2. Information regarding proposed issue of Performance Rights to Mr Jacob (Jake) Klein (Resolution 2)

2.1. Background

On 16 December 2015, Evolution released an announcement regarding an Employment Retention Agreement (the **Retention Agreement**) with its Executive Chairman, Jake Klein. At that time, Evolution agreed to issue 3,750,000 'Retention Rights' which, if vested, would result in Mr Klein receiving 3,750,000 Evolution Shares for nil consideration. It was proposed that all of the Retention Rights would vest at the end of 3 years subject to Mr Klein's continuing tenure, subject to Evolution Shareholder approval.

Shortly prior to last year's annual general meeting, Evolution withdrew a proposed shareholder resolution to approve the issue of such Retention Rights. This was following feedback received from Evolution Shareholders and proxy advisors who had expressed an in-principle concern regarding the absence of performance conditions attaching to the Retention Rights.

Evolution has subsequently engaged Mercer (Australia) Pty Ltd, an independent remuneration consultancy, to assist with structuring a revised retention incentive scheme as a Transition Incentive Plan for Mr Klein that aligns with Evolution's remuneration philosophy and growth ambitions while mitigating concerns expressed by shareholders and proxy advisors. The revised proposal, which is the subject of Resolution 2, is described below. The invitation to Mr Klein to be issued 3,750,000 Retention Rights under the previous proposal has been withdrawn.

The revised proposal is designed to secure the services of Mr Klein for a fourth year to at least 16 December 2019 and continue his strong focus on long term value creation for Evolution Shareholders while further strengthening alignment between executive remuneration and shareholder/business objectives.

2.2. Proposed issue of Performance Rights

It is proposed that Evolution issue to Mr Klein 3,375,000 performance rights (the **Performance Rights**) on the terms and conditions of Evolution's Employee Share Option and Performance Rights Plan (**Plan**).

ASX Listing Rule 10.14 requires shareholder approval for the acquisition of securities by a director under an employee incentive scheme. If approved, the approval applies to the issue of the Performance Rights and the issue of Evolution Shares (if any) on the vesting of the Performance Rights. Resolution 2 is seeking shareholder approval for the issue of the Performance Rights to Mr Klein.

The Evolution Directors (with Mr Klein abstaining) consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not also required in respect of the issue of the Performance Rights or the issue of Evolution Shares (if any) on the vesting of the Performance Rights as they constitute reasonable remuneration for the purposes of section 211(1) of the Corporations Act for these reasons:

- the issue of Performance Rights is a cost-effective and efficient incentive and retention mechanism when compared to other forms of incentive, taking into account the circumstances of Evolution; and
- the primary purpose of the issue of Performance Rights is to provide an appropriate remuneration framework which is designed to incentivise, reward and retain Mr Klein for the ongoing transformation of Evolution in a manner which aligns with shareholder expectations and thereby provide certainty and continuity to Evolution in light of Evolution's recent corporate activities.

The Performance Rights will be issued in accordance with the rules of the Plan and in a single tranche to be tested against the vesting conditions described in section 2.3 as at 16 December 2019 (being the date which is 4 years after Evolution announced the original Retention Agreement referred to in section 2.1). Subject to the satisfaction of the vesting conditions of the Performance Rights and to any adjustment in accordance with the rules of the Plan (e.g. upon a reconstruction of securities), Mr Klein will be entitled to exercise vested Performance Rights and, following such exercise, to be issued one Evolution Share for each vested Performance Right that is exercised. No amount will be payable by Mr Klein to receive each such Evolution Share.

2.3. Vesting conditions

The Performance Rights will only vest on 16 December 2019 (the **Vesting Date**) if Mr Klein remains an employee and executive director of Evolution up to and including the Vesting Date.

The number of Performance Rights which vest on the Vesting Date will depend on the extent to which the vesting conditions have been satisfied for the relevant period.

The vesting conditions will be based on:

Measure	Weighting
Evolution's relative total shareholder return (TSR) measured against the TSR for a peer group of 20 comparator gold mining companies (Peer Group Companies)	40%
Evolution's absolute TSR return	40%
Achievement of strategic objectives	20%
Mr Klein remains an employee and executive director up to and including the Vesting Date	

The Peer Group Companies for the Performance Rights comprise the following

Acacia Mining PLC	Centerra Gold	Gold Fields	Regis Resources NL
Alacer Gold Corp	Detour Gold Corp	IAMGOLD Corp	Resolute Mining Ltd
Alamos Gold Inc	Dundee Precious Metals Inc	New Gold Inc	Saracen
B2Gold Corp	Endeavour Mining Corporation	Northern Star Resources NL	Semafo Inc
Centamin Egypt Inc	Eldorado Gold	Oceana Gold Corp	St Barbara

The Evolution Board has the discretion to adjust the composition and number of the Peer Group Companies on an annual basis for each year's Performance Rights grant, to take into account events including, but not limited to, takeovers, mergers and de-mergers that might occur during the relevant period. Any adjustments made to the Peer Group Companies will be disclosed in the Company's remuneration report.

The effective testing date for the Performance Rights is 16 December 2019. Performance Rights that do not vest as at the Vesting Date will lapse immediately.

Relative TSR Performance Rights

40% of the Performance Rights will be tested against Evolution's TSR performance relative to the Peer Group Companies (**Relative TSR Performance Rights**). Evolution's TSR will be based on the percentage by which its 30-day volume weighted average share price on ASX (**VWAP**) at the close of trade on the Vesting Date (plus the value of any dividends paid during the performance period) (**2019 Evolution TSR**) has increased over the company's 30-day VWAP at the close of trade on the 16 December 2015. For the avoidance of doubt, the 30 day VWAP as at 16 December 2015, was \$1.2945 (**2015 Evolution VWAP**).

The TSR for each Peer Group Company will be based on the percentage by which each Peer Group Company's 30-day VWAP at the close of trade on the Vesting Date (plus the value of any dividends paid during the performance period) (each a **2019 Peer Group TSR**) has increased over that company's 30-day VWAP at the close of trade on 16 December 2015.

The proportion of the TSR Performance Rights that will vest will be based on the 2019 Evolution TSR as compared to the 2019 Peer Group TSRs and will be determined as follows:

Level of performance achieved	2019 Evolution Relative TSR performance as compared to the 2019 Peer Group TSRs	% of Relative TSR Performance Rights vesting
Threshold	Equal to Top 50th percentile	33%
	Above the top 50th percentile and below the top 25th percentile	Straight-line pro-rata between 33% and 66%
Target	Equal to Top 25th percentile	66%
	Above the top 25th percentile and below the top 10th percentile	Straight-line pro-rata between 66% and 100%
Exceptional	Equal to Top 10th percentile or above	100%

Absolute TSR Performance Rights

40% of the Performance Rights will be tested against Evolution's absolute TSR performance relative to the 2015 Evolution VWAP (**Absolute TSR Performance Rights**), measured as the cumulative annual TSR over the four year performance period ending 16 December 2019.

Level of performance achieved	2019 Evolution Absolute TSR performance	% of Absolute TSR Performance Rights vesting
Threshold	Equal to 10% per annum return	33%
	Above 10% per annum return and below 15% per annum return	Straight-line pro-rata between 33% and 66%
Target	Equal to 15% per annum return	66%
	Above 15% per annum return and below 20% per annum return	Straight-line pro-rata between 66% and 100%
Exceptional	Equal to above 20% per annum return	100%

Achievement of strategic objectives

20% of the Performance Rights will be tested against Evolution's achievement of its strategic objectives, including the successful integration and delivery of economic outcomes of the Cowal Gold Mine and Ernest Henry acquisitions. The achievement of strategic objectives will be determined by the Evolution Board by referencing the Life of Mine/Stage H cutback and dual leach project as approved by the Evolution Board and announced on the ASX platform on 16 February 2017 in relation to the Cowal asset; and for Ernest Henry, by referencing the performance of the investment approved by the Evolution Board and announced ASX on 24 August 2016.

2.4. Other key aspects of Performance Rights

In the event of a person becoming:

- the legal or beneficial owner of 50% or more of the Evolution's issued shares; or
- entitled to, acquiring, holding or having a relevant interest in more than 50% of the issued share capital of Evolution,

all Performance Rights which have not already lapsed will vest, subject to the absolute discretion of the Evolution Board.

The Performance Rights are also subject to the Plan – refer to the Evolution website.

2.5. Disclosure for the purposes of ASX Listing Rule 10.15

To enable Evolution Shareholder approval to be effectively obtained under ASX Listing Rule 10.14, the following disclosures are made pursuant to ASX Listing Rule 10.15.

- Mr Klein is a director of Evolution;
- the maximum number of Performance Rights that can be issued to Mr Klein under this approval is 3,375,000;
- there is no loan proposed in relation to the proposed issue of Performance Rights to Mr Klein;
- the Performance Rights are intended to be issued to Mr Klein as soon as practicable after the Meeting and in any event not later than 12 months after the Meeting;
- vested Performance Rights will result in the issue of Evolution Shares on a one-for-one basis;
- there is no price payable on the issue of Performance Rights or on the issue of Evolution Shares upon exercise of vested Performance Rights; and
- the following grants under the Plan have been made to persons to which ASX Listing Rule 10.14 applies since the Plan was last approved by Evolution Shareholders at the 2014 Annual General Meeting:
 - shortly following 2016 Annual General Meeting – 748,622 performance rights to Mr Klein for nil acquisition price;
 - shortly following 2016 Annual General Meeting – 299,364 performance rights to Mr Conway for nil acquisition price;
 - shortly following 2016 Annual General Meeting 27,857 performance rights to Mr Klein for nil acquisition price;
 - shortly following 2016 Annual General Meeting 6,694 performance rights to Mr Conway for nil acquisition price;

- shortly following 2015 Annual General Meeting – 1,397,197 performance rights to Mr Klein for nil acquisition price;
 - shortly following 2015 Annual General Meeting – 335,232 performance rights to Mr Conway for nil acquisition price;
 - shortly following 2014 Annual General Meeting – 2,229,965 performance rights to Mr Klein for nil acquisition price; and
 - shortly following 2014 Annual General Meeting – 536,347 performance rights to Mr Conway for nil acquisition price.
- Evolution's Executive Directors, being Mr Klein and Mr Conway, are the only persons referred to in ASX Listing Rule 10.14 entitled to participate in the Plan.

As Evolution Shareholder approval for Resolution 2 is sought under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

For the voting exclusion statements applicable to Resolution 2, please refer to the "Voting Exclusion Statements" section of the Notice of General Meeting.

2.6. Other proposed arrangements

It is further proposed that Mr. Klein's fees for services provided as Executive Chairman of Evolution be increased from \$200,000 to \$300,000 per year with effect from 1 July 2017. The increase is benchmarking-related and recognises that there has been no increase in fees or fixed remuneration for a number of years. This proposed increase is not subject to Evolution Shareholder approval. Only the proposed issue of Performance Rights is subject to Evolution Shareholder approval as contemplated by Resolution 2.

2.7. Board recommendation

Each Evolution Director (with Mr Klein abstaining), recommends that Evolution Shareholders vote to approve Resolution 2.

3. Consents

La Mancha has given, and has not, before the date of this Explanatory Memorandum, withdrawn its written consent to the inclusion of the La Mancha Information and the references to that information in the form and context in which it is included in this Explanatory Memorandum.

Ernst & Young Transaction Advisory Services Limited as Independent Expert has given, and has not, before the date of this Explanatory Memorandum, withdrawn its written consent to the inclusion of the Independent Expert's Report in Appendix 1 and references to that report in the form and context in which they are included in this Explanatory Memorandum.

Each person referred to in this section 3 has not caused or authorised the issue of this Explanatory Memorandum and does not make or purport to make any statement in this Explanatory Memorandum or any statement on which a statement in this Explanatory Memorandum is based and takes no responsibility for any part of this Explanatory Memorandum, other than as noted above.

4. Glossary

In the Explanatory Memorandum, unless the context otherwise appears, the following terms have the meanings shown below.

Term	Meaning
ASIC	the Australian Securities and Investments Commission.
Associate	the meaning given in section 12(2) of the Corporations Act on the basis that Evolution is the 'designated body'.
Corporations Act	the <i>Corporations Act 2001</i> (Cth), as modified from time to time by class orders and legislative instruments issued by ASIC.
Evolution	Evolution Mining Limited (ABN 74 084 669 036).
Evolution Board	the board of directors of Evolution
Evolution Director	a director of Evolution
Evolution Shareholders	each person who is registered as the holder of an Evolution Share in the Evolution share register (at the relevant time).

Term	Meaning
Evolution Shares	fully paid ordinary shares in the capital of Evolution
Independent Expert	Ernst & Young Transaction Advisory Services Limited (ABN 87 003 599 844)
Independent Expert's Report	the report attached to this Explanatory Memorandum as Attachment 1.
Initial Transfer	the meaning given in section 1.3 of this Explanatory Memorandum.
La Mancha	La Mancha Group International B.V., a company incorporated in the Netherlands.
La Mancha Group	The trustee of, and discretionary beneficiaries under, the Marchmont Trust; Marchmont; LM SARL; and La Mancha.
La Mancha Information	all of the information in sections 1.1 to 1.5 (both inclusive) of this Explanatory Memorandum, plus the information in the sub-bullet points underneath the second bullet point in section 1.7 of this Explanatory Memorandum.
La Mancha Nominees	Naguib Sawiris and Sébastien de Montessus.
LM SARL	La Mancha Holding S.à r.l., a company registered in Luxembourg.
Marchmont	Marchmont Limited, a company incorporated and existing under the laws of the Cayman Islands, registered with the Registrar of Companies of Cayman Islands under number OG-253234
Marchmont Trust	the meaning given in section 1.2 of this Explanatory Memorandum
Meeting	the general meeting of Evolution Shareholders convened by the Notice of General Meeting.
Mrs. Loza-Sawiris	Yousriya Loza-Sawiris
Notice of General Meeting	the notice of meeting accompanying this Explanatory Memorandum.
Performance Rights	the meaning given in section 2.2.
Plan	the meaning given in section 2.2
Proxy Form	the proxy form for the Meeting accompanying this Explanatory Memorandum.
relevant interest	the meaning given in sections 608 and 609 of the Corporations Act.
Reorganisation	the meaning given in section 1.1 of this Explanatory Memorandum.
Sawiris Family Group	the meaning given in section 1.3 of this Explanatory Memorandum.
Subsequent Transfer	the meaning given in section 1.3 of this Explanatory Memorandum.
Transfers	the Initial Transfer and Subsequent Transfer.
voting power	the meaning given in section 610 of the Corporations Act.

Appendix 1 – Independent Expert's Report



Independent Expert's Report and Financial Services Guide

Evolution Mining Limited in relation to item 7 of Section 611
of the Corporations Act

12 May 2017



**Building a better
working world**

Part 1 – Independent Expert’s Report

The Independent Directors
Evolution Mining Limited
Level 30, 175 Liverpool Street
Sydney NSW 2000

12 May 2017

Dear Directors

Independent Expert’s Report in relation to item 7 of Section 611 of the Corporations Act

Background

La Mancha Group International B.V. (“La Mancha BV”) currently has a ‘relevant interest’, as defined in the *Corporations Act 2001* (“Corporations Act”), in 28.24%¹ of the issued shares of Evolution Mining Limited (“Evolution”). We have been informed by La Mancha BV that La Mancha Holding S.à r.l. (“La Mancha Holding”), an indirect parent company of La Mancha BV, is a privately-held natural resource investment vehicle. We are also informed by La Mancha BV that the Chairman of the Advisory Board of La Mancha Holding is Naguib Sawiris, and that La Mancha Holding is the entity in which the strategic orientation and investment decisions of the La Mancha group are undertaken.

La Mancha BV has informed the Directors of Evolution not associated with the Sawiris family (the “Independent Directors”) that the Sawiris family wishes to proceed with an internal reorganisation of certain Sawiris family assets (the “Proposed Reorganisation”).

The Proposed Reorganisation involves a transfer of all of the shares in Marchmont Limited (“Marchmont”), the legal and beneficial owner of all of the shares in La Mancha Holding and therefore the indirect holding company of La Mancha BV. The shares in Marchmont will be transferred from February Private Trust Company (Jersey) Limited, as trustee of Marchmont Trust (a discretionary trust of which Mrs Yousriya Loza-Sawiris (“Mrs Loza-Sawiris”) (the mother of Naguib) and charitable organisations are beneficiaries) (the “Marchmont Trust”), to be directly held by Mrs Loza-Sawiris. That transfer will be for no consideration.

There is also a potential subsequent further transfer of Marchmont shares from Mrs Loza-Sawiris to one or more member(s) of the ‘Sawiris Family Group’ (as defined in section 1.1 of this report), in each case for no consideration. This potential subsequent transfer is also part of the Proposed Reorganisation.

While the Proposed Reorganisation does not directly involve any dealings in Evolution shares, La Mancha BV has a ‘relevant interest’ (as defined in the Corporations Act) in greater than 20% of Evolution’s total issued shares. Therefore Mrs Loza-Sawiris (and any other member of the Sawiris Family Group to whom the Marchmont shares would be subsequently transferred from her) will be deemed to acquire a ‘relevant interest’ (as defined in the Corporations Act) in the Evolution shares in which La Mancha BV has a relevant interest if she (or any other member of the Sawiris Family Group) acquires all of the shares in Marchmont. As a result, the Proposed Reorganisation cannot proceed without the approval of Evolution’s shareholders in a general meeting under the provisions of the Corporations Act.

The relevant interest in Evolution shares which is held by La Mancha BV is not changing as a consequence of the Proposed Reorganisation and Naguib Sawiris would remain Chairman of the Advisory Board of La Mancha Holding.

¹ La Mancha BV is the beneficial owner of approximately 20.88% of Evolution’s issued shares, and in addition has a deemed ‘relevant interest’ under the Corporations Act in an additional 7.36% of Evolution shares by virtue of equity derivative collar financing arrangements which La Mancha BV has entered into with Citigroup Global Markets Limited, as referred to in Evolution’s announcement to the ASX on 24 March 2017

The Sawiris family has stated that the reorganisation of shares in Marchmont is for family estate and financial planning purposes. As a result of the Proposed Reorganisation, Mrs Loza-Sawiris (and any other member of the Sawiris Family Group to whom the Marchmont shares are subsequently transferred to from her) will hold a relevant interest in 28.24% of the issued shares in Evolution (i.e. the shares in which La Mancha BV has a relevant interest)².

The intention to undertake the Proposed Reorganisation has been set out in a deed poll provided by La Mancha BV to Evolution requesting a general meeting of Evolution shareholders to seek approval pursuant to item 7 of section 611 of the Corporations Act (the “Deed Poll”). The Deed Poll also states that all costs in relation to the general meeting will be borne by La Mancha BV.

As set out in the Explanatory Memorandum, Evolution shareholders other than La Mancha BV (the “Non Associated Shareholders”) are to consider a resolution seeking approval of the Proposed Reorganisation at a general meeting of Evolution that is to be held on or about 21 June 2017. If the Proposed Reorganisation is approved and all the other conditions precedent are satisfied or waived (if applicable), we are advised that it is intended that the Proposed Reorganisation will occur within 12 months of the approval. We recommend that Evolution shareholders read the Explanatory Memorandum to obtain a full understanding of the Proposed Reorganisation.

Requirement for an independent expert’s report

In accordance with guidelines provided by the Australian Securities and Investment Commission (“ASIC”), Evolution has engaged Ernst & Young Transaction Advisory Services Limited (“EY Transaction Advisory Services”) as an independent expert, to outline the advantages and disadvantages of the Proposed Reorganisation to the Non Associated Shareholders.

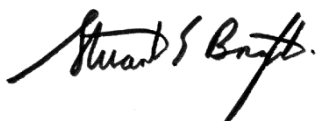
Accordingly, we have prepared this independent expert’s report (“IER”) to state whether, in our opinion, the disadvantages of the Proposed Reorganisation outweigh the advantages to Non Associated Shareholders and set out the matters considered in paragraph 42 of ASIC issued Regulatory Guide 111: *Contents of expert reports* (“RG 111”).

Summary of our opinion

Considering the nature and purpose of the Proposed Reorganisation, we have not identified any advantages or disadvantages to the Non Associated Shareholders. The factors we have considered are set out in detail in section 4.

Taking into consideration the matters detailed in this IER, in the opinion of EY Transaction Advisory Services, the disadvantages of the Proposed Reorganisation do not outweigh the advantages.

Yours faithfully
Ernst & Young Transaction Advisory Services Limited



Stuart Bright
Director and Representative



Ken Pendergast
Director and Representative

² Explanatory Memorandum, sect 1.1, paragraph 4

Report contents

This IER sets out the different factors we have considered in forming our opinion. The key sections of this IER are as follows:

Part 1 – Independent Expert’s Report

Section 1: Overview of the Proposed Reorganisation	Page 1
Section 2: Scope of the IER	Page 4
Section 3: Overview of Evolution, La Mancha BV and the Sawiris family	Page 7
Section 4: Evaluation of the transaction	Page 9
Appendix A - Statement of qualifications and declarations	Page 11
Appendix B - Sources of information	Page 12
Appendix C - Glossary	Page 13
<i>Part 2 – Financial Services Guide</i>	Page 14

1. Introduction

1.1 Overview of the Proposed Reorganisation

La Mancha BV has a 'relevant interest', as defined in the Corporations Act, in approximately 28.24% of the issued shares of Evolution.

The Sawiris family has informed the Independent Directors that it wishes to proceed with the Proposed Reorganisation. As part of the Proposed Reorganisation, February Private Trust Company (Jersey) Limited, being the trustee of Marchmont Trust, will transfer certain assets into the direct ownership of Mrs Loza-Sawiris. The Sawiris family has stated that the Proposed Reorganisation is for family estate and financial planning purposes.

The Proposed Reorganisation includes a transfer of all of the shares in Marchmont, the legal and beneficial owner of all of the shares in La Mancha Holding and therefore the indirect holding company of La Mancha BV. The shares in Marchmont will be transferred directly to Mrs Loza-Sawiris. The transfer will be for no consideration³.

There is also a potential subsequent further transfer of Marchmont shares from Mrs Loza-Sawiris to one or more member(s) of the Sawiris Family Group of all of the shares in Marchmont, also for no consideration.

The structure of the Proposed Reorganisation is detailed below.

The intention to undertake the Proposed Reorganisation was set out in the Deed Poll. The Deed Poll also states that all costs in relation to the shareholders meeting (including the IER) will be borne by La Mancha BV. Additional details relating to these costs are outlined in the Deed Poll. La Mancha BV has agreed to indemnify Evolution, and keep Evolution indemnified, against any failure by La Mancha BV to comply with all information requirements in relation to the Proposed Reorganisation. The Deed Poll also confirms that information provided to Evolution complies in all respects with applicable law, and is not misleading or deceptive in any material respect (including because of any material omission).

As a result of the Proposed Reorganisation, through her holding of Marchmont, Mrs Loza-Sawiris (and any other member of the Sawiris Family Group to whom the Marchmont shares are subsequently transferred from her) would hold a relevant interest in 28.24% of the issued shares of Evolution. As such, even though the Proposed Reorganisation does not directly involve dealings in Evolution shares, the Proposed Reorganisation cannot proceed without the approval of the Non Associated Shareholders under the provisions of the Corporations Act⁴.

Should the Proposed Reorganisation be implemented, the following transfers would occur within 12 months after the date of the general meeting:

- (i) February Private Trust Company (Jersey) Limited, as trustee of Marchmont Trust, would transfer 100% of the shares in Marchmont to Mrs Loza-Sawiris for no consideration, with the end result being that Mrs Loza-Sawiris becomes the sole legal and beneficial owner of 100% of the shares in Marchmont; and
- (ii) Mrs Loza-Sawiris may subsequently transfer 100% of the shares in Marchmont to one or more member(s) of the Sawiris Family Group (as defined below) for no consideration, with the end result being that the relevant member(s) of the Sawiris Family Group become(s) the sole legal and beneficial owners of 100% of the shares in Marchmont

³ Explanatory Memorandum, Sec 1.1 paragraph 3

⁴ Explanatory Memorandum, Sec 1.1, paragraph 4

Section 606 of the Corporations Act provides that a person must not acquire a relevant interest in issued voting shares of a listed Australian company (such as Evolution) through a transaction in relation to securities if, as a result of the transaction, that person or someone else's voting power in that company increases⁵:

- ▶ From 20% or below to more than 20%; or
- ▶ From a starting point that is above 20% and below 90%.

Item 7 of Section 611 of the Corporations Act provides that an acquisition of a relevant interest in the voting shares of a company will be exempt from the operation of Section 606 if the transaction is approved by a resolution passed at a general meeting of the company in which the acquisition was made. La Mancha BV will not be allowed to vote on the resolutions. Therefore, the shareholders of Evolution, other than La Mancha BV, will be asked to vote on a proposed resolution to approve the transfer of shares in Marchmont to Mrs Loza-Sawiris and the potential subsequent transfer by her to one or more member(s) of the Sawiris Family Group.

The 'Sawiris Family Group' means:

- (i) Mrs Loza- Sawiris;
- (ii) Onsi Sawiris, being the husband of Mrs Loza-Sawiris;
- (iii) Naguib Sawiris, Nassef Sawiris and Samih Sawiris, being the children of the persons referenced in paragraphs (i) and (ii) above, and/or their respective direct lineal descendants;
- (iv) A discretionary trust which has as its only beneficiaries one or more of the persons referred to in paragraphs (i), (ii) or (iii) above; and/or
- (v) A corporation, all of the shares in which are legally and beneficially owned or held, directly or indirectly, by any one or more of the persons referred to in paragraphs (i), (ii), or (iii) or (iv) above.

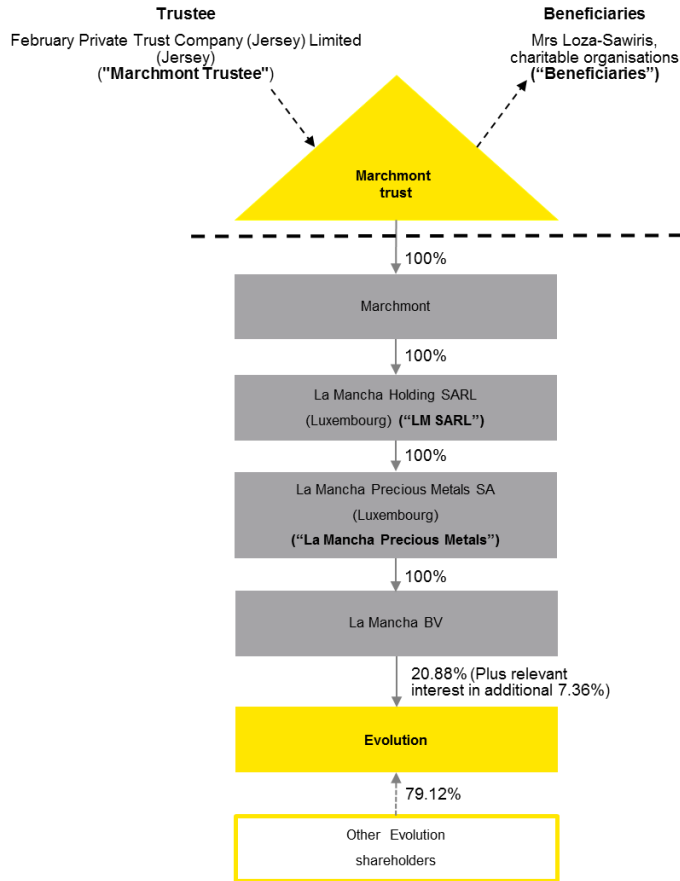
Each director (other than Naguib Sawiris and Sébastien de Montessus due to their interest in the matter as La Mancha BV representatives⁶) has recommended that Evolution shareholders vote in favour of the Proposed Reorganisation. The Directors have stated they intend to do so in regards to their own voting rights in Evolution.

The diagrams on the following page provides a summary of the holding company structure which is subject to the Proposed Reorganisation.

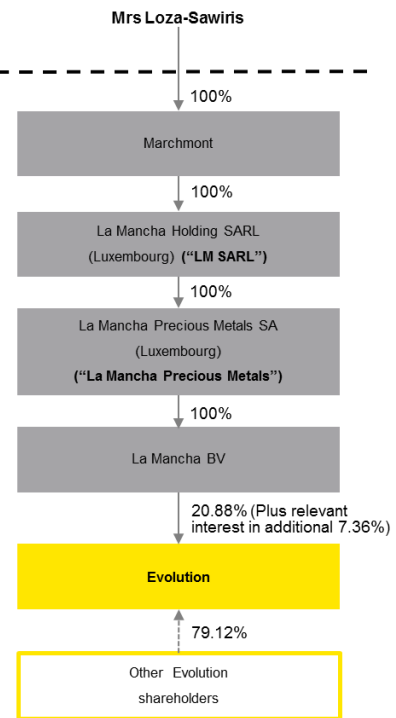
⁵ Corporations Act S606(1(c))

⁶ Source: Explanatory Memorandum, sec1.5(e)

**Current structure
(pre Proposed Reorganisation)**



**Proposed structure
(post Proposed Reorganisation)**



Source: Evolution Explanatory Memorandum

In respect of the diagram, we make the following observations:

- ▶ The Proposed Reorganisation only relates to the shares in Marchmont. The shares in Marchmont are to be transferred from February Private Trust Company (Jersey) Limited, as trustee of Marchmont Trust of which Mrs Loza-Sawiris is a beneficiary, to Mrs Loza-Sawiris
- ▶ Mrs Loza-Sawiris is a beneficiary of the Marchmont Trust. Marchmont Trustee, as trustee of Marchmont Trust, would transfer 100% of the shares in Marchmont to Mrs Loza-Sawiris for no consideration, with the end result being that Mrs Loza-Sawiris becomes the sole legal and beneficial owner of 100% of the shares in Marchmont. Mrs Loza-Sawiris may subsequently transfer 100% of the shares in Marchmont to one or more members of the Sawiris Family Group for no consideration, with the end result being that the relevant member(s) of the Sawiris Family Group become(s) the sole legal and beneficial owner(s) of 100% of the shares in Marchmont. As such, the shares in Marchmont are, or would be, owned by the Marchmont Trust, Mrs Loza-Sawiris or one or more members of the Sawiris Family Group. The Proposed Reorganisation does not involve any change in shareholding of any company in the structure below Marchmont (illustrated by the dotted line in the diagram)
- ▶ The operations and management functions within Marchmont, La Mancha Holding, La Mancha Precious Metals, and La Mancha BV will not change as a result of the Proposed Reorganisation (that is, this is a share transfer only)

2. Scope of the independent expert's report

2.1 Purpose of the report

The Independent Directors of Evolution have engaged EY Transaction Advisory Services to prepare an IER in relation to the Proposed Reorganisation as required under the ASIC regulatory guides.

Accordingly, we have prepared this IER to state whether, in our opinion, the disadvantages of the Proposed Reorganisation outweigh the advantages to Evolution shareholders other than La Mancha BV (the Non Associated Shareholders) and set out the matters considered.

2.2 Basis of evaluation

Neither the Corporations Act nor the ASX Listing Rules define the opinion to be provided by an independent expert in the context of item 7 of Section 611 of the Corporations Act. ASIC has issued RG 111 which provides some direction as to the opinion to be provided in these circumstances.

Sections 41 to 46 of RG 111 deal with sales of securities under item 7 of Section 611 of the Corporations Act. RG 111.41 clarifies that item 7 envisages that security holders not associated with the transaction must approve the transaction, because it could cause them to forgo:

- ▶ The opportunity to receive a takeover bid
- ▶ Sharing in any premium for control

Sections 43 to 46 of RG 111 focus on the assessment of these two key issues.

The circumstances of the requirement for shareholder approval of the Proposed Reorganisation are rare, meaning that there is limited precedent and limited guidance regarding the opinion to be provided.

We do not consider the two factors listed in RG 111.41 to be relevant in the context of the Proposed Reorganisation, given that the transaction does not directly involve Evolution shares, is being undertaken for no consideration. Whilst RG 111 focuses on control premium, we note that there can be no implied control premium from the Proposed Reorganisation given that the consideration is nil. Further, we do not consider that the Proposed Reorganisation has any bearing on, or provides any indication of, future takeover offers for Evolution.

Notwithstanding the lack of clarity provided by the sections discussed above, RG 111.42 provides that:

“The expert should identify the advantages and disadvantages of the proposal to security holders not associated with the transaction. In contrast with the analysis for an issue of shares approved under item 7 of section 611 (“s611”), the expert should provide an opinion either:

(a) that the advantages of the proposal outweigh the disadvantages; or

(b) that the disadvantages of the proposal outweigh the advantages.”

Since the Proposed Reorganisation does not involve an issue of shares but rather a transfer of shares in an indirect holding company of a company which has a relevant interest in Evolution shares, we consider this guidance to be relevant to us. Further, given that there is no proposed transaction in Evolution shares themselves and the Proposed Reorganisation will be for nil consideration, and therefore no price upon which to consider fairness, we consider that a qualitative (rather than quantitative) assessment is appropriate in this case. As such, we consider that RG 111.42(b) above is the relevant opinion for this IER.

In undertaking our assessment of the Proposed Reorganisation we have had regard to a number of references including ASIC Regulatory Guidelines, in particular, RG 111 and Regulatory Guide 112 *Independence of experts* (“RG 112”). This report has also been prepared in accordance with APES 225 *Valuation Services* issued by the Accounting Professional & Ethical Standards Board Limited in July 2008 (revised May 2012).

A glossary summarising the abbreviations we have used in this report is contained in Appendix C - *Glossary*.

2.3 Independence

Prior to accepting this engagement, we considered our independence with respect to Evolution and La Mancha BV with reference to RG 112. In our opinion, we are independent of Evolution, La Mancha BV, Marchmont and the Sawiris family, being Mrs Loza-Sawiris, her husband Onsi Sawiris and their three children Naguib, Nassef and Samih Sawiris.

EY Transaction Advisory Services, Ernst & Young (“EY”), and global affiliations, have not provided any services to Evolution or La Mancha BV in relation to the Proposed Reorganisation.

EY has previously provided professional services to Evolution. These professional services were or are in respect of matters not related to the Proposed Reorganisation. We do not consider these services to compromise our independence.

2.4 Limitations and reliance on information and technical experts

We have considered a number of sources of information in preparing our report and arriving at our opinion. These sources of information are detailed in Appendix B – *Sources of information*.

The information provided to us for the preparation of our report has been evaluated through analysis, enquiry and review for the purposes of forming an opinion as to whether the disadvantages of the Proposed Reorganisation outweigh the advantages to the Non Associated Shareholders. We also held discussions with management of Evolution and La Mancha BV in relation to the Proposed Reorganisation. However, we do not warrant that our enquiries have identified all of the matters that an audit, an extensive examination or tax investigation might disclose.

In forming our opinion we have also assumed that:

- ▶ Matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so and that there are no material legal proceedings, other than as publicly disclosed
- ▶ The assessments by Evolution and its advisers with regard to legal, regulatory, tax and accounting matters relating to the transaction are complete and accurate
- ▶ The publicly available information relied upon by us in our analysis was accurate and not misleading
- ▶ The Proposed Reorganisation will be implemented in accordance with its terms.

To the extent that there are legal issues relating to assets, properties, or business interests or issues relating to compliance with applicable laws, regulations and policies, we assume no responsibility and offer no legal opinion or interpretation on any issue.

The statements and opinions given in this IER are given in good faith and in the belief that such statements and opinions are not false or misleading. This report should be read in the context of the full qualifications, limitations and consents set out in Appendix A – *Statement of qualifications and declarations* of this report.

We provided draft copies of this IER to the Independent Directors and management of Evolution for their comments as to factual accuracy, as opposed to opinions, which are the responsibility of us alone.

Amendments made to this IER as a result of this review by the Independent Directors and management of Evolution have not changed the conclusions reached by us.

2.5 Shareholders' decisions

This IER constitutes general financial product advice only. In forming our opinion we have considered the interests of Evolution's Non Associated Shareholders as a whole, and we have not considered, nor is it practical or possible to consider, the individual circumstances of each Evolution shareholder. The decision to vote for or against the Proposed Reorganisation is a matter for individual shareholders. Evolution shareholders should consider the advice in the context of their own circumstances, including investment objectives, liquidity preferences, risk profiles, tax position and expectations of future market conditions. Shareholders should also have regard to the Deed Poll prepared by La Mancha BV and also the Explanatory Memorandum prepared by the Independent Directors and management of Evolution. Shareholders who are in doubt as to the action they should take in relation to the Proposed Reorganisation should consult their own professional adviser.

EY Transaction Advisory Services has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is included as Part 2 of this report.

3. Overview of Evolution and La Mancha BV

3.1 Evolution

Evolution is a listed Australian gold production and exploration company headquartered in Sydney. As at 31 December 2016, the group's operations included six wholly-owned operating gold mines: Cowal in New South Wales, Cracow, Mt Carlton and Mt Rawdon in Queensland and Mungari and Edna May in Western Australia. In addition, Evolution holds an economic interest in the Ernest Henry mine, in Queensland, that will deliver 100% of future gold and 30% of future copper and silver produced from an agreed life of mine area. Outside of the life of mine area Evolution will have a 49% interest in future copper, gold and silver production from Ernest Henry⁷.

Evolution is the second largest ASX-listed Australian gold producer. At 31 December 2016 Evolution's gold ore reserves were estimated to be 231Mt at a grade of 0.94g/t for 6.99moz of gold. Gold mineral resources at 31 December 2016 were estimated to be 589Mt at a grade of 0.75g/t gold for 14.18moz of gold. Evolution's copper ore reserves were estimated to be c.23Mt at a grade of 0.94% for 212kt of copper. Copper mineral resources at 31 December 2016 were estimated to be c.217Mt at a grade of 0.48% for 1,034kt of copper⁸.

The company was incorporated under the name Westonia Mines Limited ("Westonia") in 1998 and listed on the ASX in 2002⁹, raising capital to continue exploration and evaluation of the historical Edna May open pit mine. Westonia changed its name to Catalpa Resources Limited ("Catalpa") in 2008 under which it redeveloped Edna May mine and constructed a gold processing plant, with production commencing in April 2010¹⁰.

On 30 July 2015, La Mancha BV became Evolution's largest shareholder and strategic partner acquiring 322 million shares and agreeing to subscribe for 124 million additional shares, representing 31% of total shares at the time. As part of this transaction, Evolution acquired La Mancha BV's Australian gold assets, namely the Mungari gold mine.

La Mancha BV has since participated in additional Evolution equity raises. La Mancha BV currently has a relevant interest in approximately 475 million Evolution shares representing 28.24% of total shares on issue. The second largest shareholder holds approximately 7% of the total shares on issue in Evolution¹¹.

⁷ Ernest Henry Site Visit and Operating Update 22 March 2017

⁸ Annual mineral resources and ore reserves statement 20 April 2017

⁹ Evolution ASX Listing 2002, pg. 1

¹⁰ Edna-May-Fact-Sheet_November-2016_web.pdf

¹¹ Evolution FY16 Annual Report (data as at 21 September 2016)

3.2 Sawiris family and La Mancha BV

La Mancha BV is a privately-held natural resource investment vehicle. We are informed by La Mancha BV that the Chairman of the Advisory Board of La Mancha Holding is Naguib Sawiris and that La Mancha Holding is the entity where the strategic orientation and investment decisions of the La Mancha group are being taken.

3.2.1 Sawiris family

The Sawiris family is an Egyptian family, which manages a diverse portfolio of interests across various sectors and in various parts of the world. For the purposes of this document, the ‘Sawiris family’ refers to one or more of Mrs Loza-Sawiris, her husband Onsi Sawiris, and their three sons Naguib, Nassef and Samih and their families.

Onsi Sawiris founded the Orascom conglomerate operating in various business spheres, including construction, telecommunications and tourism.

Mrs Loza-Sawiris is the Chairwoman and Managing Director of the Enhancement of Integrated Services and Waste Recycling, and has founded and served on the board of several organisations in Egypt, including the Sawiris Foundation for Social Development, The Association for the Protection of the Environment, Banati Organizations for Street Children, The Egyptian Liver Care Society and The Gouna Nursing Institute.

3.2.2 La Mancha BV

The La Mancha group holds substantial shareholdings in Evolution (c.28.24%¹²) and the La Mancha group also holds substantial holdings in Endeavour Mining Corporation (“Endeavour”) (c.29.9%¹³) in West Africa, as well as other assets. The actual details of all of La Mancha BV’s holdings are not reported publicly, as La Mancha BV is a private company.

Endeavour is a West African gold producer with operating gold mines in Mali, Ghana, Burkina Faso and Cote d’Ivoire. The shares of Endeavour are listed on the Toronto Stock Exchange (stock exchange ticker TSX:EDV). After initially investing in November 2015, the La Mancha group is the largest shareholder in Endeavour with a 29.9% interest. Sébastien de Montessus is the CEO, President and Director of Endeavour, and Naguib Sawiris is a non-executive director¹⁴.

Since its initial investments, the La Mancha group has been supportive of both Evolution and Endeavour¹⁵. In relation to Evolution, La Mancha BV participated in an equity raisings completed in May 2015 and September 2016¹⁶.

¹² La Mancha BV Deed Poll

¹³ Provided by La Mancha BV, and we note this is broadly in line with 28.1% as noted in Endeavour Mining Corporate presentation February 2017, pg. 3

¹⁴ Endeavour Mining Corporate presentation February 2017, pg. 3

¹⁵ Marketwired 13 June 2016: “Endeavour announces C\$125 bought deal financing”

¹⁶ Evolution Retail Entitlement Offer Booklet 14 September 2016, pg. 74

4. Evaluation of the transaction

As per RG 111, paragraph 42, we have assessed the advantages and disadvantages of the Proposed Reorganisation. The transaction is being undertaken for the Sawiris family estate and financial planning purposes at nil consideration.

In forming our opinion as to whether the disadvantages of the Proposed Reorganisation outweigh the advantages, we have considered the impact, if any, on the Non Associated Shareholders of Evolution.

4.1 Impact of the Proposed Reorganisation

The Proposed Reorganisation has no impact on the Non Associated Shareholders of Evolution. In making this statement, we note:

- ▶ The Proposed Reorganisation does not involve any direct transaction in Evolution shares, and therefore has no impact on the shareholdings of Non Associated Shareholders. The only shares being transferred are the shares in Marchmont, which is an indirect holding company of La Mancha BV. The liquidity of Evolution shares on the ASX should not be any different after the Proposed Reorganisation than before it
- ▶ There is to be no change in the operation and management of Evolution or La Mancha BV and Naguib Sawiris would remain Chairman of the Advisory Board of La Mancha Holding. La Mancha BV's nominee directors in Evolution will not change as a result of the Proposed Reorganisation. La Mancha BV and the Sawiris family have not indicated any change in their intentions regarding La Mancha BV's shareholding in Evolution. Importantly, the Proposed Reorganisation does not change the ability for La Mancha BV (a privately owned vehicle) to influence the management of Evolution in any way, and does not change the ability for Evolution to receive a takeover bid
- ▶ All related transaction costs will be paid by La Mancha BV. There will be no transaction costs borne by Evolution in relation to the Proposed Reorganisation.

4.2 Advantages of the Proposed Reorganisation

The Proposed Reorganisation has no impact on the Non Associated Shareholders of Evolution. As such, we have not identified any advantages specific to the Proposed Reorganisation.

The relevant interest in Evolution held by La Mancha BV is not changing in either of the proposed transfers to Mrs Loza-Sawiris, or in any potential subsequent transfer by her to one or more member(s) of the Sawiris Family Group. La Mancha BV has indicated that it will continue to be supportive of Evolution. Consistent with the resolution seeking approval of the Proposed Reorganisation and in line with Section 606 of the Corporations Act, any subsequent transfer of the shares in Marchmont can only be to one or more member(s) of the Sawiris Family Group. Any other transfer or transaction would need to comply with the Corporations Act, including compliance with the takeover provisions.

A reason for voting to approve the Proposed Reorganisation would be to assist the Sawiris family, as a material, and historically supportive, shareholder in Evolution (via La Mancha BV) to complete a transfer of shares for family estate and financial planning purposes. While we do not consider this to be a significant advantage, in the absence of any material disadvantage we do consider it to be worthy of consideration by the Non Associated Shareholders.

4.3 Disadvantages

The Proposed Reorganisation has no impact on the Non Associated Shareholders of Evolution. After considering the factors noted in section 4.1 above, we have not identified any disadvantages to the Proposed Reorganisation.

4.4 Conclusion

Taking into consideration the matters detailed in this IER, in the opinion of EY Transaction Advisory Services, the disadvantages of the Proposed Reorganisation do not outweigh the advantages. The key reason for this opinion is that we consider there to be no impact of the Proposed Reorganisation on the Non Associated Shareholders.

This IER has been prepared to assist Evolution shareholders in assessing the merits of the Proposed Reorganisation. In doing so, the report provides general information only and does not consider the individual situation, objectives and needs of each Evolution shareholder. On this basis, Evolution shareholders should consider whether this report is appropriate for their circumstances, having regard to their own situation, objectives and needs before relying on or taking action based on this report. If there is any doubt, Evolution shareholders should seek their own professional advice.

Appendix A Statement of qualifications and declarations

EY Transaction Advisory Services, which is wholly owned by EY, holds an Australian Financial Services Licence under the Act and its representatives are qualified to provide this report. The directors of EY Transaction Advisory Services responsible for this report have not provided financial advice to Evolution.

Prior to accepting this engagement, EY Transaction Advisory Services considered its independence with respect to Evolution with reference to RG 112.

This report has been prepared specifically for the Non Associated Shareholders of Evolution in relation to the Proposed Reorganisation. Neither EY Transaction Advisory Services, EY and any employee thereof undertakes responsibility to any person, other than Evolution shareholders, in respect of this report, including any errors or omissions howsoever caused.

The statements and opinions given in this report are given in good faith and the belief that such statements and opinions are not false or misleading. In the preparation of this report EY Transaction Advisory Services has relied upon and considered information believed after due inquiry to be reliable and accurate. EY has no reason to believe that any information supplied to it was false or that any material information has been withheld from it. EY Transaction Advisory Services has evaluated the information provided to it by Evolution, its advisors, as well as other parties, through inquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially mis-stated or would not afford reasonable grounds upon which to base its report. EY Transaction Advisory Services does not imply and it should not be construed that it has audited or in any way verified any of the information provided to it, or that its inquiries could have verified any matter which a more extensive examination might disclose.

The information relied upon in the preparation of this report is set out in Appendix B – *Sources of Information* to this report.

Evolution has provided an indemnity to EY Transaction Advisory Services for any claims arising out of any mis-statement or omission in any material or information provided to it in the preparation of this report.

EY Transaction Advisory Services provided draft copies of this report to Evolution for comments as to factual accuracy, as opposed to opinions, which are the responsibility of EY Transaction Advisory Services alone. Changes made to this report as a result of this review by the Directors and management of Evolution have not changed the methodology or conclusions reached by EY Transaction Advisory Services.

EY Transaction Advisory Services will receive a professional fee based on time spent in the preparation of this report estimated at approximately \$35,000 (exclusive of GST). EY Transaction Advisory Services will not be entitled to any other pecuniary or other benefit whether direct or indirect, in connection with the making of this report.

Mr Stuart Bright, a director and representative of EY Transaction Advisory Services and a partner of EY and Mr Ken Pendergast, a director and representative of EY Transaction Advisory Services and a partner of EY have assumed overall responsibility for this report. Both have the necessary experience and professional qualifications appropriate to the advice being offered. Other staff have been consulted in the preparation of this report where appropriate.

It is not intended that the report should be used for any other purpose other than to be included in the Explanatory Memorandum to be sent to Evolution shareholders with respect to the Proposed Reorganisation. In particular, it is not intended that this report should be used for any other purpose other than as an expression of its opinion as to whether or not the Proposed Reorganisation is fair and reasonable and in the best interests of the Evolution shareholders.

EY Transaction Advisory Services consents to the issue of this report in the form and context in which it is included in the Explanatory Memorandum.

Appendix B Sources of information

In arriving at our views, we have had regard to the following sources of information:

- ▶ Audited financial statements of Evolution.
- ▶ Details of Evolution shareholders as provided by Evolution management.
- ▶ ASX announcements for Evolution.
- ▶ Company websites for Evolution, La Mancha BV and comparable companies.
- ▶ Market data obtained from sources including ThomsonOne, S&P Capital IQ, and Factiva.
- ▶ News articles from the Australian Financial Review and Financial Times.

In addition we held discussions with various members of senior management of Evolution and La Mancha, including Oussama Sawiris of Gemini, Sawiris family office.

Appendix C Glossary

Glossary	
Abbreviation	Full Title / Description
ASIC	Australian Securities and Investment Commission
Corporations Act	Corporations Act 2001
Endeavour	Endeavour Mining Corporation
Evolution	Evolution Mining Limited
GST	Goods and services tax
EY Transaction Advisory Services	Ernst & Young Transaction Advisory Services Limited
IER	Independent Expert Report
La Mancha BV	La Mancha Group International B.V.
La Mancha Holding	La Mancha Holdings SARL (Luxembourg)
Marchmont	Marchmont Limited
Mrs Loza-Sawiris	Mrs Yousriya Loza-Sawiris
Non Associated Shareholders	Evolution shareholders other than La Mancha BV
Proposed Reorganisation	Internal reorganisation of certain Sawiris family assets
RG 111	Regulatory Guide 111 <i>Contents of expert reports</i>
RG 112	Regulatory Guide 112 <i>Independence of experts</i>
Regulations	Corporations Regulations 2001
Sawiris Family Group	<ul style="list-style-type: none"> (i) Mrs Loza- Sawiris (ii) Onsi Sawiris, being the husband of Mrs Loza-Sawiris (iii) Naguib Sawiris, Nassef Sawiris and Samih Sawiris, being the children of the persons referenced in paragraphs (i) and (ii) above, and/or their respective direct lineal descendants (iv) a discretionary trust which has as its only beneficiaries one or more of the persons referred to in paragraphs (i), (ii) or (iii) above; and/or (v) a corporation, all of the shares in which are legally and beneficially owned or held, directly or indirectly, by any one or more of the persons referred to in paragraphs (i), (ii), or (iii) or (iv) above
Westonia	Westonia Mines Limited

Part 2 – Financial Services Guide

THIS FINANCIAL SERVICES GUIDE FORMS PART OF THE INDEPENDENT EXPERT'S REPORT

12 May 2017

1. Ernst & Young Transaction Advisory Services

Ernst & Young Transaction Advisory Services Limited (“EY Transaction Advisory Services” or “we,” or “us” or “our”) has been engaged to provide general financial product advice in the form of an Independent Expert's Report (“IER”) in connection with a financial product of another person. The IER is set out in Part 1.

2. Financial Services Guide

This Financial Services Guide (“FSG”) provides important information to help retail clients make a decision as to their use of the general financial product advice in the IER, information about us, the financial services we offer, our dispute resolution process and how we are remunerated.

3. Financial services we offer

We hold an Australian Financial Services Licence which authorises us to provide the following services:

- ▶ Financial product advice in relation to securities, derivatives, general insurance, life insurance, managed investments, superannuation, and government debentures, stocks and bonds; and
- ▶ Arranging to deal in securities.

4. General financial product advice

In our IER we provide general financial product advice. The advice in the IER does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the IER having regard to your own objectives, financial situation and needs before you act on the advice in the IER. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain an offer document relating to the financial product and consider that document before making any decision about whether to acquire the financial product.

We have been engaged to issue the IER in connection with a financial product of another person. Our IER will include a description of the circumstances of our engagement and identify the person who has engaged us. Although you have not engaged us directly, a copy of the IER will be provided to you as a retail client because of your connection to the matters on which we have been engaged to report.

5. Remuneration for our services

We charge fees for providing reports. These fees have been agreed with, and will be paid by, the person who engaged us to provide the IER. Our fees for such reports are based on a time cost or fixed fee basis. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority. The estimated fee for the IER is \$38,500 (inclusive of GST).

EY Transaction Advisory Services is ultimately owned by Ernst & Young (“EY”), which is a professional advisory and accounting practice. EY may provide professional services, including audit, tax and financial advisory services, to the person who engaged us and receive fees for those services.

Except for the fees and benefits referred to above, EY Transaction Advisory Services, including any of its directors, employees or associated entities should not receive any fees or other benefits, directly or indirectly, for or in connection with the provision of the IER.

6. Associations with product issuers

EY Transaction Advisory Services and any of its associated entities may at any time provide professional services to financial product issuers in the ordinary course of business.

7. Responsibility

The liability of EY Transaction Advisory Services, if any, is limited to the contents of this Financial Services Guide and the IER.

8. Complaints process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial services. All complaints must be in writing and addressed to the AFS Compliance Manager or Chief Complaints Officer and sent to the address below. We will make every effort to resolve a complaint within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service Limited.

9. Compensation Arrangements

The Company and its related entities hold Professional Indemnity insurance for the purpose of compensation should this become relevant. Representatives who have left the Company’s employment are covered by our insurances in respect of events occurring during their employment. These arrangements and the level of cover held by the Company satisfy the requirements of section 912B of the Corporations Act.

<p>Contacting Ernst & Young Transaction Advisory Services</p> <p>AFS Compliance Manager Ernst & Young 200 George Street Sydney NSW 2000</p> <p>Telephone: (02) 9248 5555</p>	<p>Contacting the Independent Dispute Resolution Scheme:</p> <p>Financial Ombudsman Service Limited PO Box 3 Melbourne VIC 3001 Telephone: 1300 78 08 08</p>
---	---

This FSG has been issued in accordance with ASIC Class Order CO 04/1572.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Evolution Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Evolution Mining Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:00am on Wednesday, 21 June 2017 at Level 2, 488 George Street, Hilton Hotel, Sydney NSW 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 2: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 2, even though Resolution 2 is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.


VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

	For	Against	Abstain*
1 Acquisitions of relevant interests in Evolution Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Issue of Performance Rights to Mr Jacob (Jake) Klein	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes.

If you wish to appoint a Director (other than the Chairman) or other member of the KMP or their closely related parties, as your proxy, you must specify how they should vote on Resolution 2 by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 2.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Monday, 19 June 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Evolution Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**