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# ASX Announcement

19 June 2015

## SUCCESSFUL COMPLETION OF RETAIL ENTITLEMENT OFFER

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Evolution Mining Limited (ASX:EVN) ("Evolution") is pleased to advise that it has successfully completed the retail entitlement offer component ("Retail Entitlement Offer") of its fully underwritten 5-for-13 accelerated renounceable entitlement offer ("Offer").

On 25 May 2015 Evolution announced a A\$248 million equity raising to partly fund the transformational acquisition of the Cowal gold mine from Barrick (Australia Pacific) Pty Limited ("Barrick").

Credit Suisse acted as the Sole Lead Manager, Bookrunner and Underwriter on the equity raising. The Retail Entitlement Offer raised gross proceeds of approximately A\$75 million. The Offer received strong support from existing retail shareholders with a take up of 63%.

The bookbuild priced at A\$1.21 per entitlement, resulting in a premium of A\$0.31 per entitlement over the Entitlement Offer price of A\$0.90. The premium will be paid to the renouncing and ineligible retail shareholders (less any applicable withholding tax).

Evolution's Executive Chairman, Jake Klein, commented:

*"We are delighted with the way the Cowal acquisition has been received by the market. The support shown from our existing institutional and retail shareholders for this equity offering has been outstanding."*

*"We now look forward to our next challenge of successfully integrating the Cowal gold mine into Evolution's portfolio and demonstrating the high quality, transformational nature of this acquisition."*

**For further information please contact:**

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## **About Evolution Mining**

Evolution Mining is a leading, growth-focused Australian gold miner. Evolution operates five wholly-owned mines – Cracow, Mt Carlton, Mt Rawdon and Pajingo in Queensland and Edna May in Western Australia.

Group production for FY14 totalled 427,703 ounces gold equivalent at an All-In Sustaining Cost of A\$1,083/oz.

FY15 production guidance from its five existing operating assets is 400,000 – 440,000 ounces gold equivalent at All-in Sustaining Cost in the range of A\$1,050 – A\$1,130/oz.

On 20 April 2015 Evolution announced that it had entered into a binding agreement with La Mancha Group International BV to acquire 100% of La Mancha's Australian operations – the high-grade Frog's Leg underground gold mine, the adjacent White Foil open-pit gold mine and the recently completed 1.5Mtpa Mungari CIL processing plant – all located near Kalgoorlie in Western Australia. The La Mancha Australia acquisition remains subject to conditions including Evolution shareholder approval. Combined current annual production from La Mancha Australia's operations is in the range of 130,000 –160,000 ounces of gold at an AISC of \$A950 – A\$1,000 per ounce.


On 25 May 2015 Evolution announced that it had entered into an agreement with Barrick (Australia Pacific) Pty Limited ("Barrick") to acquire the Cowal gold mine through the purchase of 100% of the shares in Barrick (Cowal) Pty Limited for a price of US\$550 million. The Cowal gold mine in New South Wales is one of Australia's most attractive gold assets. It is a highly sought after, large scale, long life operation with estimated annual production of 230,000 – 260,000 ounces at an AISC of A\$850 – A\$900 per ounce.

## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any securities and neither this announcement nor anything contained in it shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person acting for the account or benefit of a person in the United States, or in any other jurisdiction in which such an offer would be unlawful. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States or to any person acting for the account or benefit of a person in the United States, unless the securities have been registered under the Securities Act or an exemption from the registration requirements of the Securities Act and applicable U.S. state securities laws is available.

This announcement contains forward looking statements about the Company, La Mancha Australia and Cowal. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates, expected costs or production outputs, the outcome and effects of the proposed acquisitions of Cowal and La Mancha and the future operation of the Company, La Mancha and Cowal. To the extent that this announcement contains forward looking information, the forward looking information is subject to a number of risk factors, including those generally associated with the gold industry. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to Evolution as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), Evolution undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance on, future earnings or financial position or performance are also forward looking statements.

Investors should note that it is a requirement of the Australian Securities Exchange listing rules that the reporting of ore reserves and mineral resources in Australia comply with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code) whereas mining companies in other countries may be required to report their ore reserves and/or mineral resources in accordance with other guidelines (for example, SEC Industry Guide 7 in the United States). Investors should



note that while the Company's and La Mancha Australia's mineral resource and ore reserve estimates comply with the JORC Code, and the Cowal ore reserves and mineral resources estimates comply with Canadian NI 43-101 standards, they may not comply with the relevant guidelines in other countries, and do not comply with SEC Industry Guide 7. In particular, SEC Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources, including indicated and inferred resources, in SEC filings. Accordingly, if the Company, La Mancha Australia and Cowal were reporting in accordance with SEC Industry Guide 7, they would not be permitted to report any mineral resources, including indicated and inferred resources, and the amount of reserves reported by each of the Company, La Mancha and Cowal may be lower than their respective estimates. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company, La Mancha Australia or Cowal will be able to legally and economically extract them. In addition, investors should note that under SEC Industry Guide 7, mine life may only be reported based on ore reserves.