

# ASX Announcement

9 October 2015

Level 30  
175 Liverpool Street,  
Sydney, NSW 2000  
www.evolutionmining.com.au

## SEPTEMBER 2015 QUARTER SUMMARY

Evolution Mining (ASX:EVN) is pleased to provide a preliminary summary of its production and financial performance in the September 2015 quarter.

Attributable Group gold production for the quarter was 174,169 ounces at an average all-in sustaining cost (AISC)<sup>1</sup> of A\$882 per ounce. This equates to an AISC of US\$640 per ounce using the average AUD:USD exchange rate for the quarter of 0.726.

With the Cowal and Mungari transactions completed during the quarter, their significant impact on reducing Group costs and increasing cash generation has been immediately evident. Attributable production from Cowal and Mungari reflect 69 days and 37 days of ownership respectively. Total production for the full September quarter was 59,495 ounces for Cowal and 48,538 ounces for Mungari. This equates to a full quarter production from Evolution's seven operating assets of 216,693 ounces.

Evolution has previously guided FY16 attributable gold production of 730,000 – 810,000 ounces at an AISC of A\$990 – A\$1,060 per ounce. Group production, cost and capital guidance for FY16 remains unchanged. Evolution will be in a better position to reassess FY16 guidance in January after completing a full quarter of ownership of all assets during the December quarter.

This September 2015 quarter summary is being released ahead of an Evolution investor road show in Asia commencing on 12 October 2015. Full details of Evolution's quarterly activities will be released on 23 October 2015 and will be accompanied by the usual conference call.

### September quarter 2015 Group production and costs

	Attributable production (koz Au)	C1 cash cost (A\$/oz produced)	All-in sustaining cost <sup>1</sup> (A\$/oz sold)	All-in cost <sup>2</sup> (A\$/oz sold)
Cowal	46.4	415	524	529
Cracow	23.9	669	940	1,024
Edna May	17.8	1,315	1,328	1,462
Mt Carlton	24.2	495	807	974
Mt Rawdon	28.5	441	700	1,115
Mungari	19.1	690	968	1,031
Pajingo	14.3	941	1,284	1,445
<b>Evolution</b>	<b>174.2</b>	<b>631</b>	<b>882</b>	<b>1,015</b>

1. AISC (All-in sustaining cost) includes C1 cash cost, plus royalty expense, sustaining capital expense, general corporate and administration on a per ounce sold basis. Group gold sales for the quarter were 179,256 ounces.

2. AIC (All-in cost) is AISC plus growth (major capital) and discovery expenditure on a per ounce sold basis.

## Mine cash flow

	Mine operating cash flow (A\$M)	Sustaining capex (A\$M)	Major projects capex (A\$M)	Net mine cash flow (A\$M)
Cowal	40.4	(1.5)	0.0	38.9
Cracow	15.5	(2.6)	(3.8)	9.1
Edna May	4.3	(0.5)	(2.4)	1.4
Mt Carlton	29.3	(3.1)	(4.2)	22.0
Mt Rawdon	25.7	(5.1)	(10.7)	9.9
Mungari	22.5	(1.7)	(1.7)	19.0
Pajingo	9.6	(1.3)	(3.6)	4.7
<b>Evolution</b>	<b>147.3</b>	<b>(15.8)</b>	<b>(26.4)</b>	<b>105.0</b>

## Group cash and debt

The Group cash balance at the end of the quarter was A\$58.3 million. This was down from the closing balance at 30 June 2015 of A\$205.8 million due predominantly to the use of funds to close on the Cowal transaction.

The strong operational results during the quarter allowed Evolution to pay A\$77.0 million into the revolver debt facility to reduce Group debt to A\$530.0 million and net debt to A\$481.8 million.

Gearing (unaudited) peaked at 32% at the end of July following the closing of the Cowal acquisition and prior to new equity being issued to La Mancha. This has been reduced to 23% as at 30 September 2015.

A summary of the cash movement during the quarter is as follows:

	A\$ million
<b>Closing balance as at 30 June 2015</b>	<b>205.8</b>
Net mine cash flow	105.0
Corporate and discovery	(10.5)
Debt drawdown for Cowal	607.0
Payment for Cowal	(707.2)
Acquisition and integration costs	(22.8)
Interest expense	(6.6)
Phoenix Gold investment	(5.9)
Working capital movement including product shipped not receipted	(29.5)
Debt repayment	(77.0)
<b>Closing balance as at 30 September 2015</b>	<b>58.3</b>

**For further information please contact:**

Bryan O'Hara  
Group Manager Investor Relations  
Evolution Mining Limited  
Tel: +61 2 9696 2900

Michael Vaughan  
Media Relations  
Fivemark Partners  
Tel: +61 422 602 720

**About Evolution Mining**

Evolution Mining is a leading, growth-focussed Australian gold miner. Evolution operates seven wholly-owned mines – Cowal in New South Wales, Cracow, Mt Carlton, Mt Rawdon and Pajingo in Queensland, and Edna May and Mungari in Western Australia.

Group production for FY15 from Evolution's five original operating assets (prior to completion of the Cowal and Mungari acquisitions) totalled 437,570 ounces gold equivalent at an All-In Sustaining Cost of A\$1,036 per ounce.

Evolution has guided FY16 attributable gold production from all seven operating assets of 730,000 – 810,000 ounces at an AISC of A\$990 – A\$1,060 per ounce.