

ASX ANNOUNCEMENT

Change of management

Evolution Energy Minerals (“Evolution” or the “Company”) announces that effective immediately, Mr Phil Hoskins has been appointed as Managing Director of the Company, as part of a management restructure that sees Mr Trevor Benson move from Executive Chair to Non-Executive Chair.

Mr Hoskins has an intimate understanding of the Company’s Chilalo Graphite Project (“Chilalo”) having been involved from the first drill hole in 2014. Mr Hoskins has over 10 years’ experience operating in Tanzania, an extensive knowledge of the graphite market and well-established relationships with end users of graphite material.

Phil Hoskins, Evolution’s Managing Director, commented:

“The Chilalo Project is an advanced quality asset that is supported by a team with considerable graphite marketing, financing and project delivery experience. Chilalo is strongly positioned for development, and I look forward to working alongside Trevor as we drive towards a construction decision by July 2022.”

The Company’s key focus is on completing the work required to allow for a construction decision by H2 2022. Multiple work streams, all of which are targeted to delivering on that objective, are under way and include:

- Developing a project finance solution with the support of cornerstone investor ARCH Sustainable Resources Fund LP (“ARCH SRF”). ARCH SRF is a specialist investment advisory firm with deep experience in emerging markets, private equity, asset management, ESG matters and has significant project finance expertise and the capacity to access funding required for the development of Chilalo.
- Concluding an agreement with the Government of Tanzania (“GoT”) that provides the framework for the GoT’s 16% free carried interest and other key factors that are fundamental to the development of Chilalo. The Company is especially encouraged by the willingness of the GoT to readily engage with Evolution on the establishment of such an agreement and is heartened by the recent announcements of various arrangements between the GoT and minerals companies operating in Tanzania. The GoT has demonstrated its support for the development of minerals projects and appears to be committed to repositioning Tanzania as a favourable investment destination.
- Negotiation of offtake agreements for the sale of Chilalo graphite concentrate and downstream products such as micronised graphite and expandable graphite. Through the extensive work on marketing and sales completed as part of the definitive feasibility study, the Company has well developed relationships with customers and engagement with those customers to put in place binding sales arrangements is a priority in the coming months.

Michael Bourguignon, Evolution’s Executive Director, Technical, will continue to manage project development, on the ground activities in Tanzania and implementation of the Company’s environmental, social and governance program.

A summary of the key terms of Mr Hoskins’ employment is shown in Schedule 1.

This announcement has been approved for release by the Evolution board of directors.

For further information please contact:

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Schedule 1 – Summary of key terms of employment

1. Position

Managing Director

2. Commencement Date

Commencement date is 24 January, 2022.

3. Term

No fixed term, ongoing until terminated by either party in accordance with the terms of the employment agreement.

4. Remuneration

a. Fixed remuneration

A salary of \$290,000 per annum plus statutory superannuation

b. Equity Incentives

Mr Hoskins is eligible to receive an equity incentive award at the Board's discretion and subject to performance against relevant KPIs. The Board will determine the satisfaction of the KPIs and other guidelines for the determination of any equity incentive bonus that may be paid to Mr Hoskins.

5. Leave

Mr Hoskins is entitled to take four weeks' paid annual leave. Sick, compassionate and parental leave entitlements are in accordance with statutory requirements.

6. Termination

The Company may terminate Mr Hoskins' employment at any time with six months' notice, or at the Company's election, in lieu of notice. Mr Hoskins may terminate employment at any time with three months' notice, or at the Company's election, in lieu of notice. The Company retains the right to terminate employment immediately without notice (or payment in lieu of notice) where summary dismissal is warranted.

7. Other terms

Other terms as are customary for such an agreement.

ABOUT EVOLUTION

Evolution is committed to supplying sustainable graphite solutions for the global green economy and in doing so, create the first net zero carbon graphite mine. A DFS confirmed the opportunity to produce high-quality flake graphite at Chilalo and the Company intends to apply Chilalo flake graphite to downstream processing to produce battery anode material, expandable graphite, micronised graphite and graphite foil.

The Chilalo Project hosts a high-grade mineral resource of 20.1Mt at 9.9% total graphitic carbon (TGC) for 1,991 Kt of contained graphite, as shown in the table below.



Chilalo Mineral Resource Estimate¹

Domain	JORC Code Classification	Zone	Million Tonnes (Mt)	TGC (%)	Contained Graphite (Kt)
High Grade	Indicated	Main	9.2	10.6	982
		North-East	1.0	9.5	100
		All	10.3	10.5	1,082
	Inferred	Main	7.4	9.5	704
		North-East	2.3	8.8	205
		All	9.8	9.3	908
	Indicated + Inferred	All	20.1	9.9	1,991
Low Grade	Inferred	Main	37.8	3.4	1,282
		North-East	9.5	4.1	394
		All	47.3	3.5	1,677
High Grade + Low Grade	Indicated + Inferred	All	67.3	5.4	3,667

The Mineral Resource was estimated within constraining wireframe solids using a core high-grade domain defined above a nominal 5% TGC cut-off within a surrounding low-grade zone defined above a nominal 2% TGC cut-off. The mineral resource is quoted from all classified blocks above a lower cut-off of 2% TGC within these wireframe solids. Differences may occur due to rounding.

¹ The Chilalo Mineral Resource estimate was reported by Evolution in the prospectus dated 28 September 2021, as supplemented by a supplementary prospectus dated 6 October 2021 (collectively, the Prospectus). Evolution confirms that it is not aware of any new information or data that materially affects the Chilalo Mineral Resource estimate included in the Prospectus and that all material assumptions and technical parameters underpinning the Chilalo Mineral Resource estimate in the Prospectus continue to apply and have not materially changed.