



Evolution
MINING

To: Company Announcements Office

From: Evan Elstein

Date: 21 February 2012

Subject: Appendix 3B for Immediate Release to the Market

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Attached for release to the market is the Appendix 3B relating to the conversion of share options into fully paid ordinary shares and the issue of Performance Rights to employees of the Company under the Evolution Mining Limited Employee Share Option and Performance Rights Plan.

Yours sincerely

Evan Elstein
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

EVOLUTION MINING LIMITED (Evolution)

ABN

74 084 669 036

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

A. Ordinary Shares
B. Performance Rights (under the Evolution Share Option and Performance Rights Plan)

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

A. 6,110,606 Fully Paid Ordinary Shares
B. Up to 3,522,727 Performance Rights

3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

A. Ordinary Shares

The ordinary shares have the same terms as existing issued fully paid ordinary shares.

B. Performance Rights

The terms of the Performance Rights Plan are contained in the Notice of Annual General Meeting and Explanatory Memorandum dated 28 October 2011 and the principal terms are summarised below:

Each Performance Right is an entitlement to one fully paid ordinary share, subject to satisfaction of certain Vesting Conditions.

The Performance Rights will be split into two equal tranches:

- The first tranche of Performance Rights will be performance tested as at 30 June 2013 (**First Tranche Performance Rights**).
- The second tranche of Performance Rights will be performance tested as at 30 June 2014 (**Second Tranche Performance Rights**).

The dates on which the Vesting Conditions will be performance tested are each referred to as the Relevant Date(s).

The number of Performance Rights which vest on the Relevant Dates will depend on the extent to which the Vesting Conditions have been satisfied for the relevant period.

The Vesting Conditions will be based on:

- Evolution's relative total shareholder return (**TSR**) measured against the TSR for a peer group of 20 comparator gold mining companies (**Peer Group Companies**); and
- Evolution's net C1 cash costs per ounce ranking amongst the Peer Group Companies

All Performance Rights have a zero exercise price.

Performance Rights which do not vest will lapse immediately.

On vesting, new ordinary fully paid shares in Evolution Mining Limited will be issued.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>A. Ordinary Shares</p> <p>Yes, the ordinary shares will rank equally with the existing fully paid ordinary shares.</p> <p>B. Performance Rights</p> <p>Any shares resulting from the exercise of Performance Rights which vest pursuant to the Evolution Mining Employee Share Option and Performance Rights Plan, will rank equally in all respects with existing issued ordinary shares.</p>
<p>5 Issue price or consideration</p>	<p>A. Ordinary Shares</p> <p>50,000 shares issued as a result of the conversion of share options at an exercise price of \$1.69 with an expiry date 23 February 2012.</p> <p>6,060,606 shares issued as a result of the conversion of share options at an exercise price of \$0.825 with an expiry date 31 March 2014.</p> <p>B. Performance Rights</p> <p>Nil</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>A. Shares</p> <p>The shares have been issued as a result of the conversion of unlisted share options to fully paid ordinary shares.</p> <p>B. Performance Rights</p> <p>The Performance Rights are issued under the Evolution Mining Limited Employee Share Option and Performance Rights Plan.</p>
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>On or about 21 February 2012</p>

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
707,105,713	Fully paid ordinary Shares

9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class	
			Exercise price	Expiry
		329,548	\$0.829	23/12/2013
		329,548	\$1.049	23/12/2013
		329,547	\$1.269	23/12/2013
		272,726	\$1.489	23/12/2013
		56,819	\$0.609	23/12/2013
		113,637	\$0.609	11/03/2014
		113,637	\$0.829	11/03/2014
		113,637	\$1.049	11/03/2014
		113,637	\$1.269	11/03/2014
		629,000	\$1.69	30/06/2015
		505,291	\$1.822	25/11/2016
		6,290	\$1.782	25/11/2016
		15,172	\$1.86	25/11/2016
		454,645	\$1.936	25/11/2016
		634,672	\$1.879	25/11/2016
		346,865	\$2.072	25/11/2016
		1,560,450	\$1.802	25/11/2016
		582,141	\$1.472	25/11/2016
		221,645	\$2.072	18/11/2016
		350,264	\$2.412	18/11/2016
		600,000	\$3.062	26/02/2013
		93,572	\$1.822	25/11/2015
		1,164	\$1.782	25/11/2015
		2,810	\$1.86	25/11/2015
		84,194	\$1.936	25/11/2015
		117,532	\$1.879	25/11/2015
		64,234	\$2.072	25/11/2015
		400,084	\$1.802	25/11/2015
		107,804	\$1.472	25/11/2015
		41,046	\$2.072	18/11/2016
		64,864	\$2.412	18/11/2016
		1,215,000	\$1.27	1/06/2015
		600,000	\$1.84	25/11/2016
		315,000	\$1.40	6/10/2015
		735,000	\$2.13	25/11/2015
		555,000	\$1.88	1/04/2016
		1,650,000	\$1.962	19/10/2012
		(up to)	Performance Rights	
		3, 522,727		

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	

- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has +security holders who will not be sent new issue documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?

- 31 How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1 (Only in respect of the Ordinary Shares)

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- C. the date from which they do
- D. the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- E. the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

N/A

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class
N/A	N/A

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company Secretary

Date: 21 February 2012

Print name:

Evan Elstein