

ASX Announcement

23 November 2017

BUSINESS UPDATE

Evolution Mining Limited (ASX:EVN) provides the following summary of new information that has been released today in the Chairman's address and presentation at the Company's Annual General Meeting.

Operations

Continued strong operational performance in the month of October:

	October 2017	FY18 YTD (Jul - Oct)
Gold produced (oz)	64,373	285,345
AISC ¹ (A\$/oz)	739	772
AISC ² (US\$/oz)	576	607
Operating mine cash flow (A\$M)	67.6	278.0
Net mine cash flow (A\$M)	46.8	205.1

Financial

Exceptional cash generation continues to reduce gearing. As of 31 October 2017:

- Year-to-date EBITDA margin of 54%³
- Net bank debt reduced to A\$282.0 million
- Group cash balance increased by A\$62.9 million⁴ during the month of October to A\$113.0 million
- Total outstanding bank debt remains at A\$395.0 million
- Gearing reduced to 11.3%

Discovery

Continued success at Cowal and Cracow triggers increase in FY18 exploration budget

- Follow-up drilling testing new zone of mineralisation at Cowal E41 West returned⁵:
 - 31m grading 1.01g/t from 298m (E41D2803)
 - 21m grading 2.19g/t from 349m (E41D2804)
 - 88m grading 0.72g/t from 448m (E41D2804)
- Exceptional results at Cracow Imperial Zone with best intercepts returned of:
 - 6.9m grading 46.2 g/t (IMU065)
 - 9.4m grading 25.9 g/t (IMU074)

Management Changes

- Mark Le Messurier, Chief Operating Officer (COO), departing at the end of December 2017
- Bob Falker appointed as new COO commencing in February 2018

1. All-in sustaining cost (AISC) includes cash cost plus royalties, sustaining capital, general corporate and administration expense. Calculated on a per ounce sold basis

2. Using the average AUD:USD exchange rate for October 2017 of 0.7788 and FY18 year-to-date of 0.7868

3. Excluding Edna May

4. Includes A\$38 million received on 3 October 2017 as the balance outstanding for the sale of Edna May

5. Reported intervals provided in this report are downhole widths as true widths are not currently known. An estimated true width (etw) is provided where available

Exploration Highlights

Increase in Group FY18 exploration budget

In FY18, Evolution's initial plan was to invest approximately A\$50.0 million across the Group portfolio in discovery and resource definition drilling. However, with the continued success at Cowal E41 West and the Cracow Imperial Zone, additional funds in the order of A\$5.0 – A\$10.0 million are expected to be invested to follow up on these exciting discoveries.

Cowal

Follow-up drilling at E41 West continues to extend the mineralised zone along strike and down dip of previously reported results (Figure 1). Hole E41D2804 intersected 21m grading 2.19g/t Au from 349m and 88m grading 0.72g/t Au from 448m (Figure 2). The top of mineralisation in E41D2804 occurs approximately 100 strike metres south and 100 metres down-dip of the intercept reported in hole E41D2802 (139m grading 1.17g/t Au¹). In other results, mineralisation was extended closer to surface in hole E41D2803 with a best intercept of 31m grading 1.01 g/t Au from 298m (Figure 1).

Further drilling will be planned following receipt of results for the final hole completed in this phase of drilling (E41D2805). The new drill program will include a number of framework holes to understand the full geologic context of this developing style of mineralisation.

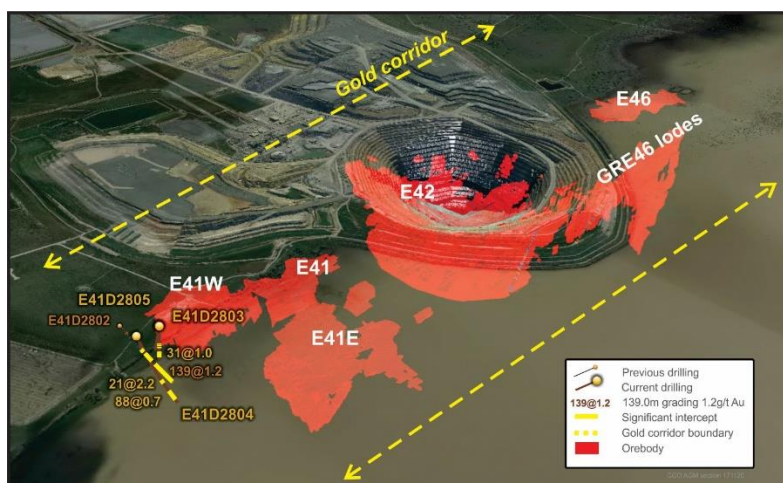


Figure 1: Isometric view showing >0.4g/t gold outlines of the major identified resources (E41 and E42) and resource targets E46 and Galway-Regal. Recent drill hole locations are also shown

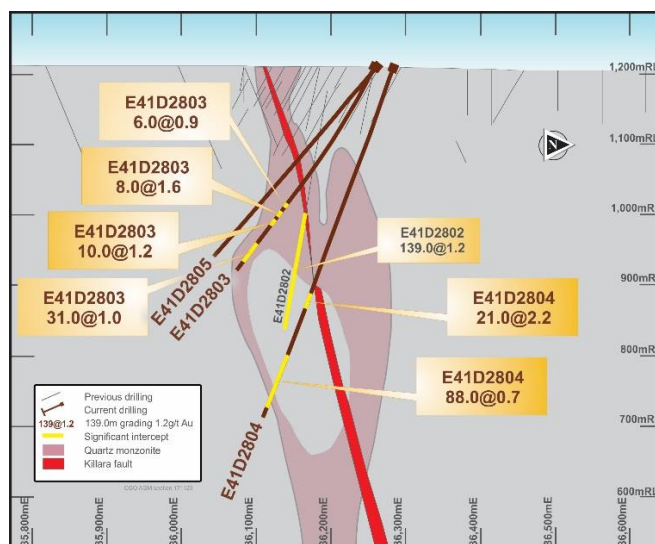


Figure 2: E41 West oblique section showing recent drill hole results

1. This information has been extracted from the report entitled September 2017 Quarterly Report released to the ASX on 16 October 2017 and available to view at www.evolutionmining.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information in the original announcement

Cracow

Resource definition drilling at Imperial, located immediately north and along strike from the Coronation resource, continued to impress with significant assays received during October. Highlights of recent drilling are summarised below:

- 8.7m (7.4m etw) at 10.99 g/t Au (IMU062)
- 8.3m (6.9m etw) at 46.22 g/t Au (IMU065)
- 5.8m (5.6m etw) at 12.65g/t Au (IMU072)
- 9.8m (9.4m etw) at 25.85g/t Au (IMU074)
- 11.2m (9.4m etw) at 8.13 g/t Au (IMU075)

The new results are defining a zone of high-grade mineralisation which is open to the north and may extend further along strike towards the Empire ore-body. Space exists to potentially extend known resources or discover new shoots down to the projected position of the base of mineralisation at Kilkenny (Figure 3). Drilling this target area is a high priority, with a maiden resource anticipated to be included in the December 2017 Mineral Resources and Ore Reserves statement.

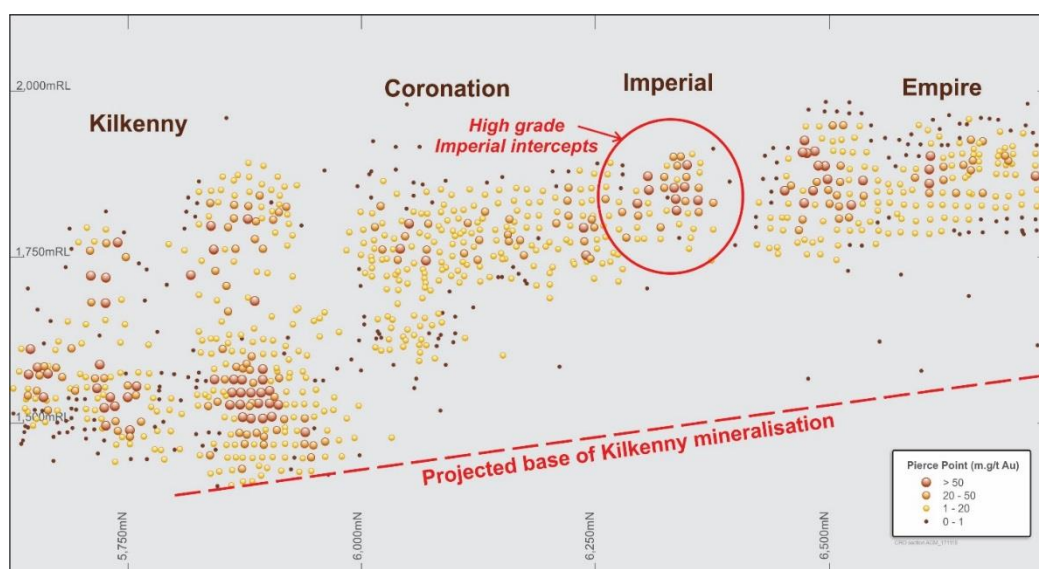


Figure 3: Long section illustrating location of the new Imperial shoot defined between the Coronation and Empire ore bodies

Departure of COO and appointment of new COO

After six and a half years with Evolution, COO Mark Le Messurier will be departing the Company at the end of December 2017.

Mark has been with Evolution since its creation in 2011 and has played a key role in building the Company's reputation for operational reliability and delivery. Throughout the entire period since formation the Company has always achieved its production guidance. During Mark's tenure as COO, Evolution's annual rate of gold production has increased from 280koz to 844koz and AISC have decreased from A\$1,228 per ounce to an industry leading A\$907 per ounce in FY17.

Following Mark's departure, Evolution is pleased to announce the appointment of Bob Fulker as its new COO, commencing in February 2018.

Mr Fulker has more than 30 years of experience within the mining sector and has held a range of senior roles, most recently as the COO of Australian copper miner Oz Minerals. Prior to this he has held senior roles with Discovery Metals, BHP Billiton, Xstrata and Kalgoorlie Consolidated Gold Mines.



Commenting on the management change, Evolution Mining's Executive Chairman, Jake Klein said:

"Mark has helped to build Evolution Mining into one of the most highly respected mid-tier gold mining companies in the world. Along with an unblemished delivery into production guidance, he has led significant improvements in employee safety standards and culture. I have enjoyed working with Mark and have the utmost respect for what he has achieved at Evolution. On behalf of the Board and Leadership Team, I wish Mark every success in his next endeavour."

"I also look forward to welcoming Bob to the role and am excited by the experience and skill set that he brings to Evolution. Bob's strong commitment to innovation and strategic planning will be highly relevant to our next phase of development."

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About Evolution Mining

Evolution Mining is a leading, growth-focussed Australian gold miner. Evolution operates five wholly-owned mines – Cowal in New South Wales; Mt Carlton, Mt Rawdon, and Cracow, in Queensland; and Mungari in Western Australia. In addition Evolution holds an economic interest in the Ernest Henry copper-gold mine 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. FY18 Group gold production guidance is 750,000 – 805,000 ounces at an AISC of A\$820 – A\$870 per ounce.

Competent person statement

The information in this report that relates to Exploration Results listed in the table below is based on work compiled by the person whose name appears in the same row, who is employed on a full-time basis by Evolution Mining Limited and is a member of the institute named in that row. Each person named in the table below has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012. Each person named in the table consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Activity	Competent person	Institute
Cracow exploration results	Shane Pike	Australasian Institute of Mining and Metallurgy
Cowal resource definition results	Dean Fredericksen	Australasian Institute of Mining and Metallurgy

Forward looking statements

This report prepared by Evolution Mining Limited (or “the Company”) include forward looking statements. 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 and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Drill Hole Information Summary

Cowal

Hole	Hole Type	Northing MGA (m)	Easting MGA (m)	Elevation AHD (m)	Hole Length (m)	Dip MGA	Azi MGA	From (m)	Interval ¹ (m)	ETW (m)	Au (g/t)
E41D2803	Core	6,276,228	537,888	209.22	369.03	-60	310	227	6		0.90
								242	8		1.63
								258	10		1.17
								298	31		1.02
E41D2804	Core	6,276,134	537,884	209.01	565.10	-67.5	313	349	21		2.19
								448	88		0.72
							including	448	5		1.35
							and	460	18		0.83
							and	487	21		0.99
							and	512	24		0.62

Cracow

Hole	Hole Type	Northing MGA (m)	Easting MGA (m)	Elevation AHD (m)	Hole Length (m)	Dip MGA	Azi MGA	From (m)	Interval ¹ (m)	ETW (m)	Au (g/t)
IMU062	DD	7201524	224324	-166	144.4	8	233	111.8	8.7	7.4	10.99
IMU065	DD	7201524	224324	-166	143.2	-1	235	111.7	8.3	6.9	46.22
IMU072	DD	7201396	224329	-180	134.1	27	280	104.8	5.8	5.6	12.65
IMU074	DD	7201395	224329	-181	136.7	6	270	107.2	9.8	9.4	25.85
IMU075	DD	7201524	224324	-166	130.8	10	239	99.8	11.2	9.4	8.13

Cowal

Cowal Section 1 Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has	- Holes in this report consist of conventional diamond core drilling. - Drill holes were positioned strategically to infill gaps in the existing drill data set and test continuity of known lodes/mineralised structures. Collar and down hole surveys were utilised to accurately record final locations. Industry standard sampling, assaying and QA/QC practices were applied to all holes. - Drill core was halved with a diamond saw in 1 m intervals, irrespective of geological contacts. Oxide material that was too soft and friable to be cut with a diamond saw was split with a chisel. Core was cut to preserve the bottom of hole orientation mark and the top half of core sent for analysis to ensure no bias is introduced. RC samples were collected directly from a splitter at the drill rig. - Sample preparation was conducted by SGS West Wyalong and consisted of: - Drying in the oven at 105°C; crushing in a jaw crusher; fine crushing in a Boyd crusher to 2-3mm; rotary splitting a 3kg assay sub-sample if the sample is too large for the LM5 mill; pulverising in the LM5 mill to nominal; 90% passing 75 µm; and a 50g fire assay charge was taken with an atomic absorption (AA) finish. The detection limit was 0.01 g/t Au.

Criteria	Explanation	Commentary
	<i>inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules)</i>	
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Diamond drill holes were drilled HQ diameter through the clay/oxide and NQ diameter through the primary rock to end of hole. • All core has been oriented using accepted industry techniques.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Provisions are made in the drilling contract to ensure that hole deviation is minimised and core sample recovery is maximised. Core recovery is recorded in the database. There are no significant core loss or sample recovery issues. Core is reoriented and marked up at 1 m intervals. Measurements of recovered core are made and reconciled to the driller's depth blocks, and if necessary, to the driller's rod counts. • There is very no apparent relationship between core-loss and grade.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc) photography. • The total length and percentage of the relevant intersections logged.	• Geologists log core for lithology, alteration, structure, and veining. Logging was done directly onto laptop computers via LogChief software which is validated and uploaded directly into the Datashed database. • The Cowal logging system allows recording of both a primary and a secondary lithology and alteration. Geologists also record the colour, texture, grain size, sorting, rounding, fabric, and fabric intensity characterising each lithological interval. • The logged structures include faults, shears, breccias, major veins, lithological contacts, and intrusive contacts. Structures are also recorded as point data to accommodate orientation measurements. • Structural measurements are obtained using a core orientation device. Core is rotated into its original orientation, using the Gyro survey data as a guide. Freiberg compasses are used for structural measurements. • Geologists log vein data including vein frequency, vein percentage of interval, vein type, composition, sulphide percentage per metre, visible gold, sulphide type, and comments relative to each metre logged. • Geotechnical logging is done by field technicians and geologists. Logging is on a per metre basis and includes percentage core recovery, percentage RQD, fracture count, and an estimate of hardness. The geotechnical data is entered into the database. • All drill core, once logged, is digitally photographed on a core tray-by-tray basis. The digital image captures all metre marks, the orientation line (BOH) and geologist's lithology, alteration, mineralogy, and other pertinent demarcations. The geologists highlight geologically significant features such that they can be clearly referenced in the digital images.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• Diamond Core is cut with a diamond saw or chisel. Core is cut to preserve the bottom of hole orientation mark and the top half of core is always sent for analysis to ensure no bias is introduced. • In 2003 Analytical Solutions Ltd conducted a Review of Sample Preparation, Assay and Quality Control Procedures for Cowal Gold Project. This study, combined with respective

Criteria	Explanation	Commentary
	• For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	operating company policy and standards (North Ltd, Homestake, Barrick and Evolution) formed the framework for the sampling, assaying and QA/QC protocols used at Cowal to ensure appropriate and representative sampling. • Results per interval are reviewed for half core samples and if unexpected or anomalous assays are returned an additional quarter core may be submitted for assay.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• SGS West Wyalong and ALS Orange are utilised as primary sources of analytical information. Round robin checks are completed regularly between the two laboratories. Both labs operate to international standards and procedures and take part in the Geostatistical Round Robin inter-laboratory test survey. The Cowal QA/QC program comprises blanks, Certified Reference Material (CRM), inter-laboratory duplicate checks, and grind checks. • 1 in 30 fine crush residue samples has an assay duplicate. 1 in 20 pulp residue samples has an assay duplicate. • Wet screen grind checks are performed on 1 in 20 pulp residue samples. A blank is submitted 1 in every 38 samples, CRM's are submitted 1 in every 20 samples. The frequency of repeat assays is set at 1 in 30 samples. • All sample numbers, including standards and duplicates, are pre-assigned by a QA/QC Administrator and given to the sampler on a sample sheet. The QA/QC Administrator monitors the assay results for non-compliance and requests action when necessary. Batches with CRM's that are outside the $\pm 2SD$ acceptance criteria are re-assayed until acceptable results are returned. • Material used for blanks is uncertified, sourced locally, comprising fine river gravel which has been determined to be below detection limit. A single blank is submitted every 38 samples. Results are reviewed by the QA/QC Administrator upon receipt for non-compliance. Any assay value greater than 0.1 g/t Au will result in a notice to the laboratory. Blank assays above 0.20 g/t Au result in re-assay of the entire batch. The duplicate assays (Au2) are taken by the laboratory during the subsampling at the crushing and pulverisation stages. The results were analysed using scatter plots and relative percentage difference (RPD) plots. Repeat assays represent approx. 10% of total samples assayed. Typically there is a large variance at the lower grades which is common for low grade gold deposits, however, the variance decreases to less than 10% for grades above 0.40 g/t Au, which is the cut-off grade used at Cowal. • Approximately 5% of the pulps, representing a range of expected grades, are submitted to an umpire assay laboratory (ALS Orange) to check for repeatability and precision. Analysis of the data shows that the Principal Laboratory is performing to an acceptable level.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes.	• No dedicated twinning drilling has been conducted for this drill program. • Cowal uses DataShed software system to maintain the database. Digital assay results are loaded directly into the database. The software performs verification checks including checking for missing sample numbers, matching

Criteria	Explanation	Commentary
	• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data	sample numbers, changes in sampling codes, inconsistent “from-to” entries, and missing fields. Results are not entered into the database until the QA/QC Administrator approves of the results. A QA/QC report is completed for each drill hole and filed with the log, assay sheet, and other appropriate data. Only the Senior Project Geologist and Database Manager have administrator rights to the database. Others can use and sort the database but not save or delete data.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• All drill hole collars were surveyed using high definition DGPS. All drill holes were surveyed using a downhole survey camera. The first survey reading was taken near the collar to determine accurate set up and then at regular intervals downhole. • On completion of each angled drill hole, a down hole gyroscopic (Gyro) survey was conducted. The Gyro tool was referenced to the accurate surface surveyed position of each hole collar. • The Gyro results were entered into the drill hole database without conversion or smoothing. • An aerial survey was flown during 2003 by AAM Hatch. This digital data has been combined with surveyed drill hole collar positions and other features (tracks, lake shoreline) to create a digital terrain model (DTM). The survey was last updated in late 2014. • In 2004, Cowal implemented a new mine grid system with the assistance of AAM Hatch. The current mine grid system covers all areas within the ML and ELs at Cowal with six digits.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• The exploration drill holes reported in this report are targeted to test for continuity of mineralisation as interpreted from previous drilling. It is not yet known whether this drilling is testing the full extent of the mineralised geological zones. All drilling is sampled at 1 m intervals down hole.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Diamond holes were positioned to optimise intersection angles of the target area. In respect of the drilling at E41W drilling is targeted to drill at right angles to the dominant vein direction however the extent of the vein package is currently unknown. • The Drilling at Galway Regal is oriented perpendicular to the known mineralised package.
Sample security	• The measures taken to ensure sample security.	• Drill contractors are issued with drill instructions by an Evolution geologist. The sheet provides drill hole names, details, sample requirements, and depths for each drill hole. Drill hole sample bags are pre-numbered. The drill holes are sampled by Evolution personnel who prepare sample submission sheets. The submission sheet is then emailed to the laboratory with a unique submission number assigned. This then allows individual drill holes to be tracked. • An SGS West Wyalong (SGS) representative collects the samples from site twice daily, however, if samples are being sent to another laboratory a local freight company is used to collect the samples from site and deliver them to the laboratory. Upon arrival, the laboratory sorts each crate and

Criteria	Explanation	Commentary
		compares the received samples with the supplied submission sheet. The laboratory assigns a unique batch number and dispatches a reconciliation sheet for each submission via email. The reconciliation sheet is checked and any issues addressed. The new batch name and dispatch information is entered into the tracking sheet. The laboratory processes each batch separately and tracks all samples through the laboratory utilising the LIMS system. Upon completion, the laboratory emails Standard Industry Format (SIF) files with the results for each batch to Evolution personnel. The assay batch files are checked against the tracking spreadsheet and processed. The drill plan is marked off showing completed drill holes. Any sample or QA/QC issues with the results are tracked and resolved with the laboratory
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	- QA/QC Audits of the Primary SGS West Wyalong Laboratory are carried out on an approximately quarterly basis and for the Umpire ASL Orange Laboratory approximately on a six-monthly basis. Any issues are noted and agreed remedial actions assigned and dated for completion. - Numerous internal audits of the database and systems have been undertaken by site geologists and company technical groups from North Ltd, Homestake, Barrick and Evolution. External audits were conducted in 2003 by RMI and QCS Ltd. and in 2011 and 2014 review and validation was conducted by RPA. MiningOne conducted a review of the Cowal Database in 2016 as part of the peer review process for the Stage H Feasibility Study. Recent audits have found no significant issues with data management systems or data quality

Cowal Section 2 Reporting of Exploration Results

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Cowal Mine is located on the western side of Lake Cowal in central New South Wales, approximately 38 km north of West Wyalong and 350 km west of Sydney. Drilling documented in this report was undertaken on ML1535. This Lease is wholly owned by Evolution Mining Ltd. and CGO has all required operational, environmental and heritage permits and approvals for the work conducted on the Lease. There are not any other known significant factors or risks that may affect access, title, or the right or ability to perform further work programs on the Lease.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The Cowal region has been subject to various exploration and drilling programs by GeoPeko, North Ltd., Rio Tinto Ltd., Homestake and Barrick.
Geology	Deposit type, geological setting and style of mineralisation.	- The Cowal gold deposits (E41, E42, E46, Galway and Regal) occur within the 40 km long by 15 km wide Ordovician Lake Cowal Volcanic Complex, east of the Gilmore Fault Zone within the eastern portion of the Lachlan Fold Belt. There is sparse outcrop across the Lake Cowal Volcanic Complex and, consequently, the regional geology has largely been defined by interpretation of regional aeromagnetic and exploration drilling programs. - The Lake Cowal Volcanic Complex contains potassium rich calc-alkaline to shoshonitic high level intrusive complexes, thick trachyandesitic volcanics, and volcanoclastic sediment piles.

Criteria	Explanation	Commentary
		- The gold deposits at Cowal are structurally hosted, epithermal to mesothermal gold deposits occurring within and marginal to a 230m thick dioritic to gabbroic sill intruding trachy-andesitic volcanoclastic rocks and lavas. - The overall structure of the gold deposits is complex but in general consists of a faulted antiform that plunges shallowly to the north-northeast. The deposits are aligned along a north-south orientated corridor with bounding faults, the Booberoi Fault on the western side and the Reflector Fault on the eastern side (the Gold Corridor).
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL of the drill hole collar - dip and azimuth of the hole - downhole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Drill hole information is provided in the Drill Hole Information Summary included in this report.
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. - Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	Significant intercepts have nominally been calculated based on a minimum interval length of 3m, max internal dilution of 5m and a minimum grade of 0.4g/t Au. However some intervals with sizable Au grades may be reported individually if appropriate. Au Grades are reported un-cut
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (eg 'downhole length, true width not known')	Mineralisation within the drilling area pit is bounded by large north-south trending structures, however it is has strong internally oblique structural controls. Drill holes are typically oriented to optimise the angle of intercept at the target location. All significant intercepts are reported as down hole intervals.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should	A drill hole location plan and representative section is provided in the body of this report.

Criteria	Explanation	Commentary
	<i>include, but not be limited to a plan view of drill hole</i>	
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results	- Significant intercepts reported are only those areas where mineralisation was identified. - These assay results have not been previously reported. - All earlier significant assay results have been reported in previous ASX announcements. - The intercepts reported for this period form part of a larger drill program that was still in progress at the time of writing. Remaining holes are awaiting logging, processing and assays and future significant results will be published as appropriate.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other substantive data was collected during the report period
Further work	- The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or largescale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Results from these programs will be incorporated into current models and interpretations and further work will be determined based on the outcomes.

Cracow

Cracow Section 1 Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was	- Sample types collected at Cracow and used in the reporting of assays were all diamond drill core. - Sample intervals for drill core were determined by visual logging of lithology type, veining style/intensity and alteration style/intensity to ensure a representative sample was taken. In addition, sampling is completed across the full width of mineralisation. Minimum and maximum sample intervals were applied using this framework. No instruments or tools requiring calibration were used as part of the sampling process. - Industry standard procedures were followed with no significant coarse gold issues that affected sampling protocols. Nominal 3 kg samples from drill core are subsampled to produce a 50g sample submitted for fire assay.

Criteria	Explanation	Commentary
	<i>used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules)</i>	
	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).	• A combination of drilling techniques was used across the Cracow Lodes. Diamond NQ3 (standard) and LTK60 were the most commonly used. Reported significant intercepts were all drilled from underground and none of the holes reported were orientated.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Drill core – the measurement of length drilled Vs. length of core recovered was completed for each drilled run by the drill crew. This was recorded on a core loss block placed in the core tray for any loss identified. Marking up of the core by the geological team then checked and confirmed these core blocks, and any additional core loss was recorded and blocks inserted to ensure this data was captured. Any areas containing core loss were logged using the lithology code “Core Loss” in the lithology field of the database. • Sample loss at Cracow was calculated at less than 1% and wasn't considered an issue. Washing away of sample by the drilling fluid in clay or fault gouge material is the main cause of sample loss. In areas identified as having lithologies susceptible to sample loss, drilling practices and down-hole fluids were modified to reduce or eliminate sample loss. • The drilling contract used at Cracow states for any given run, a level of recovery is required otherwise financial penalties are applied to the drill contractor. This ensures sample recovery is prioritised along with production performance. • Mineralisation at Cracow was within Quartz-Carbonate fissure veins, and therefore sample loss rarely occurs in lode material. No relationship between sample recovery and grade was observed.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc) photography. • The total length and percentage of the relevant intersections logged.	• Geological logging was undertaken onsite by Evolution employees and less frequently by external contractors. Logging was completed using LogChief Software and uploaded directly to the database. A standard for logging at Cracow was set by the Core Logging Procedure <i>Cracow Procedures Manual 3rd Edition</i>. Drill Core is logged recording lithology, alteration, veining, mineral sulphides and geotechnical data. RC chip logging captured the same data with the exclusion of geotechnical information. • Logging was qualitative. All drill core was photographed wet using a camera stand and an information board to ensure a consistent standard of photography and relevant information was captured. • All core samples collected were fully logged.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• All drill holes reported were whole core sampled. • Whole core samples were crushed in a jaw crusher to > 70% passing 2mm; half of this material was split with a riffle splitter for pulverising. No RC samples required crushing in the jaw crusher. Core and RC samples were pulverised for 10-14 minutes in a LM5 bowl with a target of 85% passing 75µm. Grind checks were undertaken nominally every 20 samples. From this material approximately 120g was scooped for further analysis and the

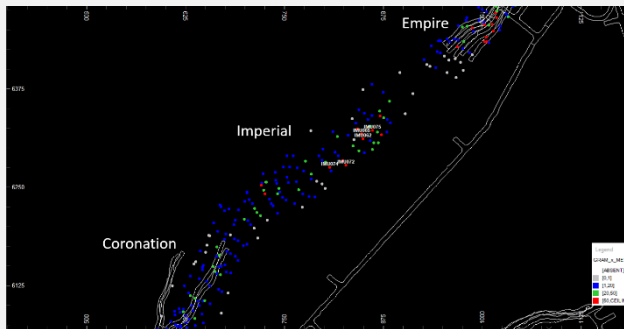
Criteria	Explanation	Commentary
	- For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	remaining material re-bagged. Duplicates were performed on batches processed by ALS every 20 samples at both the crushing and pulverising stages. This sample preparation for drill samples is considered appropriate for the style of mineralisation at Cracow. - Duplicates were performed on batches processed by ALS Brisbane every 20 samples at both the crushing and pulverising stages. - Grind checks were undertaken nominally every 20 samples, to ensure sample grind target of 85% passing 75µm was met. Duplicates were completed every 20 samples at both the crushing and pulverising stages, with no bias found at any sub-sampling stage. - The sample size collected is considered to be appropriate for the size and characteristic of the gold mineralisation being sampled.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	- Sample Analyses – The samples were analysed by 50g Fire Assay for Au with Atomic Absorption (AAS) finish and was performed at ALS Townsville. For Ag an Aqua Regia digest with AAS finish was completed at ALS Stafford (Brisbane). - An analytical duplicate was performed every 20 samples, aligned in sequence with the crushing and pulverising duplicates. The Fire Assay Method is a total technique. - No other instruments that required calibration were used for analysis to compliment the assaying at Cracow. - Thirteen externally certified standards at a suitable range of gold grades (including blanks) were available to be inserted at a minimum rate of 1:20 with each sample submission. All non-conforming results were investigated and verified prior to acceptance of the assay data. Results that did not conform to the QAQC protocols were not used in resource estimations or were reported. - Monthly QAQC reports were produced to watch for any trends or issues with bias, precision and accuracy. - An inspection of both the prep lab in Brisbane and the assay lab in Townsville was conducted in December 2016 by Cracow personnel.
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data	- Verification of assay results was standard practice, undertaken at a minimum once per year. In 2015, 547 pulp samples from Cracow drill core were retested at SGS Townsville to compare to the results produced by ALS Townsville. The umpire sampling confirmed the accuracy of the ALS Townsville assaying was within acceptable error limits. - The drilling of twin holes wasn't common practice at Cracow. Twin holes that have been drilled show the tenor of mineralisation within the reportable domains were consistent between twin holes. - All sample information was stored using <i>Datashed</i>, an SQL database. The software contains a number of features to ensure data integrity. These include (but not limited to) not allowing overlapping sample intervals, restrictions on entered into certain fields and restrictions on what actions can be performed in the database based on the individual user. Data entry to <i>Datashed</i> was undertaken through a combination of site specific electronic data-entry sheets, synchronisation from <i>Logchief</i> and upload of .csv files. - No adjustments are made to the finalised assay data received from the laboratory.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine	Underground drill-hole positions were determined by traversing, using Leica TS15 Viva survey instrument (theodolite) in the local Klondyke mine grid.

Criteria	Explanation	Commentary
	<i>workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i>	• Down-hole surveys were captured by an Eastman camera for older holes and a Reflex camera on recent holes. • The mine co-ordinate system at Cracow is named the Klondyke Mine Grid, which transforms to MGA94 Grid and was created and maintained by onsite registered surveyors.
<i>Data spacing and distribution</i>	• <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i>	• No significant drill hole exploration results are being reported. • Sample spacing and distribution was deemed sufficient for resource estimation. • Spacing and distribution varied a range of drill patterns: 20x20, 40x40x and 80x80. • The sample spacing required for the resource category of each ore body is unique and may not fit the idealised spacing indicated above. • All datasets were composited prior to estimation. The most frequent interval length was 1 metre, particularly inside and around mineralised zones. Sample intervals for most domains were composited to 1m, with a maximum sample length of no greater than 1.5m and a minimum sample interval of 0.2m. A small number of lodes utilised a 1.5m composite as was appropriate for the sample set for those deposits.
<i>Orientation of data in relation to geological structure</i>	• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	• Sample bias from non-orientation of core is considered minimal in respect to mineralisation at Cracow. All significant drill hole results reported were whole core sampled • Drill holes were designed to ensure angles of sample intersection with the mineralisation was as perpendicular as possible. Where a poor intersection angle of individual holes locally distorted the interpreted mineralisation, these holes may not have been used to generate the wireframe.
<i>Sample security</i>	• <i>The measures taken to ensure sample security.</i>	• All staff undergo Police Clearances, are instructed on relevant JORC 2012 requirements and assaying is completed by registered laboratories. • The core was transported by a private contractor by truck to the assay laboratories.
<i>Audits or reviews</i>	• <i>The results of any audits or reviews of sampling techniques and data.</i>	• An inspection of sample preparation facility in Brisbane and the Fire Assay laboratory in Townsville was conducted in by Cracow personnel in December 2016. No major issues were found.

Cracow Section 2 Reporting of Exploration Results

Criteria	Explanation	Commentary
<i>Mineral tenement and land tenure status</i>	• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known</i>	• ML3219, ML3221, ML3223, ML3224, ML3227, ML3228, ML3229, ML3230, ML3231, ML3232, ML3243, ML80024, ML80088, ML80089, ML80114, ML80120 and ML80144 are all wholly owned by Evolution Mining's wholly owned subsidiary, Lion Mining Pty Ltd. • All tenure is current and in good standing.

Criteria	Explanation	Commentary
	<i>impediments to obtaining a licence to operate in the area.</i>	
<i>Exploration done by other parties</i>	• Acknowledgment and appraisal of exploration by other parties.	• The Cracow Goldfields were discovered in 1932, with the identification of mineralisation at Dawn then Golden Plateau in the eastern portion of the field. From 1932 to 1992, mining of Golden Plateau and associated trends produced 850Koz. Exploration across the fields and nearby regions was completed by several identities including BP Minerals Australia, Australian Gold Resources Ltd, ACM Operations Pty Ltd, Sedimentary Holdings NL and Zapopan NL. • In 1995, Newcrest Mining Ltd (NML) entered into a 70 % share of the Cracow Joint Venture. Initially exploration was targeting porphyry type mineralisation, focusing on the large areas of alteration at Fernyside and Myles Corridor. This focus shifted to epithermal exploration of the western portion of the field, after the discovery of the Vera Mineralisation at Pajingo, which shared similarities with Cracow. The Royal epithermal mineralisation was discovered in 1998, with further discoveries of Crown, Sovereign, Empire, Phoenix, Kilkenny and Tipperary made from 1998 up to 2008 • Evolution was formed from the divestment of Newcrest assets (including Cracow) and the merging of Conquest and Catalpa in 2012. Evolution continued exploration at Cracow from 2012.
<i>Geology</i>	• Deposit type, geological setting and style of mineralisation.	• The Cracow project area gold deposits are in the Lower Permian Camboon Andesite on the south-eastern flank of the Bowen Basin. The regional strike is north-northwest and the dip 20° west-southwest. The Camboon Andesite consists of andesitic and basaltic lava, with agglomerate, tuff and some inter-bedded trachytic volcanics. The andesitic lavas are typically porphyritic, with phenocrysts of plagioclase feldspar (oligoclase or andesine) and less commonly augite. To the west, the Camboon Andesite is overlain with an interpreted disconformity by fossiliferous limestone of the Buffel Formation. It is unconformably underlain to the east by the Torsdale Beds, which consist of rhyolitic and dacitic lavas and pyroclastics with inter-bedded trachytic and andesitic volcanics, sandstone, siltstone, and conglomerate. • Mineralisation is hosted in steeply dipping low sulphidation epithermal veins. These veins found as discrete and as stockwork and are composed of quartz, carbonate and adularia, with varying percentages of each mineral. Vein textures include banding (colloform, crustiform, cockade, moss), breccia channels and massive quartz, and indicate depth within the epithermal system. Sulphide percentage in the veins are generally low (<3%) primarily composed of pyrite, with minor occurrences of hessite, sphalerite and galena. Rare chalcopryrite, arsenopyrite and bornite can also be found. • Alteration of the country rock can be extensive and zone from the central veined structure. This alteration consists of silicification, phyllic alteration (silica, sericite and other clay minerals) and argillic alteration in the inner zone, grading outwards to potassic (adularia) then an outer propylitic zone. Gold is very fine grained and found predominantly as electrum but less common within clots of pyrite.
<i>Drill hole Information</i>	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - o easting and northing of the drill hole collar - o elevation or RL of the drill hole collar - o dip and azimuth of the hole	• Exploration results are not being reported.

Criteria	Explanation	Commentary
	- o downhole length and interception depth - o hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Intercept length weighted average techniques, and minimum grade truncations and cut-off grades have been used in this report. Due to the nature of the drilling, some composite grades are less than the current resource cut off of 2.8g/t, but remain significant as they demonstrate mineralisation in veins not previously modelled. • Composite, as well as internal significant values are stated for clarity. • No metal equivalent values are used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (eg 'downhole length, true width not known')	• The sampling technique confirms the presence of epithermal quartz veining. There is a direct relationship between the mineralisation widths and intercept widths at Cracow. • The assays are reported as down hole intervals and an estimated true width is provided.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole	A plan view of Imperial is provided below. A long section of Imperial is provided in the body of this report.. Reported resource definition results are not considered exploration results.  The map shows a plan view of the Imperial area. It includes labels for 'Empire', 'Imperial', and 'Coronation'. Numerous colored dots represent drill holes or mineralisation points. A legend in the bottom right corner identifies symbols for 'IMPERIAL', 'CORONATION', 'EMPIRE', 'DRILL HOLE', 'VEIN', 'ROAD', and 'RIVER'. The map also shows a grid of coordinates. Plan view of Imperial
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should	• Assay results reported are of specific regions within the drill hole identified by epithermal quartz veining.

Criteria	Explanation	Commentary
	<i>be practiced to avoid misleading reporting of Exploration Results</i>	
<i>Other substantive exploration data</i>	• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	• Exploration results are not being reported.
<i>Further work</i>	• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or largescale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	• Additional drill holes to define the mineralisation both up dip and along strike towards Empire have been designed and will be drilled during FY18.