

Evolution
MINING

EXPLORATION IN QUEENSLAND

Dan Macklin, 5 June 2019

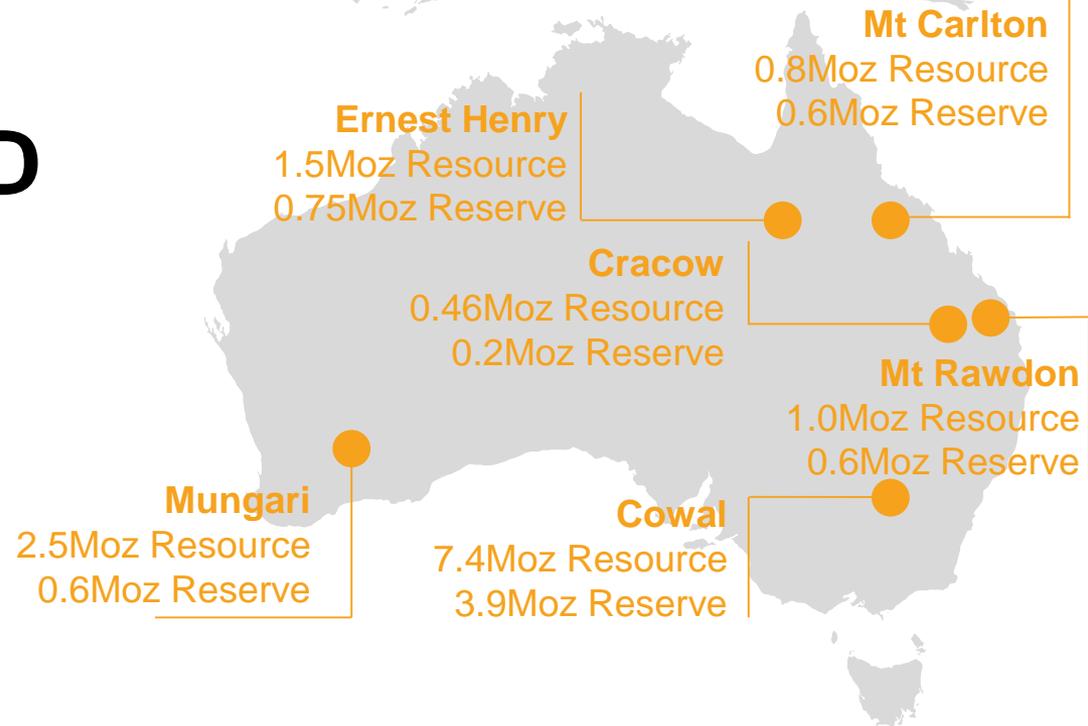
OVERVIEW

- Overview of Evolution
- Evolution in Queensland (Operations and Exploration)
- What we are looking for
- Our Discovery toolkit
- Our key Queensland Greenfields Projects



Bunyip Hill at the Drummond JV Looking North

GLOBALLY RELEVANT MID-TIER GOLD PRODUCER



FY19 Production Guidance
720koz to 770koz
at AISC
A\$850 – A\$900/oz[#]

*ASX:EVN Announcement "Annual Mineral Resources and Ore Reserves Statement" 17 April 2019 <https://evolutionmining.com.au/asx-announcements/>

[#]ASX:EVN Announcement "BAML Conference Presentation" 14 May 2018 <https://evolutionmining.com.au/asx-announcements/>

OUR DISCOVERY STRATEGY

Discovering Evolution's Future

People

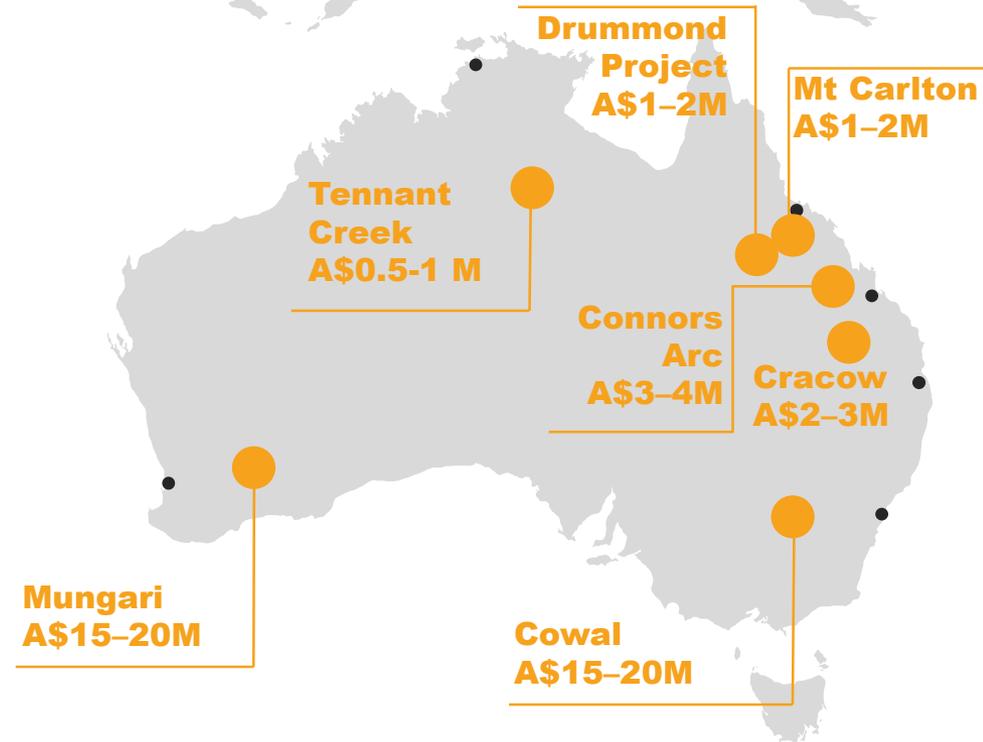
- Inspiring a collaborative discovery culture
- Developing, challenging and empowering our people

Portfolio

- Balanced and quality pipeline
- Prioritise Australia, assess North American opportunities
- High value gold deposits with a focus on epithermal and orogenic styles
- Agile and opportunistic

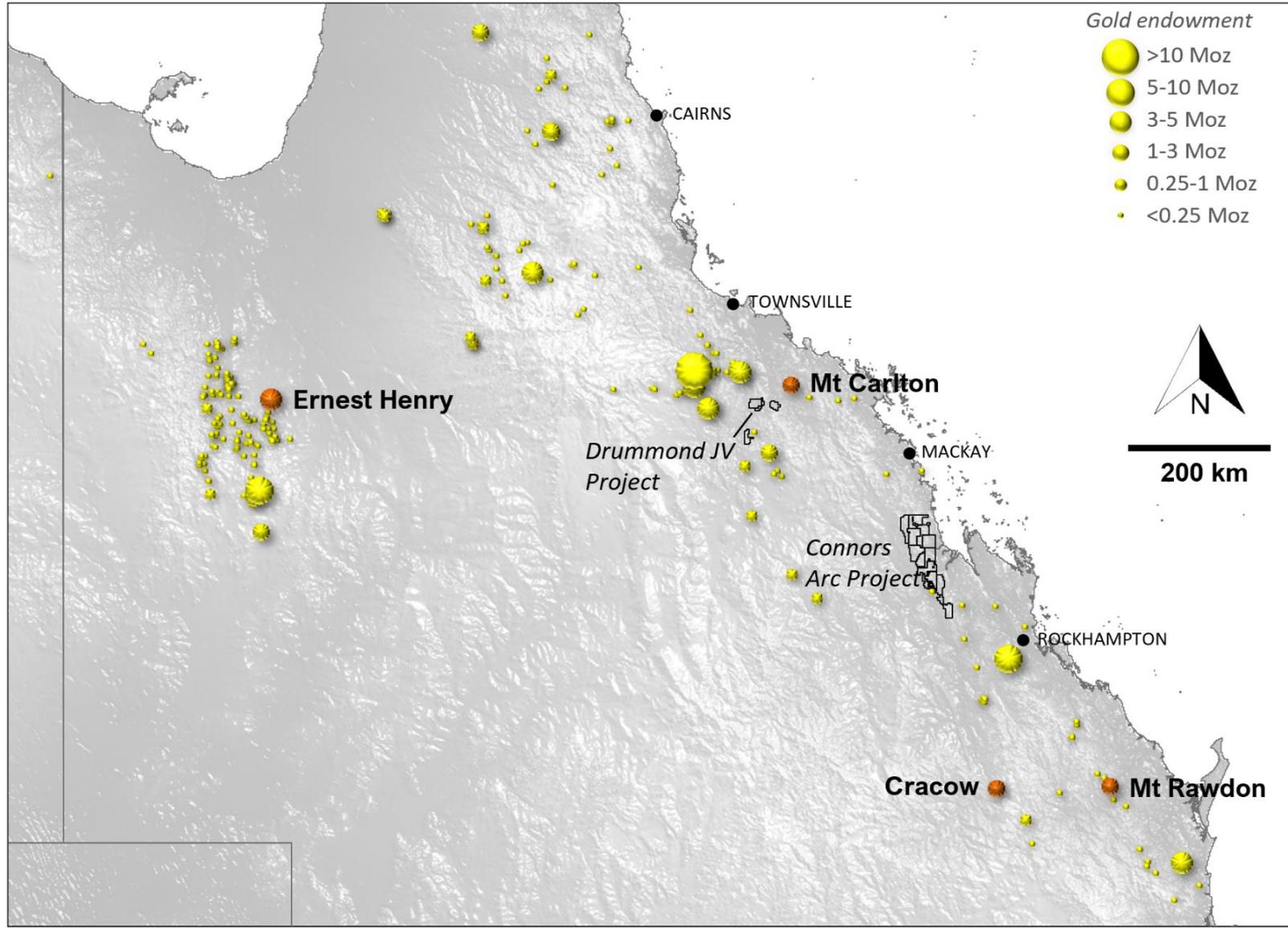
Social License

- Build enduring relationships with communities
- Industry leading safety and environmental practises



**FY19 Resource Definition
Drilling A\$10–20M
FY19 Discovery
Guidance A\$40-55M**

OUR QUEENSLAND PRESENCE

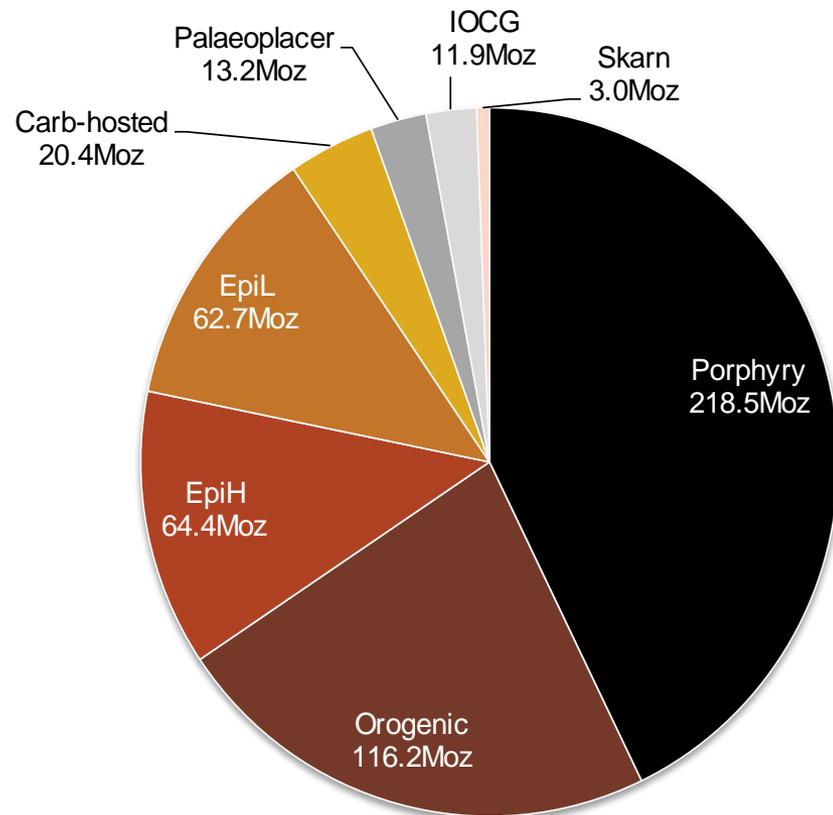


QLD Greenfields Discovery (black polygons) and Operational Locations (orange dots) with known QLD gold resources (yellow dots)

WHAT WE ARE LOOKING FOR

- Build an exploration hub to complement our operations
- Playing to our exploration and operating strengths - focussing on:
 - Low-sulphidation Epithermal
 - High-sulphidation Epithermal
- Opportunistic when necessary

**Gold discoveries >2 Moz
Host rock resource inventory
1997 – 2011**



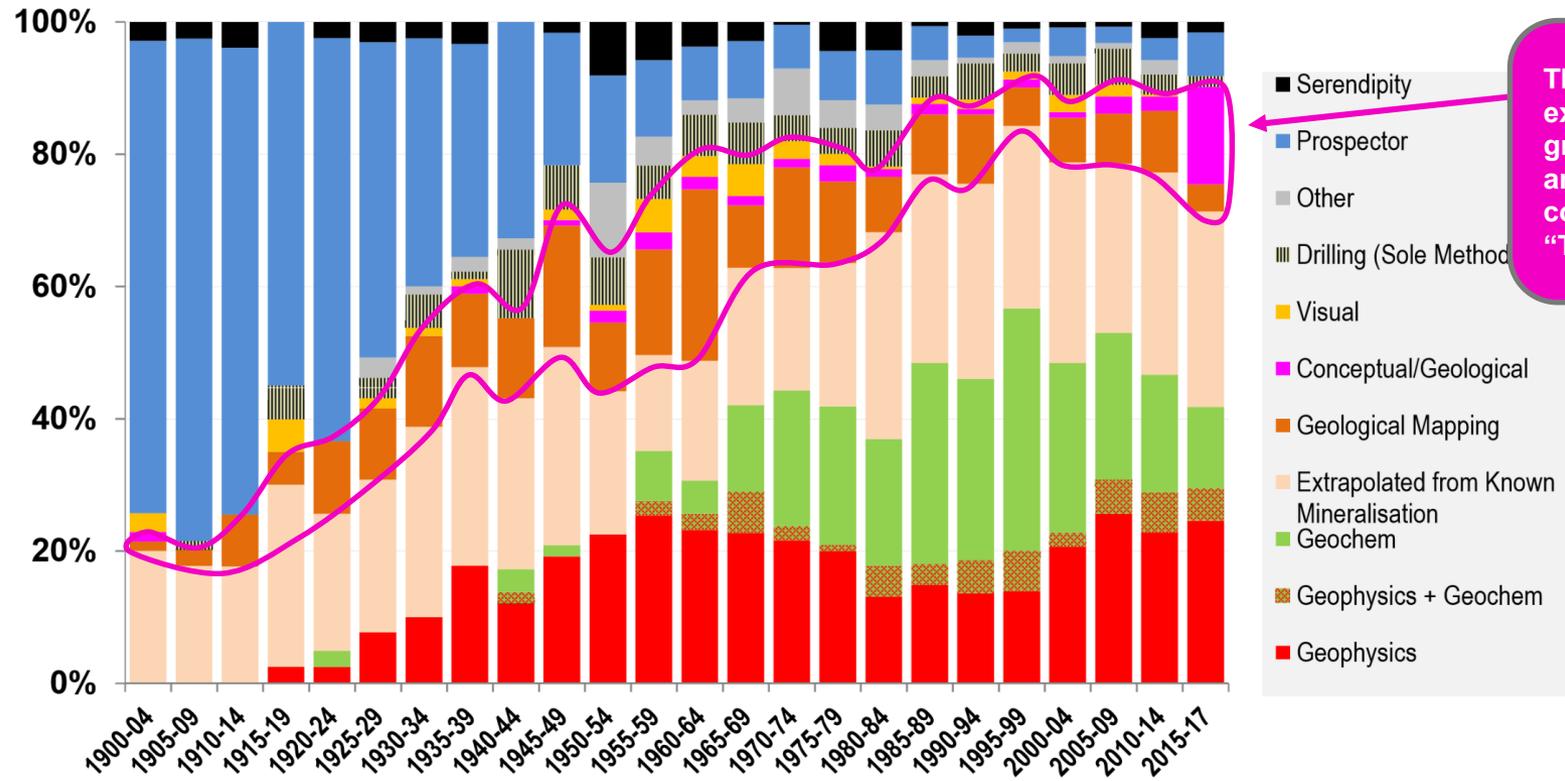
OUR DISCOVERY TOOLKIT



Primary search method used at the prospect-scale ALL discoveries in the World: 1900-2017

(Depending on the commodity & location) Geophysics and Geochemistry are the two main techniques used to site the drill rig

ie What method was used to decide where to drill the first hole



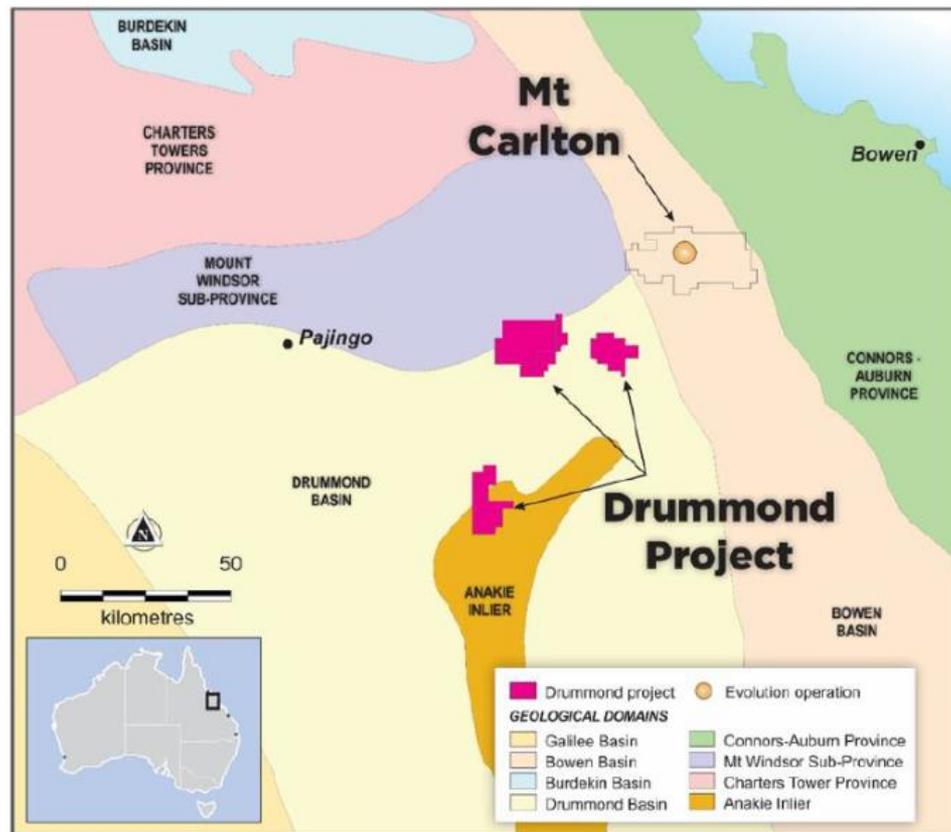
There is still a place in exploration for 'boots on ground' exploration work and robust geological concepts "Technical Excellence"

Note: Analysis based on detailed analysis of 3799 projects (out of 7108 known discoveries)

Source: MinEx Consulting © October 2018

DRUMMOND JV

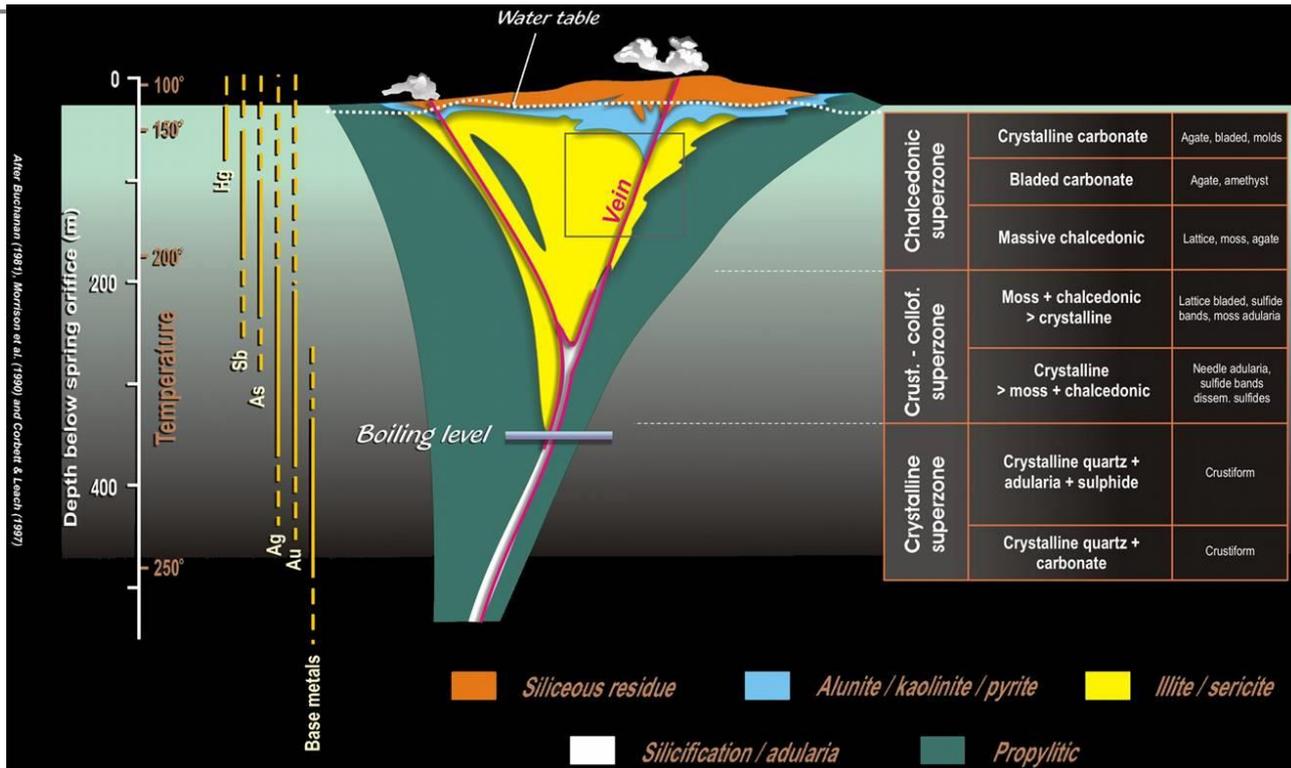
- Earn-in JV with Andromeda Metals Limited (ASX:ADN)
- 520km² granted exploration tenure, 140km south of Townsville
- Stage 1: EVN can earn 51% interest in the Drummond Project by spending A\$2M with cash payment of A\$300k
- Stage 2: EVN earn 80% by spending a further A\$4M over two years with additional cash payment of A\$200k
- Drilling key targets in Q4 FY19 and Q1 FY20
- Full-time team based out of Ravenswood



*Location of the Drummond JV Exploration Project
(September 2018 ASX:EVN Announcement)*

Prime target – LSE near the base of the Drummond Basin

LOW-SULPHIDATION EPITHERMAL



Controls

- Structurally controlled
- Relationship with (but remote to) intrusive centres
- Well zoned element association (temperature zonation)
- Associated with veining and silicification (resistive)
- Crustal level/preservation is critical
- High grade but complex grade distribution
- Best QLD examples, Pajingo (~4moz) and Cracow (~2moz)

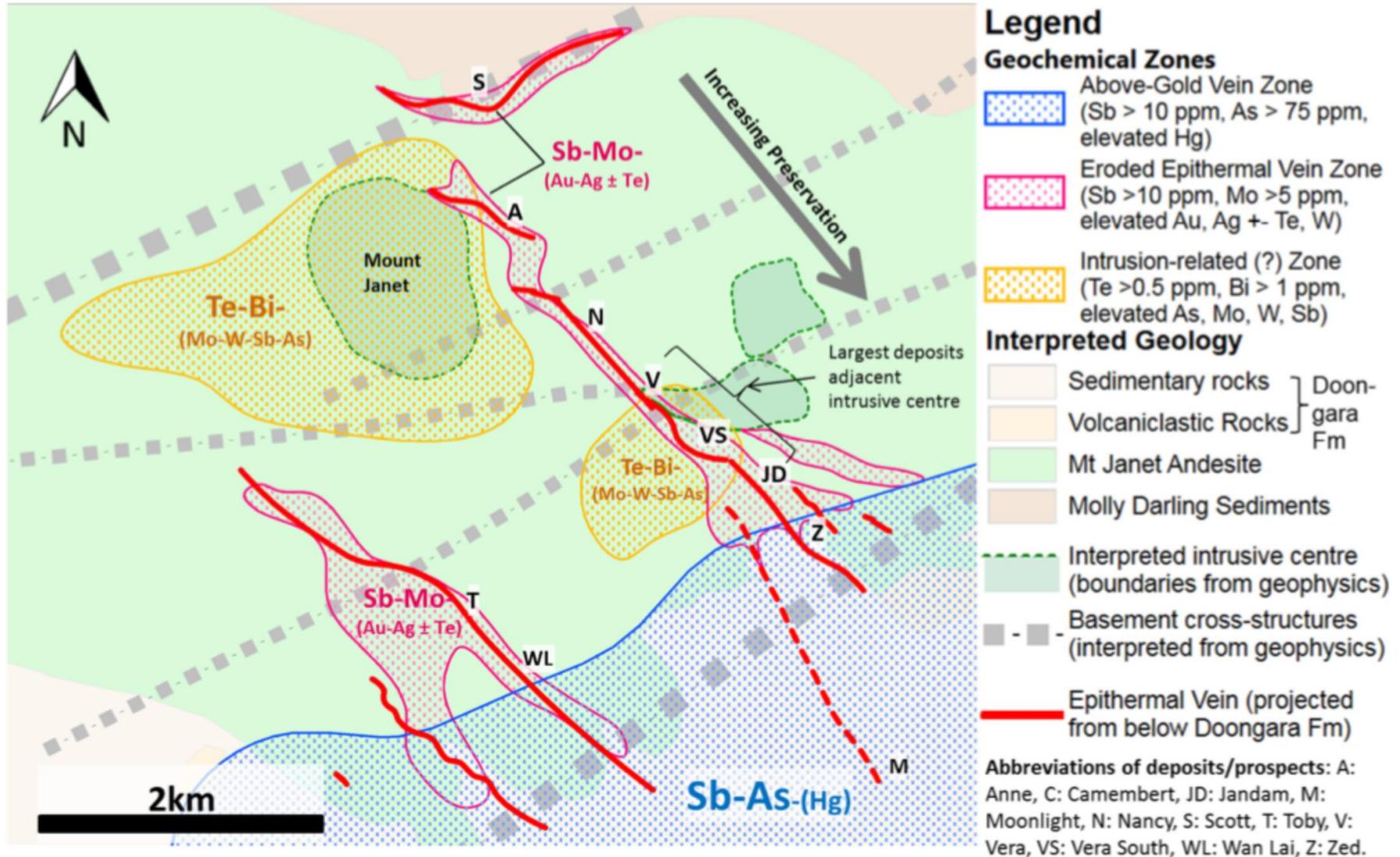
Toolkit

- Mapping
- 400m x 400m 4AD soils
- 4AD lithogeochem (rock chips and drilling)
- Magnetics
- Pole-dipole and gradient array IP
- Routine ASD
- Drilling

LOW-SULPHIDATION EPITHERMAL



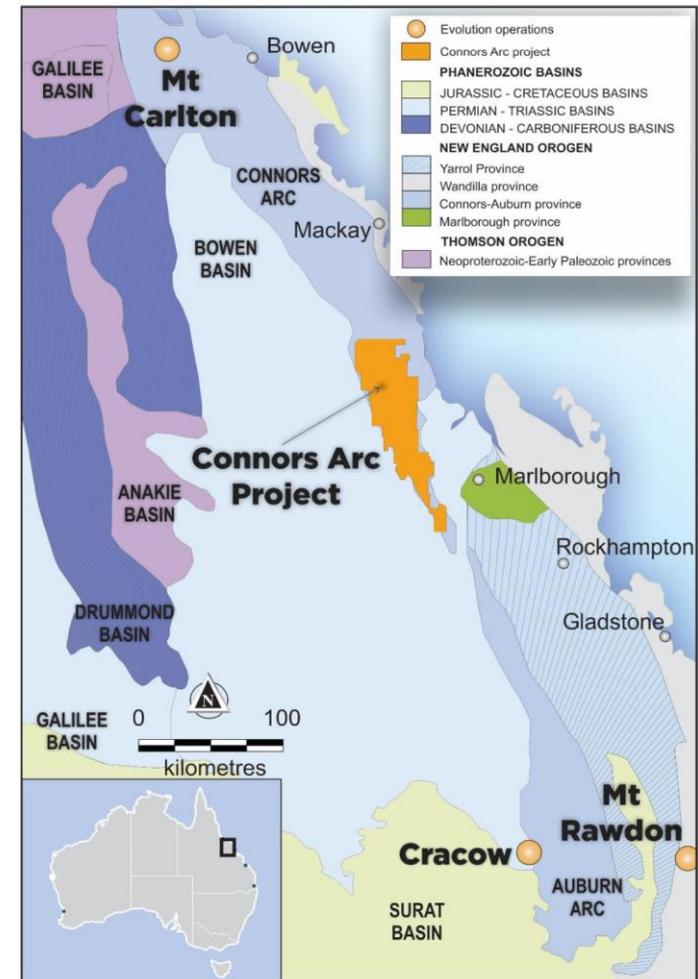
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Pathfinder element zonation from the Pajingo vein field (from Howard et al., 2015)

CONNORS ARC (EVN 100%)

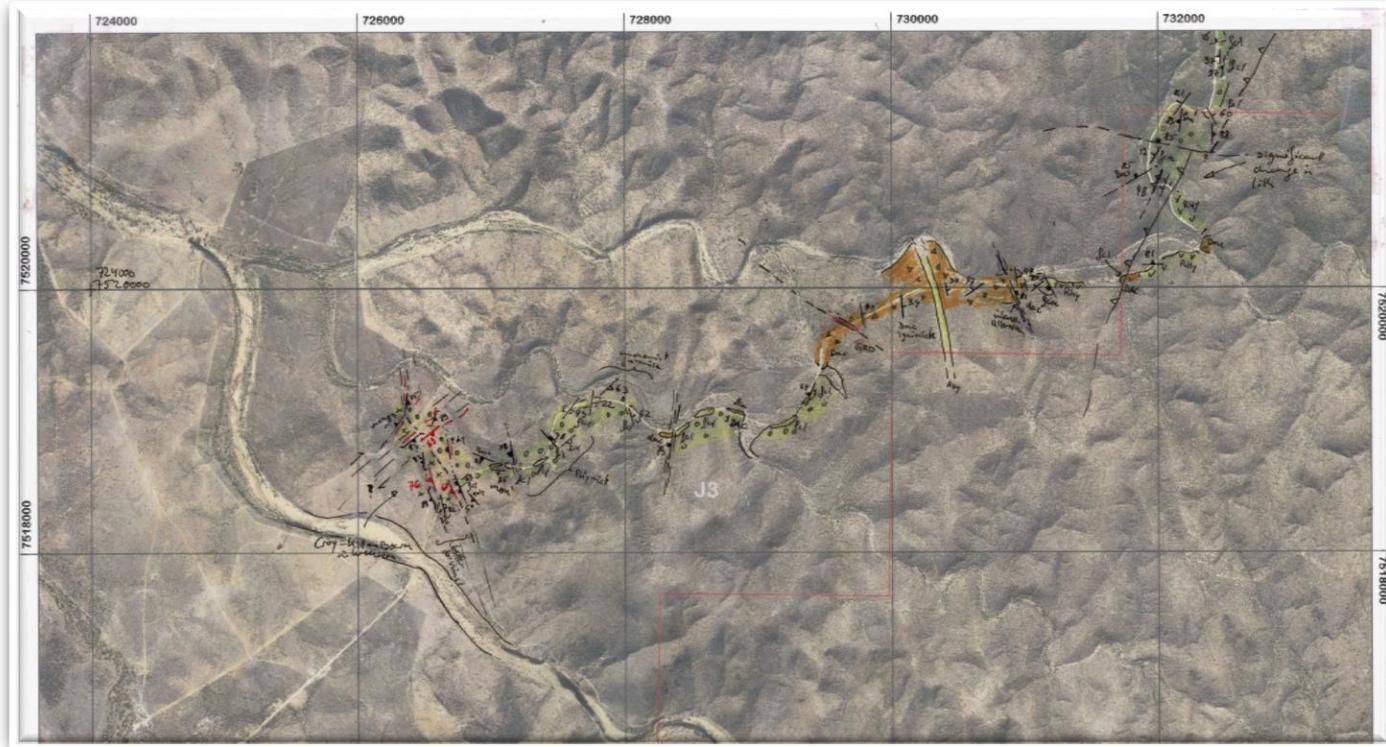
- Acquired May 2018 from Orion Minerals Limited (ASX:ORN)
- 3,200km² granted exploration tenure 160km north of Rockhampton
- A\$2.5M in cash and 2% net smelter return on future gold produced, capped at A\$5M
- Full time team based out of St Lawrence



Location of the Connors Arc Exploration Project

Prime target – HSE (Permian) and LSE (Carboniferous)

HIGH-SULPHIDATION EPITHERMAL



Fact mapping along state roads, Connors Arc

Controls

- Associated with intrusive centres (proximal)
- Distinct zoned pathfinder signature
- Stratigraphically controlled (lateral fluid flow)
- Zoned advanced argillic alteration
- Large alteration footprints
- Permeable host rocks
- Base-metal association (complex metallurgy)

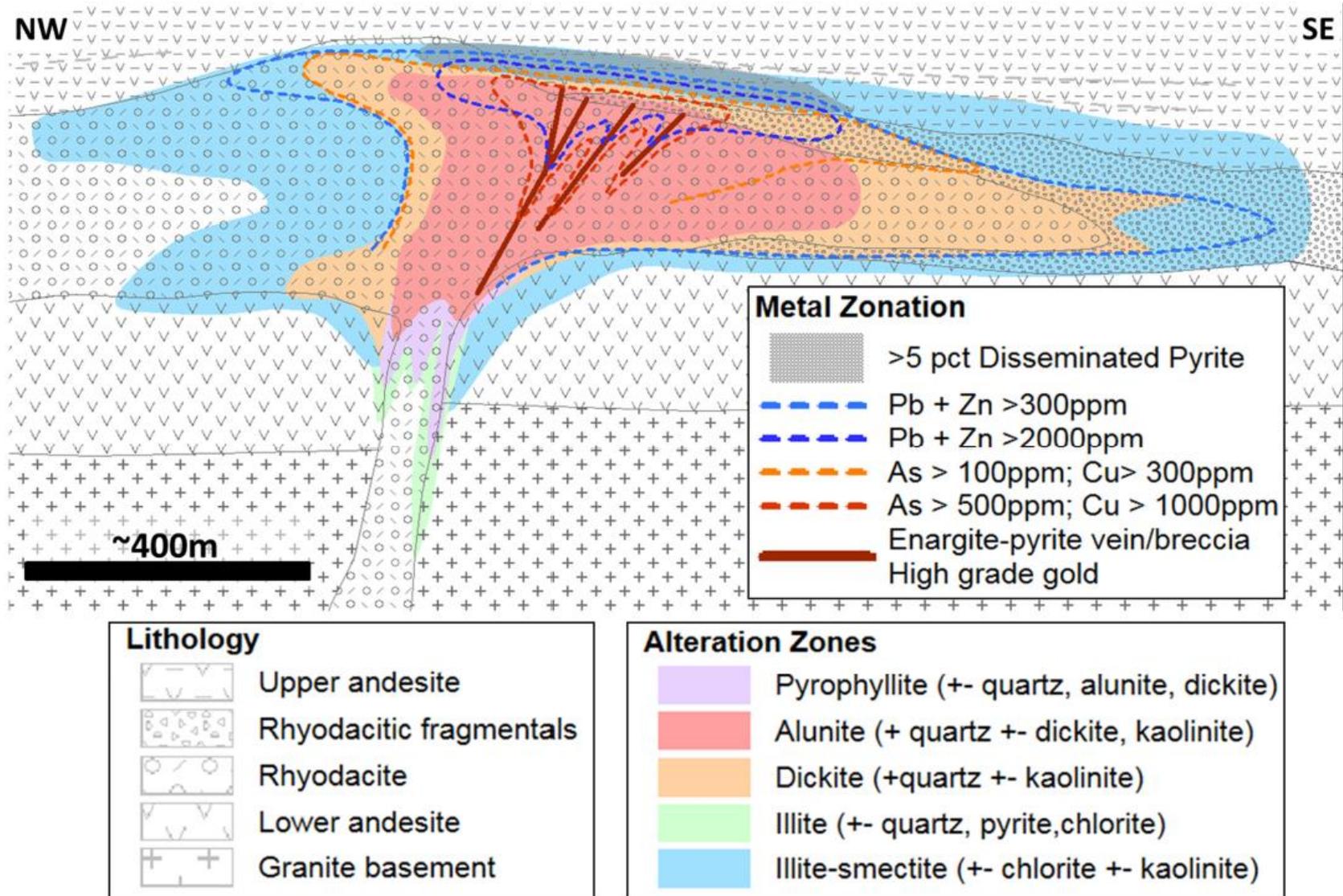
Toolkit

- *Mapping*
- *Magnetics*
- *4AD soils*
- *4AD lithogeochem (rock chips and drilling)*
- *Pole-dipole and gradient array IP*
- *EM*
- *HyMap and ASD*

MT CARLTON (HSE) EXPLORATION MODEL

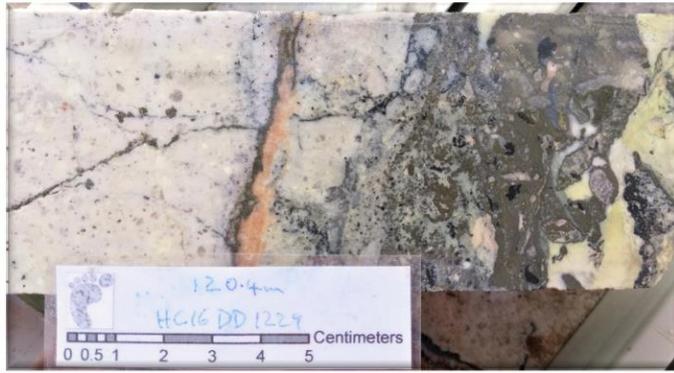


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Schematic section through V2 pit looking NE (Howard et al. 2015)

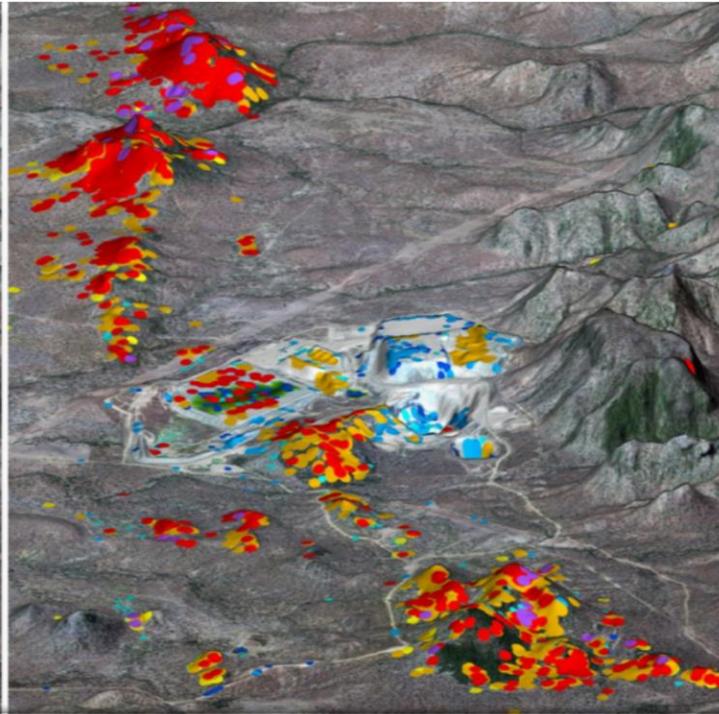
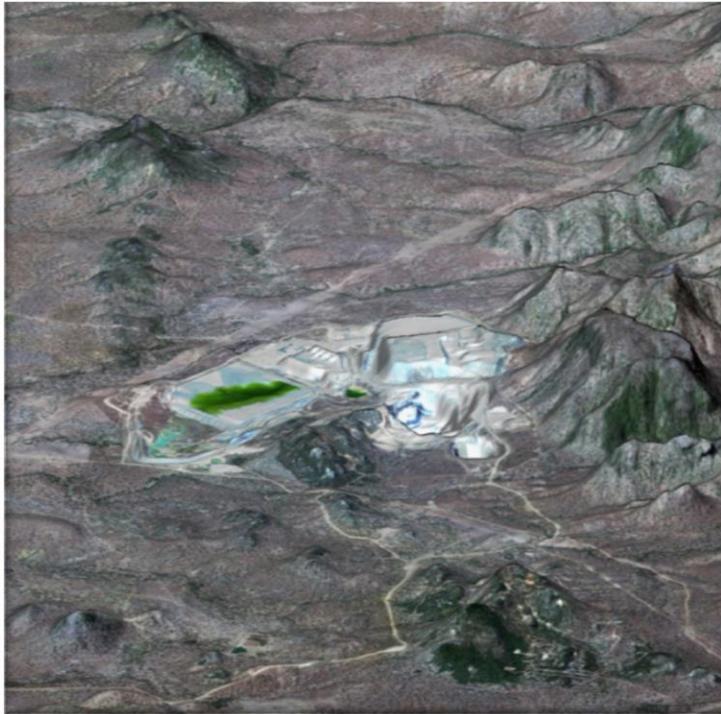
MT CARLTON (HSE) EXPLORATION MODEL



**HC18DD1229_120.4m en-py-cpy-dik bx
vn from V2 orebody**
(Toomey and Little, 2018)

**Mt Carlton vertically exaggerated with
HyMap mineral stacks draped** (purple – pyr; red
– alunite; yellow – dickite)

(Source: Evolution Mining)

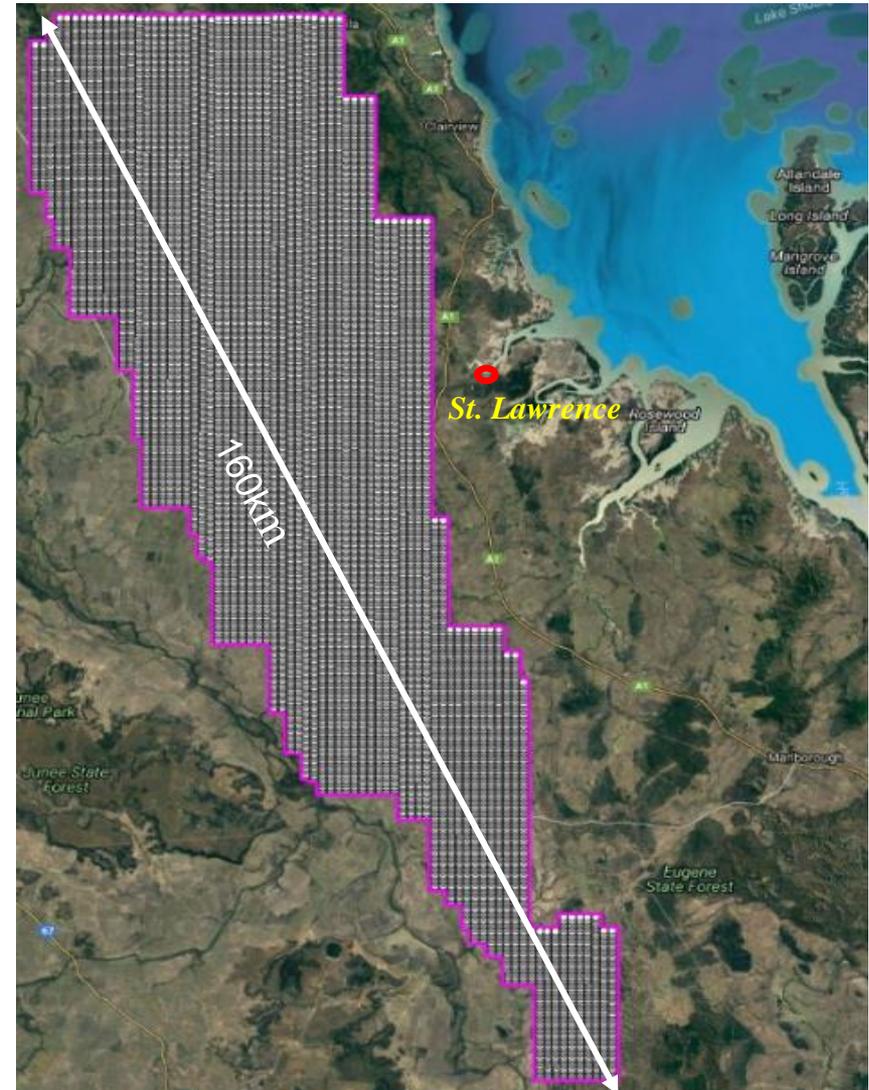


CONNORS ARC FY19

- Acquired high resolution HyMap™ survey
 - Continuous recording sensor
 - ~4264.5 line.km
 - 7 acquisition days (2 standby days)
 - Flying at around 1km elevation
 - Large scale alteration zones delineated
- Regional Mapping
- Regional 400m x 800m soils



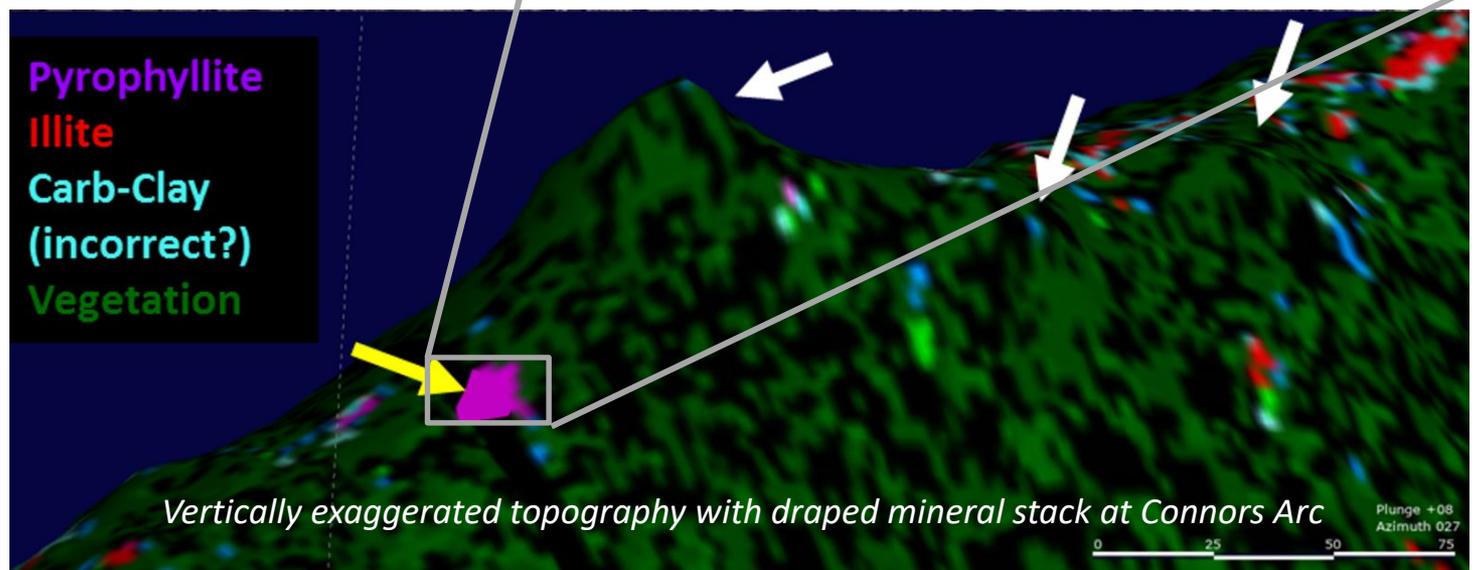
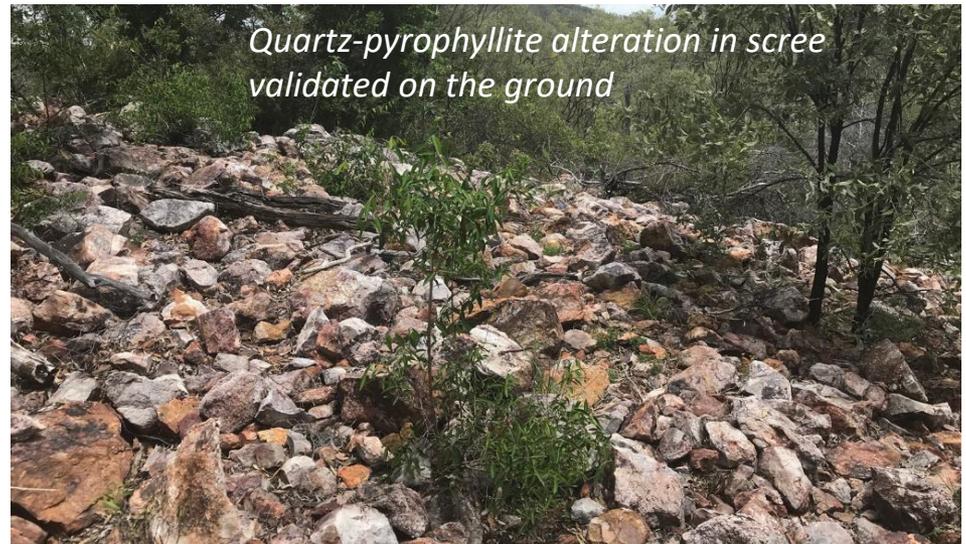
HyMap Sensor



Flight lines for HyMap Survey at the Connors Arc Project

CONNORS ARC HYMAP

- Initial validation generally reasonable
- Some over reporting of mineral assemblages
- On-ground validation is critical



SUMMARY

- Evolution is a significant gold producer in Queensland
 - Cracow (LSE)
 - Mt. Carlton (HSE)
 - Mt. Rawdon (IRGS)
 - Ernest Henry (IOCG – economic interest)
- Over the past year we have built a Greenfields team in Queensland
 - Operating two projects in highly prospective regions:
 - Connors Arc (100%)
 - Drummond JV (EVN earning in)
 - Developing our Discovery Culture
 - Playing to our strengths:
 - Our Discovery Toolkit
 - Technical Excellence
- We will continue to be opportunistic on exploration projects that suit our strategy



Six-Mile Prospect – Connors Arc