

# ASX ANNOUNCEMENT

## Two tranche placement to raise \$13 million

Evolution Energy Minerals (Evolution or the Company) (ASX: EV1, FSE: P77) is pleased to announce that it has received firm commitments to raise A\$13 million (before costs) via a fully committed two-tranche placement of 40,625,000 fully paid ordinary shares (**New Shares**) to institutional, sophisticated and professional investors at a price of \$0.32 per New Share (the **Placement**). The Placement was strongly supported by existing and new, domestic and offshore investors.

### Use of proceeds

The proceeds of the Placement will be used primarily to:

- Complete front end engineering design work and an updated definitive feasibility study for the Company's Chilalo Graphite Project (**Chilalo**);
- Carry out feasibility studies on the development of downstream processing facilities;
- Extraction of 500 tonnes of Chilalo ore to prepare a bulk sample for product marketing and qualification purposes;
- Conduct exploration at Chilalo to provide near-surface high-grade material that will enable an extension of mine life and improved Project economics;
- Undertake certain early works in connection with the development of Chilalo; and
- Working capital and costs associated with the Placement.

### Placement

The Placement will be completed in two tranches:

- Tranche One: the issue of 24,281,250 million New Shares to institutional, sophisticated and professional investors at \$0.32 per New Share (**Tranche One Placement Shares**), representing 15% of issued capital, raising approximately \$7.77 million (before costs); and
- Tranche Two: the issue of 16,343,750 New Shares at \$0.32 per New Share to raise \$5.23 million, subject to approval of the Company's shareholders, comprising:
  - The issue of 10,038,610 New Shares at \$0.32 per New Share to ARCH Sustainable Resources Fund LP (**ARCH**) which will enable ARCH to maintain its 24.7% interest in Evolution;
  - The issue of 5,922,640 New Shares to professional and sophisticated investors; and
  - The issue of 312,500 New Shares to directors of the Company.

The Tranche One Placement Shares will be issued under the Company's existing ASX Listing Rule 7.1 placement capacity. The Tranche One Placement Shares are expected to settle on 17 August 2022.

The New Shares to be issued under Tranche Two of the Placement will be issued subject to the approval of the Company's shareholders, with a general meeting expected to be held on 26 September 2022.

The issue price of \$0.32 for the New Shares represents a 16.9% discount to the last traded price of Evolution shares on the ASX of \$0.385 and a 16.6% discount to the five day volume weighted average price of Evolution shares as at the close of trading on 5 August 2022 of \$0.384. New Shares issued under the Placement will rank equally in all respects with existing shares from their respective date of issue.

**Evolution's Managing Director, Phil Hoskins, commented:** *"We are delighted with the support shown by new and existing investors, in particular the introduction of a number of institutional investors to the Evolution share register. Completion of the Placement sees Evolution strongly positioned to aggressively advance our strategy to become a vertically integrated supplier of sustainable graphite products. We are seeking to bring the Chilalo graphite mine into production as soon as possible and to establish downstream processing facilities to produce expandable graphite and graphite foil using Chilalo's coarse flake graphite and battery anode materials using Chilalo's fine flake graphite."*

*"We are pleased that ARCH, which currently holds a 24.7% interest in Evolution shares, has committed to participate in the Placement so as to maintain its 24.7% interest, a reflection of its confidence in Evolution's strategy and work programs that are central to delivery of that strategy."*

#### Indicative timetable for the Capital Raising

Event	Time
Announcement of Placement	10 August 2022
Settlement date for the Tranche One Placement Shares	17 August 2022
Allotment of the Tranche One Placement Shares	18 August 2022
Tranche One Placement Shares commence trading	19 August 2022
Release of Notice of Meeting to ASX	23 August 2022
Extraordinary General Meeting ( <b>EGM</b> ) to be held to approve the New Shares proposed to be issued under Tranche Two of the Placement	26 September 2022
Settlement of Tranche Two of the Placement	3 October 2022
Allotment of New Shares under Tranche Two of the Placement	4 October 2022, subject to shareholder approval at the EGM
Normal settlement trading for New Shares issued under Tranche Two of the Placement	5 October 2022

*The above dates are indicative only and are subject to change. The Company reserves the right to amend this indicative timetable at any time and in particular (subject to the Corporations Act and ASX Listing Rules), to cancel the Capital Raising without prior notice.*

#### Further information

Canaccord Genuity (Australia) Limited and Ashanti Capital Pty Ltd are acting as joint lead managers in relation to the Capital Raising.

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

#### For further information please contact:

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## ABOUT EVOLUTION (ASX:EV1)

**Development ready**

Chilalo Graphite Project in Tanzania

**58% > 80 Mesh**

World leading flake size = highest margins

**Unique offtake and downstream collaboration**

Extensive product qualifications with YXGC, global leader for EG and foil

**Framework agreement**

To provide Tanzanian government certainty

**FID by H2 2022**

Strategic ESG fund cornerstone support

**Sustainable battery anode strategy**

Superior performance, environmentally friendly thermal purification

**Carbon neutrality**

Pursuing net zero carbon from day one

**Evolution's vision is to become a vertically integrated company that will only supply sustainably sourced graphite products and battery materials.**

This will be achieved by combining our unique graphite source with industry-leading technology partners, working closely with customers and producing diversified downstream products in both Tanzania and strategically located manufacturing hubs around the world. Evolution is committed to being global leaders in ESG and ensuring its operations support the push for decarbonisation and the global green economy.

**EVOLUTION**  
ENERGY MINERALS

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