

ASX ANNOUNCEMENT

Evolution receives Tanzanian Government approval for Resettlement Action Plan

Evolution Energy Minerals (Evolution or the Company) (ASX: EV1, FSE: P77) is pleased to announce that the Resettlement Action Plan (RAP) for the Company's Chilalo Graphite Project in south-east Tanzania has been approved by the Government of Tanzania.

HIGHLIGHTS

- **Government approval of the RAP is a key milestone, bringing the Company closer to the development of Chilalo – together with the binding offtake agreement and the pending framework agreement with the Government of Tanzania, Evolution is strongly positioned to secure project finance.**
- **The RAP was prepared in accordance with applicable Tanzanian legislation¹ and International Finance Corporation's (IFC) Performance Standards on Social and Environmental Sustainability – these are the minimum standards required for by debt financiers and sustainability-focused ESG investors.**
- **The RAP, which follows a period of extensive engagement with local communities, includes wide ranging livelihood restoration initiatives to enhance communities' living standards.**

The RAP for the Company's Chilalo Project was submitted to the Government of Tanzania during June 2022, with formal approval of the Chief Government Valuer received on 10 August 2022. The RAP process began in November 2021 and since that time, there has been extensive engagement with, and strong support from, the Ambye, Lukowe and Nangurugai communities, all of which are proximate to the Chilalo Project area.

The RAP process is used to assess land and property values in connection with the relocation of people and properties. It is a well-established and widely understood process that is applied worldwide in connection with the establishment of mining operations, including extensively in Africa. The RAP was completed in accordance with IFC Performance Standards on Social and Environmental Sustainability, which is generally a condition precedent to project finance. Approval of the RAP effectively provides the Company with the social license to develop and operate the Chilalo Project.

Evolution's Managing Director, Phil Hoskins, commented: *"We recognise that working together with the local communities is the foundation for the successful development of our Chilalo Project. From the outset, we committed to going beyond the minimum legislative requirement and meeting IFC standards. Applying such an approach, not only delivers the best possible outcome for local communities but enhances Evolution's social license to operate.*

"There is clear demonstration of continued support for the development of Chilalo, not only from the local communities, but also from the Tanzanian Government. Such support will assist the Company in successfully developing the Chilalo Project.

"With a binding offtake arrangement in place for Chilalo's coarse flake material, completion of the RAP is an important milestone as we advance our efforts to secure project finance for the development of Chilalo."

¹ Tanzanian National Environmental Management Council (NEMC) guidelines is legislated under the Environment Act of 2004, Mining Act of 2010, Land Act No.5 of 1999, Land acquisition Act of 1970 and Valuation and Valuers Registration No.7 of 2016.

All Project Affected Persons (**PAPs**) will be compensated appropriately and relocated to superior properties with enhanced amenities. The RAP includes a five-year livelihood restoration program that consists of several initiatives targeted at delivering sustainable benefits to the PAPs, including:

- **Conservation agriculture (Permaculture)** – supply of materials, training and ongoing coaching and mentoring to promote the development of sustainable sesame, maize and legume agriculture among the local communities.
- **Tree nurseries** – propagation of alternative cashew trees for distribution to PAPs and provision of training and mentoring to support local communities in the development of cashew tree farms.
- **Vegetable program** – establishment of a vegetable nursery to produce seedlings to assist in the development of vegetable farms and the provision of vegetable gardens with wells, tread pumps and seedlings in a large number of new dwellings.
- **Youth skills training program** – skills training for local youths, focused on brick laying and carpentry, as part of the construction of relocation dwellings, with a view to such youths being employed as part of construction and operations at Chilalo, and
- **Livelihood Restoration Centre (LRC)** – the LRC is an important community resource that has the following features: a shade structure, fully equipped greenhouse, water wells, an exhibition compound and two trucks.

As part of its ESG program, Evolution completed several studies that directly informed the Company's approach to effectively delivering the RAP. These studies included a health impact assessment (the first such study carried out in the local area), a water availability study, a cultural heritage study, vulnerable persons assessment, human rights impact assessment, and a local biodiversity and ecosystem impact assessment.

Execution of the RAP was overseen by Evolution's Tanzanian based General Manager Corporate Services and supported by a multi-disciplinary team of Tanzanian and international consultants that comprised surveyors, valuers, sociologists, data entry and geographic information systems experts. Throughout the process, the Company was in regular dialogue with the Government of Tanzania to ensure accuracy and compliance with Tanzanian legislation.

The process of stakeholder engagement was supported by a Resettlement Advisory Committee (**RAC**), an advisory group on all matters relating to resettlement that comprised members of each local community, the Government of Tanzania and the Company. The RAC was consulted for advice on compensation options and resettlement proposals and played an important role in guiding the Company in relation to community preferences, concerns and communication.

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

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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.

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