

ASX Announcement

22 December 2015

COMPULSORY ACQUISITION OF PHOENIX SHARES

As announced previously to the ASX, Evolution Mining Limited (**Evolution**) has a relevant interest in greater than 90% of Phoenix Gold Limited (**Phoenix**) shares. As a result of having a relevant interest in greater than 90% of Phoenix shares, Evolution intends to compulsorily acquire any Phoenix shares that are not accepted into its takeover offer.

Compulsory acquisition notices will be dispatched to all Phoenix shareholders who have not accepted Evolution's offer shortly. In due course, Phoenix will be suspended and removed from the official list of ASX.

Evolution's offer price of 0.06 Evolution shares and A\$0.0675 cash per Phoenix share is **FINAL** and Evolution's offer will not be extended further.

Phoenix shareholders who have not accepted Evolution's offer may still do so by 7:00pm (Sydney time) on 30 December 2015 (being the scheduled closing time for the offer).

Accepting shareholders will be paid approximately 14 days after receipt of a valid acceptance. Phoenix shareholders who do not accept Evolution's offer will have their shares compulsorily acquired and will receive their consideration a number of weeks later than shareholders who accept Evolution's offer now.

If Phoenix shareholders have any queries in relation to this announcement or any other matter relating to the takeover bid, please contact the Evolution Offer Information Line on 1300 553 490 (within Australia) and +61 1300 553 490 (outside Australia).

For further information please contact:

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About Evolution Mining

Evolution Mining is a leading, growth-focussed Australian gold miner. Evolution operates seven wholly-owned mines – Cowal in New South Wales, Cracow, Mt Carlton, Mt Rawdon and Pajingo in Queensland, and Edna May and Mungari in Western Australia.

Group production for FY15 from Evolution's five existing operating assets (prior to completion of the Cowal and Mungari acquisitions) totalled 437,570 ounces gold equivalent at an All-In Sustaining Cost of A\$1,036 per ounce.

Evolution has guided FY16 attributable gold production from all seven operating assets of 730,000 – 810,000 ounces at an AISC of A\$990 – A\$1,060 per ounce.



Evolution
MINING

22 December 2015

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Dear Phoenix Shareholder,

Compulsory acquisition of shares in Phoenix

As you may be aware, Evolution Mining Limited (**Evolution**) has a relevant interest in more than 90% of the shares in Phoenix Gold Limited (**Phoenix**) and has acquired more than 75% of the Phoenix shares that it offered to acquire under its takeover bid. As previously announced to the ASX, Evolution will proceed to compulsorily acquire any Phoenix shares that are not accepted into the offer.

Phoenix shareholders who have not accepted Evolution's offer may still do so by 7:00pm (Sydney time) on 30 December 2015 (being the scheduled closing time for the offer). Phoenix shareholders who accept the offer by this date will receive the consideration for their Phoenix shares earlier, instead of having to wait for their Phoenix shares to be compulsorily acquired under the compulsory acquisition process.

Evolution's offer price of 0.06 Evolution shares and A\$0.0675 cash per Phoenix share is **FINAL** and Evolution's offer will not be extended further.

Evolution will acquire any shares remaining after the close of the offer, under the compulsory acquisition provisions of the *Corporations Act 2001* (Cth). The compulsory acquisition will be on the same terms as the offer (ie consideration of 0.06 Evolution shares and A\$0.0675 cash per Phoenix share).

If you do not accept the offer before the scheduled closing time for the offer, on completion of the compulsory acquisition procedure, Evolution will pay and issue to Phoenix the consideration for your Phoenix shares. You will then be entitled to claim the consideration from Phoenix.

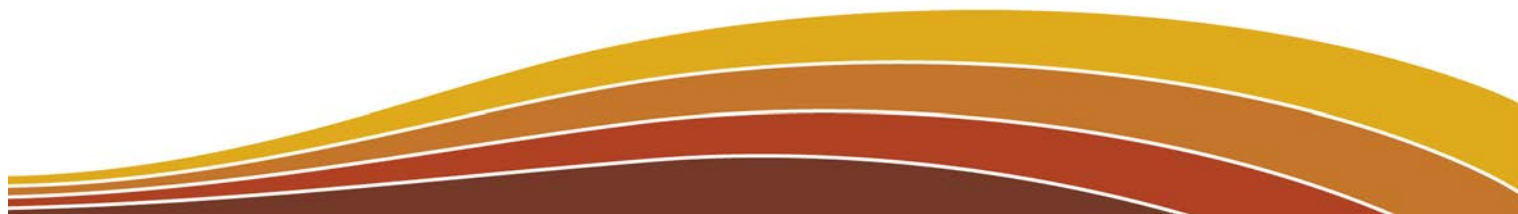
Phoenix will give notice to shareholders once it has received the consideration and advise as to how you may claim the consideration. Subject to the *Corporations Act 2001* (Cth), this is expected to occur 5 to 6 weeks after the date of this letter.

See also the enclosed copy of **ASIC Form 6021 – Notice of compulsory acquisition following takeover bid (Notice)**, which sets out the compulsory acquisition process and your rights.

Under ASX Listing Rule 17.4, ASX will suspend quotation of Phoenix shares 5 business days after the date of the Notice. Once suspended, ASX will remove Phoenix from the official list at the closing of trading on a date to be determined.

Yours sincerely

Jake Klein
Executive Chairman
Evolution Mining Limited



Notice of compulsory acquisition following takeover bid

Notice

Description of class of securities to which the bid relates

Name of target company or body

Tick applicable box(es)

To each holder of:

ORDINARY SHARES

('Bid Class Securities')

in

Name ('the Company')

PHOENIX GOLD LIMITED

ACN/ARBN/ARSN

ABN 55 140 269 316

- ☒ and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.
- ☐ and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

Name of bidder

Tick one box

Date offers closed or are scheduled to close

1. Under a takeover bid offers were made by

EVOLUTION MINING LIMITED

in respect of the acquisition of Bid Class Securities in the company.

The offers

- ☐ closed
- ☒ are scheduled to close

on

Date

3 0 1 2 1 5
[D] [D] [M] [M] [Y] [Y]

Tick applicable box(es).
(see subsection 661A(4) and (4A))

Description of securities

Description of securities

2. You are, as at the date of this notice, the holder of one or more of the following

- ☒ securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)
- ☐ securities to which the bid related issued after the end of the offer period and before the date of this notice
- ☐ securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related
- ☐ securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being
- ☐ the following securities in the bid class in which the bidder has a relevant interest

3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

Tick one box

- ☒ 661A(1)
- ☐ 661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

Continued... Notice

Date of lodgement

4. Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

This notice was lodged with ASIC on

Date

2	2	1	2	/	1	5
[D	D]	[M	M]	[Y	Y]	

Insert paragraph 4A only where alternative forms of consideration were offered under the bid.

- 4A. You are entitled, within one month after being given this notice (see paragraph 8), or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is the later, by notice in writing to the bidder, to elect which of the following forms of consideration will apply to the acquisition of your securities:

If you do not elect which of the alternative forms of consideration will apply to the acquisition of your securities, the form of consideration that will apply will be:

Details of alternative terms

Set out the terms that will apply

5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.

6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before

☒

this notice was given.

☐

the end of the offer period.

Tick one box

7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.

8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Signature


Name of person signing

EVAN ELSTEIN

Capacity

COMPANY SECRETARY

Signature



Date signed

2	2	/	1	2	/	1	5
[D	D]		[M	M]		[Y	Y]