

Evolution Mining Limited EVN

Mkt Cap \$Mil \$4,231
Style Box™ 
Close Price \$ 2.50 (05-Sep-2017)

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Business Summary as at 04 Nov 2016

Evolution Mining Limited (EVN) is a gold mining company focusing on mining and exploration operations in Australia. It owns and operates six gold and silver mines in Queensland and Western Australia.

Pajingo: The project is located 50km south of Charters Towers, QLD. As at 31st Dec 2015 Ore Reserves were 0.55 Mt @ 5.97 g/t for 107 koz gold. Measured, Indicated and Inferred Resources were 2.54 Mt @ 7.04 g/t for 574 koz gold. Gold production for FY16 was 68,630oz.

Edna May: The project is located 350km east of Perth, WA. As at 31st Dec 2015 Ore Reserves were 9.66 Mt @ 1.51 g/t gold for 471 koz gold. Measured, Indicated and Inferred Resources were 19.14 Mt @ 1.37 g/t Au for 840 koz gold. During FY2016 Gold Production was 71,028oz.

Cracow: The project is located 500 km NW of Brisbane, QLD. As at 31st Dec 2015 Ore Reserves were 1.06 Mt @ 5.59 g/t Au for 190 koz gold. Measured, Indicated and Inferred Resources were 2.42 Mt @ 6.48 g/t Au for 504 koz gold. During FY2016 Gold Production was 90,626oz.

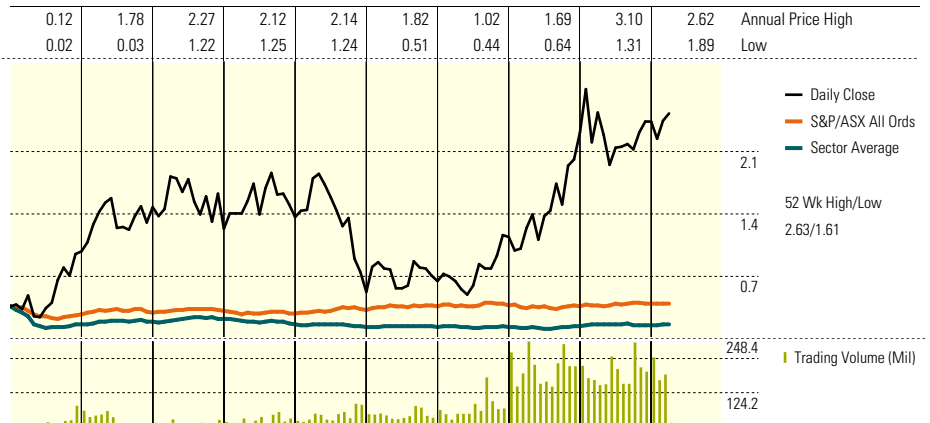
Mt Rawdon: The project is located 75km SW of Bundaberg, QLD, and is prospective for gold and silver. As at 31st Dec 2015 Ore Reserves were 34.43 Mt @ 0.78 g/t for 879 koz gold. Measured, Indicated and Inferred Resources were 56.09 Mt @ 0.69 g/t for 1,238 koz gold. During FY2016 Gold Production was 85,002oz.

Mt Carlton: The project is located 150km south of Townsville, QLD. As at 31st Dec 2015 Ore Reserves were 4.62 Mt @ 4.78 g/t gold for 709koz gold. Measured, Indicated and Inferred Resources were 8.62 Mt @ 3.19g/t gold for 885 koz gold. Gold production for FY 2016 was 113,056oz.

Ernest Henry: The project is located 35km north-east of Cloncurry, QLD. As at 31st Dec 2015 Ore Reserves were 57.9 Mt @ 1.06%Cu and 0.54 g/t Au for 612kt copper and 1011koz gold. Measured, Indicated and Inferred Resources were 96.1 Mt @ 1.17% Cu and 0.59 g/t Au for 1124kt Cu and 1839koz Au. Production for FY16 was 67,000t of Cu and 88,000oz of Au.

Mungari: The project is located 600km east of Perth, 20km west of Kalgoorlie. As at 31st Dec 2015 Ore Reserves were 7.92 Mt @ 2.61 g/t for 665koz gold. Measured, Indicated and Inferred Resources were 79.33 Mt @ 1.77 g/t for 4.53Moz gold. During FY2016 Gold Production was 1,37,193oz.

Shares Issued Mil 1692.51
Morningstar Sector Basic Materials
Morningstar Industry Gold
GICS Industry Group Materials



	06-09	06-10	06-11	06-12	06-13	06-14	06-15	06-16	06-17	09-17*	Performance
170.88	49.50	-16.30	11.08	-61.36	25.73	80.29	105.45	7.33	1.77	Total Return %	
193.02	35.73	-28.46	18.10	-82.03	8.09	74.62	103.45	-6.96	—	+/- Market	
	06-09	06-10	06-11	06-12	06-13	06-14	06-15	06-16	06-17	Current	Valuation
-7.87	30.43	-172.15	21.25	5.25	8.79	8.08	22.67	17.38	16.49	Price/Earnings	
12.45	14.46	13.92	13.24	15.35	16.23	15.49	16.82	17.07	16.82	Market P/E	
—	11.97	2.10	1.84	0.73	0.88	1.31	2.48	2.68	2.78	Price/Sales	
2.63	1.91	1.51	0.99	0.53	0.63	1.01	2.21	1.91	1.98	Price/Book	
-24.76	43.41	9.20	7.29	2.12	2.56	4.82	12.85	12.32	12.49	Price/Cash Flow	
117	264	242	1043	404	497	1141	3421	4056	4231	Market Cap \$Mil	
0.00	0.00	0.00	0.00	1.75	2.86	1.74	1.29	2.07	1.60	Dividend Yield%	
	06-09	06-10	06-11	06-12	06-13	06-14	06-15	06-16	06-17	Financials	
0	22	122	469	605	634	666	1329	1480	—	Operating Revenue \$Mil	
—	23.45	23.72	34.98	34.99	34.09	40.94	24.29	27.95	—	EBITDA Margin %	
-7	-3	9	70	70	72	120	188	282	—	EBIT \$Mil	
—	-12.99	7.02	14.96	11.63	11.42	18.01	14.16	19.02	—	EBIT Margin %	
-7	8	-1	37	77	58	106	143	228	—	NPAT Before Abs \$Mil	
-7	6	-2	37	-307	50	100	-24	218	—	Reported Net Profit \$Mil	
-12.35	4.79	-0.71	6.37	9.97	7.31	13.97	10.09	13.87	—	Earnings Per Share ¢	
538	141	169	526	708	709	730	1390	1639	—	Shares Mil	
0.37	0.76	0.81	1.37	0.98	1.02	1.11	1.04	1.26	—	Book Value Per Share \$	
-3	4	22	172	233	202	285	574	651	—	Oper Cash Flow \$Mil	
-9	-90	-29	-217	-436	-170	-191	-235	-272	—	Cap Spending \$Mil	
-14	-79	-8	-31	-294	18	54	-52	32	—	Free Cash Flow \$Mil	
	06-09	06-10	06-11	06-12	06-13	06-14	06-15	06-16	06-17	Profitability	
-13.66	3.56	1.02	3.46	8.05	6.16	8.85	7.94	8.58	—	Return on Assets %	
-15.27	5.66	-0.83	3.53	10.18	7.42	9.43	9.21	10.72	—	Return on Equity %	
—	35.28	-1.09	7.95	12.70	9.19	15.92	10.76	15.42	—	Net Margin %	
0.00	10.03	52.80	36.98	58.74	57.18	50.75	60.75	50.24	—	Asset Turnover %	
110.56	160.04	144.25	120.17	136.37	141.29	116.69	140.98	138.40	—	Financial Leverage %	
	06-09	06-10	06-11	06-12	06-13	06-14	06-15	06-16	06-17	Financial Health	
0	-4	1	-42	7	14	5	134	114	—	Working Capital \$Mil	
0	39	30	17	126	138	7	280	383	—	Long-Term Debt \$Mil	
45	139	160	1056	755	785	1125	1551	2128	—	Total Equity \$Mil	
-72.21	18.79	9.19	-10.03	15.99	16.54	-16.17	17.99	18.74	—	Net Debt/Equity %	

Key Dates

Fiscal Year End 30 Jun 2017 Listing Date 20 Aug 2002
 AGM 24 Nov 2016 DRIP None

Dividend History

	Final	Interim
Dividend Ex Date	25 Aug 2017	24 Feb 2017
Dividend Pay Date	29 Sep 2017	27 Mar 2017
DPS ¢	3.00	2.00
Franking %	100	0

Major Shareholders No. of shares [Mil]

La Mancha group International B.V. (475),
 Van Eck Associates Corporation (178),
 Van Eck Global (113)

Consensus out of 2 analysts

	Current	2018E	2019E
Price/Earnings	18.02	11.90	10.64
Dividend Yield %	2.00	1.20	1.20
EPS(\$)	0.14	0.21	0.24
DPS(\$)	0.05	0.03	0.03

*Represents financial year to date - the day after last financial year to a day before publication date.

Investment Detail Disclosure

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Research Methodology

Currency

All figures for stocks listed on Australian Stock Exchange

are in Australian dollars and all figures for stocks listed on New Zealand Stock Exchange are in New Zealand dollars.

Business Description

A brief description of the company's operations and activities. This information is updated every six months or on the release of important information about the company.

Market Capitalisation \$ mil

The market value of the company's equity capital. This is calculated by multiplying the number of common shares by the current price. Other classes of equity such as preference shares are normally not included, except in certain cases where the shares are "quasi-ordinary". The most prominent example of this is News Corporation (NWS), where we do include their preferred limited voting ordinary shares in our calculation of market value.

Style

The Morningstar Style consists of nine categories that provide an overview of the investment strategy. The style is comprised of a combination of market capitalization of the security and the investment style (value, blend, or growth).

Last Price

Stock price shown represents the market price of the stock as of the most recent close of trading as at the release date noted at the top of the investment detail page.

Shares Issued

Current number of ordinary shares listed on the Australian/New Zealand Stock Exchange.

Sector

Morningstar Sector : based on Morningstar global equity classification, each equity is mapped into one of 148 industries. This mapping is based on publicly available information about each company and Morningstar Equity Analyst input. Industries are grouped into 69 industry groups and subsequently mapped into one of the 11 sectors. Industry and sector information are available for companies on all major global exchanges.

GICS Sector : Based on Standard & Poor's Global Industry Classification. All companies listed on the Australian/New Zealand Stock Exchange are grouped into one of 24 industry sectors. This classification is used to compute sector averages and industry peers.

Performance

Total Return represents shareholders' gains from a stock over a given period of time (YTD, one month, three month, one-, three-, and five year). Total return includes both capital gains and losses and dividend payments. It is calculated by taking the change in the stock's price as of the close of trading of the respective period, assuming the reinvestment of all dividends, then dividing by the initial stock price, and expressing the result as a percentage. Returns for periods longer than one year are annualized. Returns do not include brokerage commission or the effects of taxation.

Financials

Revenue and Margin line items will depend on the type of company selected – i.e. Industrial, Bank, Insurance, Property or Listed Investment Company. Net Profit \$Mil represents net operating profit after tax, minorities, preference dividends, significant, and non-recurring items (NPAT). Earnings Per Share \$ is NPAT divided by the weighted average number of ordinary shares on issue

during the year. Book Value Per Share \$ is a company's common stock equity as it appears on a balance sheet divided by the number of shares outstanding. Oper Cash Flow \$Mil is net cash flow after paying suppliers, employees, interest expense and tax paid from receipts from customers, dividends and interest received. Cap Spending \$ Mil is money spent to acquire or upgrade physical assets such as buildings and machinery. Free Cash Flow \$Mil is the amount of cash that a company has left over after it has paid all of its expenses, including investments (Oper Cash Flow minus Cap Spending and dividends).

Avg no. of Shares

The weighted average number of ordinary shares during the financial year. This figure is used to calculate basic earnings per shares (EPS).

Profitability

Return on Assets % (ROA) is the percentage a company earns on its assets in a given year. It is measured by dividing NPAT before abnormal by total assets. Return on Equity % (ROE) is the percentage a company earns on its total equity in a given year. The calculation is NPAT before abnormal divided by shareholder equity. Net Margin % is A measure of profitability and is equal to NPAT divided by revenues from the same period. Asset Turnover represents how many dollars in revenue a company has generated per each dollar of assets. It is calculated by dividing total revenues for the period by total assets for the same period. Financial leverage is calculated by dividing total assets by total shareholders' equity.

Financial Health

Working Capital \$Mil is current assets minus current liabilities. Working capital measures how much in liquid assets a company has available to build its business. Long-Term Debt \$Mil includes loans and obligations with a maturity of longer than one year, usually accompanied by interest payments. Total Equity \$Mil is ownership interest in a corporation in the form of common stock or preferred stock. It also refers to total assets minus total liabilities, in which case it is also referred to as shareholder's equity or net worth or book value. Debt/equity ratio is equal to short-term and long-term debt minus cash divided by common shareholders' equity.

Valuation

Price/Earnings (PE) is the current price divided by the company's trailing 12-month earnings per share. Price/Book (PB) is the most recent stock price divided by the most recent book value per share. Price/Sales (PS) is the current price divided by the company's sales per share over the trailing 12 months. Price/Cash Flow (PC) is the most recent price divided by the cash flow per share of the latest fiscal year.

Key Dates

Fiscal Year End is the date in which the company closes its books for the previous 12-month period over which a company budgets its spending. AGM is the annual company gathering, usually held at the end of each fiscal year, at which the previous year and the outlook for the future are discussed and directors are elected by common shareholders. Listing Date defines the date the companies share price was first quoted on the stock exchange. DRP is the dividend reinvestment plan offered by some corporations enabling shareholders to automatically reinvest cash dividends and capital gains distributions, thereby accumulating more stock without paying brokerage

commissions.

Consensus

Current (latest actual) Price/Earnings, Dividend Yield, EPS and DPS are provided for reference. Forecasts are indicated by 'E' and are available for forward years only. Both actual and forecast EPS are presented on a pre-goodwill amortization basis.

Dividend History

Dividend Ex-Date is the first day of the ex-dividend period.

If an investor does not own the stock before the ex-date, he or she will be ineligible for the dividend payout.

Dividend Pay Date is the date on which the dividend will actually be paid to shareholders. DPS ¢ is Total dividend for the year, divided by the number of shares ranked for dividend. Franking % shows the percentage of the dividend which contains a dividend imputation credit.

Major Shareholders

The 3 largest shareholders (individuals or companies) and the number of voting shares they are entitled to.