

Cowal Operations

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15 August 2021

Phyllis Miller
Steve Loane

Via email: phyllismiller@gmail.com
steve.loane@forbes.nsw.gov.au

Dear Phyllis and Steve,

We appreciate and thank the Forbes Shire Council for your ongoing commitment to work constructively with Evolution Mining to secure the future of mine operations at the Cowal Gold Operations.

This letter aims to bring some clarity to Evolution's ongoing commitment to contributing and building trusted relations with the Council and the community.

As you will be aware, Evolution has a demonstrated track record of voluntary contributions within the Shire via our Cowal Partnering Program, Cowal Cares Program, direct sponsorships, donations and Special Value Projects. This is in addition to the Memorandum of Understanding on road maintenance direct with Council.

We are committed to continue this level of voluntary direct targeted contributions for the life of the operation. We are also committed to collaborating and providing a higher level of certainty with Council around its deployment, particularly supporting larger scale Shared Value Projects that can create long-term community benefit.

To best direct our future support, we would welcome the opportunity to begin a process with Council to understand Council's strategic plans and future needs. This will also allow us to share our long-term strategic planning.

Whilst we do not believe that a voluntary planning agreement centred only on the Underground Project with the Forbes Council is appropriate at this time, we do believe there is value for all parties to engage in a separate, more holistic planning and development process based on open and realistic discussions regarding the Forbes Council's desire for future direct funding support and ongoing investment within the community, with the purpose of finding mutual value.

Should Council like to take up this offer of ongoing dialogue, I ask Council give consideration to:

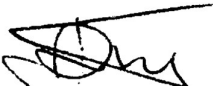
- The scope of any such discussions
- Council's preparedness to undertake such discussions under a binding non-disclosure agreement (to enable the discussion content to include market sensitive information)
- The process and timing of any such discussions; and
- The parties involved (for example, would Council's preference be to undertake discussions on a tri-Council / Evolution basis or direct in a bi-lateral approach?)

The preferred outcome of these discussions would be a planning and development agreement that more holistically covers the current and future planning for both Council and Cowal's Gold Operations.

Evolution is looking to enter these holistic discussions in good faith, noting as an organisation, we are committed to support the communities in which we live and operate.

We look forward to working collaboratively together with all elements of Council and other key stakeholders for shared benefit, as we approach the exciting beginning of the next chapter for the Cowal Gold Operations and the community.

Your faithfully



John Penhall
General Manager – Cowal Gold Operations