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ASX Announcement

27 July 2026

EVOLUTION EXPANDS COPPER GROWTH OPPORTUNITIES AT ERNEST HENRY VIA ACQUISITION OF CARNABY RESOURCES

Key highlights:

- Evolution Mining Limited (ASX: EVN) (**Evolution** or the **Company**) to acquire 100% of Carnaby Resources (ASX: CNB) (**Carnaby**) by way of a Scheme of Arrangement (**Scheme**) having entered into a binding Scheme Implementation Deed (**SID**).
- Incorporates the advanced copper-rich Greater Duchess Project (**Greater Duchess**), located near Ernest Henry Operations, expanding Evolution's regional copper growth pipeline.
- Growth opportunity with potential to deliver approximately 10ktpa of additional copper production at Ernest Henry, leveraging existing infrastructure and utilising latent mill capacity and improving the operation's cost profile, while supporting the Bert expansion project currently in execution.
- Carnaby shareholders to receive 0.0682 new Evolution shares for each Carnaby share held, implying an offer price of $0.77 for each Carnaby share and valuing Carnaby at approximately $213 million[1].
- Scheme unanimously recommended by the Carnaby Board, in the absence of a superior proposal and subject to the Independent Expert concluding that the Scheme is in the best interests of Carnaby shareholders.
- All Directors of the Carnaby Board, collectively representing 7.3% of Carnaby, intend to vote all Carnaby shares held or controlled in favour of the Scheme, subject to the same qualifications.

Strategic rationale

The acquisition is consistent with Evolution's strategy of building a portfolio of high-quality, long-life gold and copper assets in tier-1 jurisdictions. Combining Greater Duchess and the surrounding tenement package with Evolution's established Ernest Henry Operations provides a clear pathway to increasing copper production, leveraging the operation's latent processing capacity and existing infrastructure. The acquisition enhances Evolution's position in the highly prospective North West Queensland copper-gold district of Cloncurry, adding scale and optionality across production, development and exploration. The acquisition will improve the regional exploration potential through an enlarged regional tenement package, with multiple priority targets already identified near Ernest Henry.

[1] Equity value based on 276,119,864 ordinary shares on issue for Carnaby at an implied offer price of $0.77 (rounded up to the nearest whole cent from $0.769978) per share and cash consideration for cancellation of Carnaby's 5,520,000 unlisted options, as outlined in the SID released by Carnaby to the ASX on 27 July 2026.

Located in close proximity to Ernest Henry, Greater Duchess is an advanced copper-gold project at the Pre-Feasibility Study (**PFS**) stage. Carnaby reported a Mineral Resource Estimate of 29.2Mt @ 1.3% copper and 0.2g/t gold and an Ore Reserve Estimate of 8.4Mt @ 1.7% copper and 0.3g/t gold.[2] Greater Duchess will provide an additional source of ore for Ernest Henry, supporting incremental copper growth and enhanced utilisation of existing processing infrastructure.

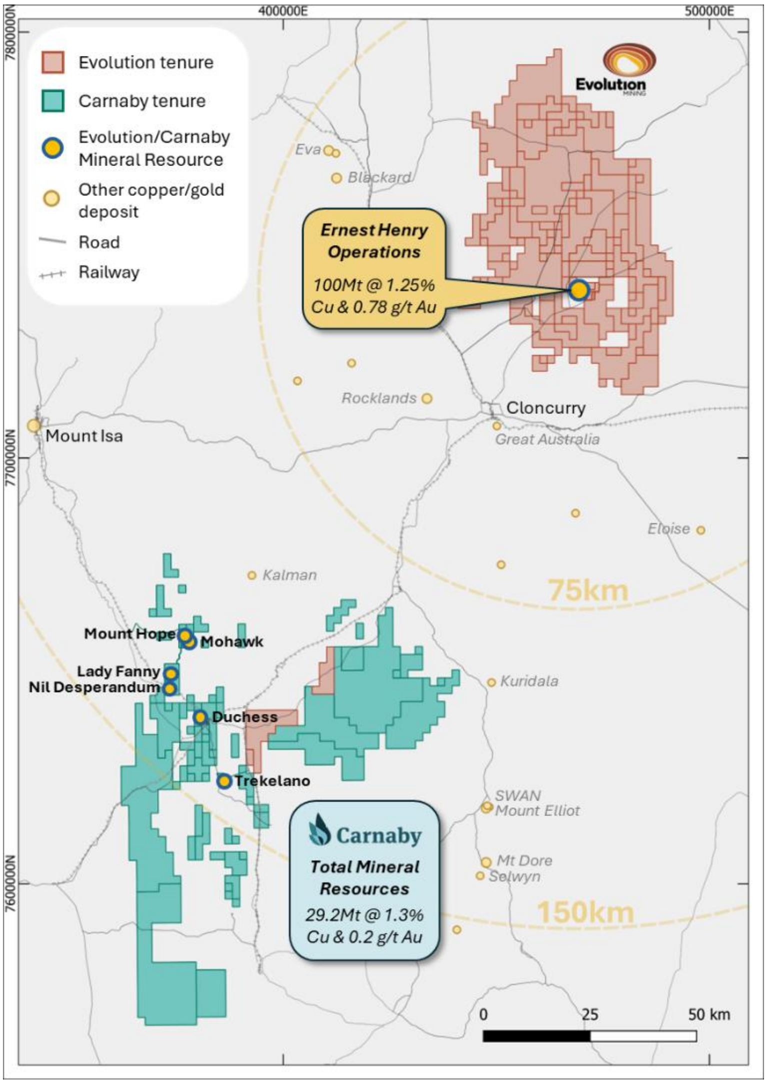

Figure 1: Location of Carnaby's tenure and Evolution's Ernest Henry Operations in the Cloncurry region[3]

[2] The information in this announcement that relates to the Mineral Resource and Ore Reserve Estimates of Carnaby is based on the announcement titled 'Pre-Feasibility Study and Maiden Ore Reserve Greater Duchess Project,' dated 16 March 2026, filed by Carnaby (carnabyresources.com.au).

[3] 'Tenure' includes 100% owned exploration and mining tenements, mining leases, exploration and mining lease applications, joint ventures and partial interests.

Greater Duchess development pathway

The March 2026 PFS for Greater Duchess contemplated a staged development pathway, with completion of a Feasibility Study (**FS**) by mid-year 2026, with a Final Investment Decision (**FID**) subject to the receipt of outstanding regulatory approvals and permits.[4]

While Carnaby has made progress in advancing permitting and approvals for Greater Duchess, these approvals and completion of the FS remain outstanding.

Following implementation of the Scheme, and in parallel with advancing the permitting and approvals, Evolution intends to undertake an updated FS for Greater Duchess building on the work undertaken by Carnaby. The study will assess the optimal approach for integration of Greater Duchess into Ernest Henry to deliver low-cost copper production growth.

Key aspects of the updated FS will include:

- Updating the geological interpretation to support an Evolution Mineral Resource and Ore Reserve statement based on Evolution's metal prices, operating and capital costs and operating assumptions.
- Developing an integrated life of mine plan with Ernest Henry that considers the optimal sequencing and processing strategy for the Greater Duchess deposits.
- Maximising potential mining and processing efficiencies resulting from integrating Greater Duchess with Ernest Henry and reducing execution risk.
- Further in-fill, step out and regional exploration drilling to de-risk and potentially increase the mineral inventory at Greater Duchess, to be ultimately included in the Ernest Henry life of mine plan.

The updated FS is expected to be completed in the next 12-18 months, followed by an expected short ramp up to commencement of production.

Commenting on the Acquisition, Managing Director and Chief Executive Officer, Lawrie Conway, said:

"The acquisition of Carnaby represents an exciting opportunity to add the Greater Duchess project to our portfolio and further consolidate our position in the highly prospective Cloncurry region. The close proximity of Greater Duchess provides an opportunity to increase copper production at Ernest Henry, utilising latent mill capacity and existing infrastructure. The combination of Ernest Henry's Bert project and Greater Duchess enhances our ability to continue to maximise production and growth at Ernest Henry.

"Combining Carnaby's Greater Duchess and prospective tenement package, together with Evolution's established operating presence in North West Queensland provides regional consolidation and has the potential to unlock value for both Carnaby and Evolution shareholders.

"Under our ownership, we will be able to best optimise and integrate Greater Duchess within our long-life Ernest Henry operations and take full advantage of the additional regional exploration potential."

[4] Refer Carnaby ASX Announcement *'Pre-feasibility Study and Maiden Ore Reserve – Greater Duchess Project'* dated 16 March 2026.

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Overview of the Scheme

Under the terms of the Scheme, Carnaby shareholders will be entitled to receive 0.0682 Evolution shares for each Carnaby share held on the Record Date (as defined in the SID), representing an implied offer price of $0.77[5] for each Carnaby share (**Scheme Consideration**).[6] The Scheme Consideration values Carnaby at an equity value of approximately $213 million.[1]

The Scheme Consideration represents a premium of:

- 60.4% to the closing price of $0.48 per Carnaby share on 24 July 2026; and
- 31.4% to the 30-day volume weighted average price of $0.59 per Carnaby share up to and including 24 July 2026.

Following implementation of the Scheme, Carnaby shareholders will own approximately 0.9% of Evolution.[7]

The Carnaby Board has unanimously recommended that Carnaby shareholders vote in favour of the Scheme, in the absence of a superior proposal, and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of Carnaby shareholders. Each Carnaby Director has also committed to vote all shares in Carnaby which they hold or control (approximately 7.3% of Carnaby shares) in favour of the Scheme, subject to those same qualifications.

Glencore arrangements

As outlined in the Carnaby announcement, existing tolling and offtake agreements between Carnaby and Glencore will be terminated. The termination of the existing arrangements between Carnaby and Glencore was required in order for Evolution to proceed with the Scheme. The termination of the tolling and offtake agreements is expected to facilitate the integration of Greater Duchess into Ernest Henry Operations and enable processing synergies under the combined operations.

Evolution and Glencore have separately agreed that any concentrate produced from ore extracted from Greater Duchess will be sold to Glencore under the existing Ernest Henry offtake arrangements between Evolution and Glencore.

In addition, Evolution and Glencore have entered into a binding agreement for the toll treatment of third party ore produced through the Ernest Henry processing facility. The agreement is on market standard terms for an arrangement of this nature.

Benefits for Carnaby shareholders

The Scheme provides Carnaby shareholders with:

- Immediate value realisation at an attractive premium to recent trading in Carnaby shares.
- Ongoing exposure to the development of Greater Duchess through ownership of shares in a tier-1 global gold and copper producer.
- Exposure to Evolution's diversified portfolio of long-life gold and copper assets across Australia and North America.
- Access to Evolution's demonstrated operational expertise, disciplined capital allocation and strong track record of delivering and operating large-scale mining assets.
- Enhanced scale, liquidity, research coverage and inclusion in relevant equity indices.
- Exposure to Evolution's strong balance sheet, cash flow generation and dividend policy.

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[5] The implied offer price is rounded up to the nearest whole cent from $0.769978.
[6] Based on Evolution's last closing price of $11.29 per share as of 24 July 2026.
[7] Excludes issuance of Carnaby shares to Glencore as part of the Scheme for termination of tolling and offtake agreements, which increases Carnaby shareholders' ownership to 1.0%.

- Potential capital gains tax rollover relief (subject to confirmation by the Australian Taxation Office).
- A clear pathway to development of Greater Duchess under an experienced operator, including integration into the Ernest Henry life of mine plan.

Scheme conditions

The Scheme will be subject to conditions including:

- Approval of Carnaby shareholders;
- Regulatory approvals including Australian Competition & Consumer Commission merger clearance;
- Court approval;
- The Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of Carnaby shareholders; and
- Other conditions customary for a transaction of this nature.

For full details, refer to the SID, released by Carnaby to the ASX on 27 July 2026.

Indicative timetable

Set out below is an indicative timetable for the Scheme.

EVENT	DATE
First Court date	mid September 2026
Scheme Booklet dispatched to Carnaby shareholders	mid-late September 2026
Scheme Meeting of Carnaby shareholders	late October – early November 2026
Second Court date	early November 2026
Effective date	mid November 2026
Record date	mid November 2026
Implementation date	mid November 2026

Advisors

Evolution has appointed Treadstone Resource Partners as financial advisor and Allens as legal advisor in relation to the Scheme.

This ASX Announcement is authorised for release by Evolution's Board of Directors.

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About Evolution Mining
Evolution Mining is a leading, globally relevant gold miner. Evolution operates six mines, comprising five wholly owned mines – Cowal in New South Wales, Ernest Henry and Mt Rawdon in Queensland, Mungari in Western Australia, and Red Lake in Ontario, Canada, and an 80% share in Northparkes in New South Wales. Financial year 2026 production was 715koz of gold and 66kt of copper, generating Group operating mine cash flow of $3,394 million, including $547 million from Ernest Henry, at an All-in Sustaining Cost for continuing operations of $1,717 per ounce.

About Carnaby Resources
Carnaby Resources is an Australian exploration development company focused on copper and gold projects in Queensland and Western Australia. Its flagship Greater Duchess Copper Gold Project is located ~70km southeast of Mt Isa in Queensland and encompasses ~2,000km^2 of Iron Oxide Copper-Gold prospective tenure. A Carnaby released pre-feasibility study in March 2026 contemplated a 12-year life of mine production target of 9.3Mt of ore at 1.9% CuEq.[8]

Disclaimer
This announcement prepared by Evolution Mining Limited ('the Company' or 'the Group') includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as 'may', 'will', 'expect' 'intend', 'plan', 'estimate', 'anticipate', 'continue', and 'guidance', or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

[8] Refer to Carnaby's ASX Announcement dated 27 July 2026 for disclosure on Carnaby's Metal Equivalent calculation and the assumptions underpinning that calculation

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.