

Unity Mining Limited
ABN 61 005 674 073

Corporate Details:

ASX Code: UML

Issued capital:

1133M ord. shares
14.6M unlisted Perf. Rights

Substantial Shareholders:

Moly Mines Ltd 196.5M (17.3%)
LionGold Corp 117.1M (10.3%)

Directors:

Non-Executive Chairman:
Clive Jones
Managing Director:
Andrew McIlwain
Non-Executive Directors:
Ronnie Beevor
Gary Davison

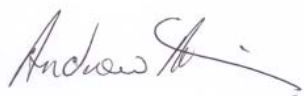
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Andrew McIlwain
Managing Director & CEO
11 July 2014

Key Points

♦ HENTY:

- 11,983 oz of gold produced at a cash operating cost of \$988/oz
- FY14 full-year production result of 38,067 oz gold, within recent guidance range
- Drill testing for continuation of high grade Darwin South orebody to commence in July

♦ DARGUES:

- Technical studies assessing a range of processing options underway

Summary

Andrew McIlwain, Managing Director & CEO commented "Henty delivered a significant turnaround in its performance during the quarter.

"With the focus on delivery to plan and schedule, the team has produced a tremendous result, particularly in June with the mine delivering budget tonnes and a substantially higher grade to the mill, to conclude an otherwise tough year. Close management of the process plant, with a meticulous attention to grind sizing, saw gold recovery increase to over 96% in June.

"Strong grade performance from the Read Zone contributed to improved overall head grades. Additional working faces and producing stopes mitigated the production impacts seen in previous quarters from ground conditions.

"The Company continues to pursue a focus on cost reduction and cash generation. As announced post quarter end, Henty will move to the recovery of known reserves and wind down to a care and maintenance basis toward the end of 2015.

"We are committed to delivering a significant turnaround in the profitability of Henty over the remainder of its reserve life. This will underpin the objective of pursuing the advancement of the Dargues project and realising the exploration potential of Unity's extensive tenement holdings – particularly immediately adjacent to the Henty Mine" said Mr McIlwain.

Production

- Henty Gold Mine produced 11,983 oz at a cash cost \$988/oz including royalties, with all-in sustaining cost (AISC) of \$1123/oz, (7250 oz gold at a cash cost of \$1380/oz and AISC of \$1620/oz (amended) in March 2014 quarter).

Development

- Dargues project currently on care & maintenance. Technical studies and capital and operating cost reduction investigations continuing.

Exploration

- Drilling at Henty continues to focus on identifying extensions to the mineralisation at Read Zone, Darwin South and the Zone 15 "noodle".
- Best result at Darwin South include 4.9 m at 8.7 g/t, 4.5 m at 14 g/t, and 1.6 m at 112.9 g/t gold.

Corporate

- Gold sales totalled \$13.8 million during the quarter from the sale of 9965 oz gold at an average price of \$1386/oz.
- Cash at bank was \$6.8 million at 30 June 2014 (\$7.9 million at 31 March 2014).

BACKGROUND

Unity Mining Limited (ASX:UML) is an Australian gold producer, developer and explorer which owns and operates the Henty Gold Mine on the West Coast of Tasmania and is working to develop the Dargues Gold Mine in New South Wales. Unity is also involved in gold exploration in West Africa through its investment in GoldStone Resources Limited. Unity holds tenure over the Bendigo Goldfield in Victoria where it is engaged in realising the value of its Kangaroo Flat gold plant and Bendigo exploration tenements.

The Henty Gold Mine has produced about 1.3 million ounces of gold over a 17 year period. Unity Mining has owned and operated Henty since July 2009. Unity recently announced a revised mine plan that will see Henty recover its remaining ore reserves then transition to care and maintenance in the second half of 2015.

The Dargues Gold Mine is located 60 km south-east of Canberra in Majors Creek near Braidwood. Majors Creek is the largest historic goldfield in NSW, having produced more than 1.25 million ounces.

OPERATIONS

Safety

There was one lost time injury during the quarter where a small rock fall injured an underground miner during the installation of ground support. The injury resulted in the employee being unable to attend 2 rostered shifts. A detailed investigation was undertaken and steps have been taken to avoid a recurrence. The incident was reported to the regulator and a formal investigation completed. The day prior to this incident, the site had celebrated the commendable achievement of 400 days LTI free.

There was one environmental incident during the quarter when a container of flocculent was damaged during unloading. The flocculent ran into a drain and eventually into the Henty River following a period of heavy rainfall. The incident was fully investigated and actions developed to prevent recurrence. There was no downstream impact on aquatic life. The incident was reported to the regulator and a formal investigation completed.

Henty Operations

	Jun 2014 Qtr	Mar 2014 Qtr	Year to Date 2013/14
Henty Gold Mine			
Ore mined (t)	70,544	53,805	247,230
Ore processed (t)	64,803	53,361	240,297
Grade (g/t gold)	6.1	4.6	5.3
Recovery (%)	94.1	91.4	93.4
Gold produced (oz)	11,983	7250	38,067
Cash cost - pre royalty (A\$/oz)	957	1330	1164
Cash cost - incl. royalty (A\$/oz)	988	1380	1203
All-in Sustaining Cost (A\$/oz)	1123	1620	1438
Cash cost - incl. royalty (A\$/t)	183	187	191

Note: Minor discrepancies may occur due to rounding

Mining

Development

A total of 946 m of underground mine development was completed during the June quarter (1051 m March 2014 qtr). The breakdown of this development was:

- infrastructure, access & waste development (413 m);
- Read Zone ore flat-backing & sill development (48 m);
- lower sill development of the Newton Zone (470 m).
- Darwin South sill development (15 m)

Read Zone sill development, flat-backing & development delivered 2831 tonnes of ore, with a further 508 tonnes of ore sourced from Darwin South development. A total of 67,205 tonnes of ore was produced from Newton sill development and stoping. Exploration and development drilling during the quarter focused on Read, Darwin South and Zone 15 "Noodle".

Read

The mineralised zones in Read are highly variable and pinch and swell both vertically and horizontally. Grade control drilling and development confirmed a continuous zone of very high grade ore that delivered more than anticipated ounces.

Newton

Newton Zone produced 95.3% of the June quarter's ore tonnes. In general, mine activity scheduling and controls ensured that the target development and production was achieved in the areas forecast.

During the quarter, most of the mining activities within the Newton Zone were carried out on the boundaries of the orebody, where the grade variability is at its greatest. It is expected that as development and stoping continues to move away from the boundaries, the reliability and predictability in respect of tonnes and grade will further improve.

Processing

The milled head grade for the quarter averaged 6.1 g/t with 94.1% recovery. Total ore processed for the quarter was 64,803 tonnes for a total gold metal recovery of 11,983 ounces.

Dargues Gold Mine development

Work is continuing with the review of key elements of the Dargues project to identify project optimisation and de-risking opportunities. Evaluation work investigating alternative processing options for the gold concentrate is well advanced.

EXPLORATION

Henty Mine Exploration

Two underground drill rigs tested targets in the Darwin South Extension, the Up-dip and northern Read Zones and the Zone 15 Footwall Zone (also known as "The Noodle").

The highlights of drilling in the Darwin South Extension (now known as the "Tear-Away" zone) and "The Noodle" are below:

Darwin South Extension ("Tear-Away")

Z18958	4.9 m at 8.7 g/t gold;
Z18984	4.5 m at 14 g/t gold;
Z19010	1.6 m at 112.9 g/t gold;
Z19028	3.6 m at 6 g/t gold;
Z19029	2.5 m at 27.3 g/t gold.

Zone 15 Footwall ("The Noodle")

Z19007	0.95m at 12.95 g/t gold (FW);
Z19013	1.2m at 15.15 g/t gold (HW);
Z19015	1.2m at 10.05 g/t gold (FW); and
Z19015	0.35m at 24.0 g/t gold (FW).

Grade control drilling in the northern Read Zone (to in-fill around earlier high grade intersections) returned the following results:

Z18978	1.6m at 10.49 g/t; and
Z18987	3.15m at 16.03 g/t gold

All intervals quoted are measured as down hole lengths. A table containing the coordinates for all holes drilled since the prior announcement is shown in Appendix A. Additional long sections in the appendix also show the location of recent drilling.

The site for the drill hole to test the Darwin South "Off-set" target was completed during the quarter and the hole will commence in early July. This hole is designed to test for the faulted repetition of the Darwin South orebody (which itself produced approximately 310,000 ounces of gold at an average grade of 9.8 g/t Au). Previous exploration has failed to find, or determine, the continuation of Henty's most productive region.

The orebody terminates suddenly on its southern end and recent drilling, targeted following the development of a "whole of mine" geological structural model, has shown that it is likely to be displaced to the west and below previous considered positions. This provides an explanation as to why previous drilling along strike from Darwin South failed to intersect mineralisation.

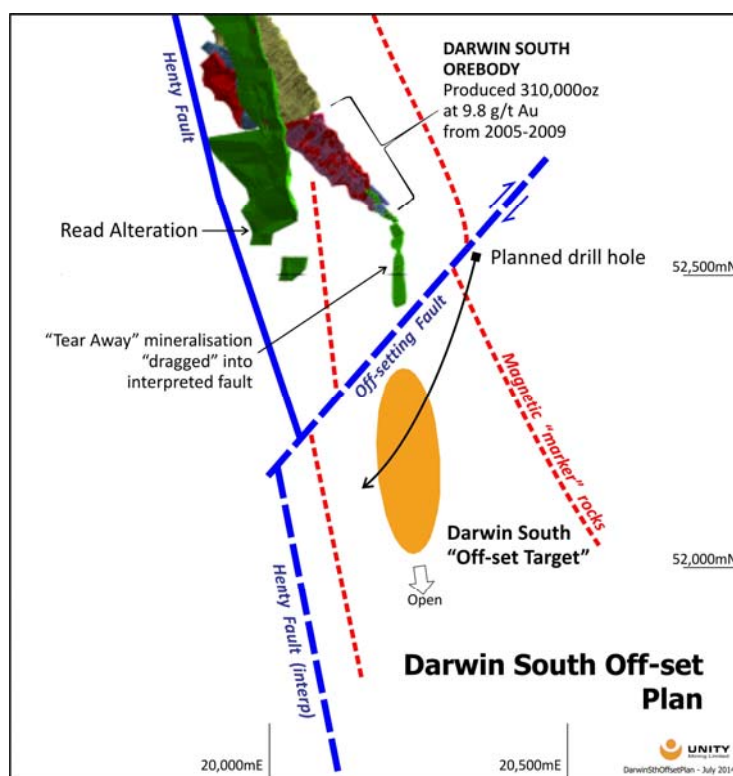


Figure 1. Plan view showing the location of the Darwin South Off-set target

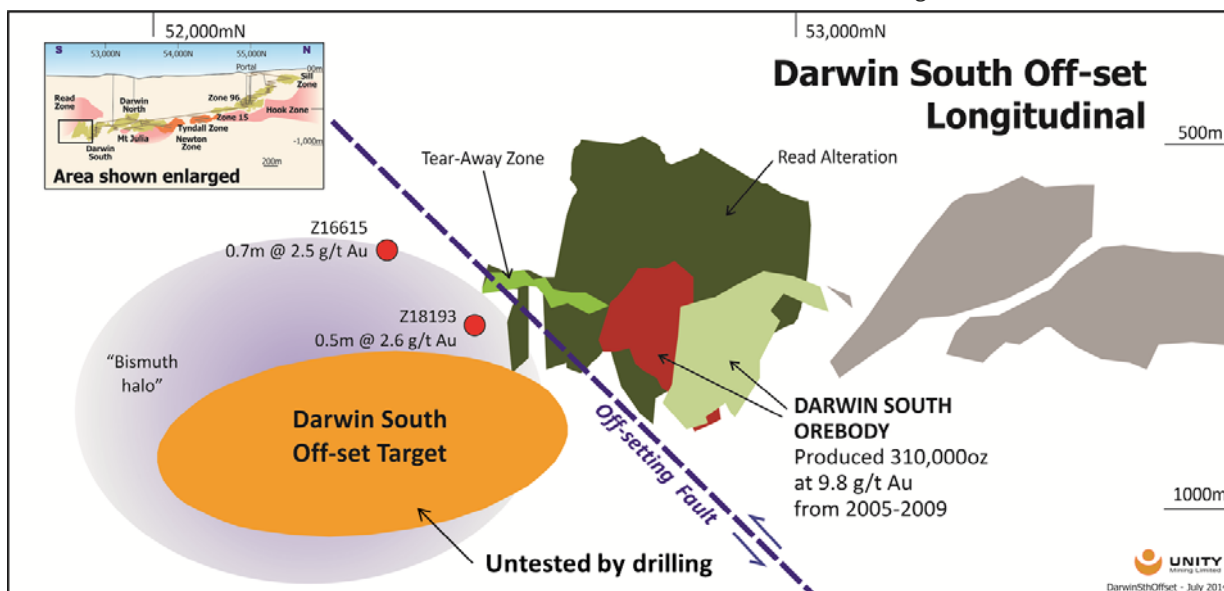


Figure 2. Long section showing the location of the Darwin South Off-set target

Henty Mine Exploration — cont.

Whilst this Darwin South Off-Set target is conceptual, the logic is enhanced by elevated gold and bismuth in historic drill holes that intersected areas on the periphery of the target area. These results are shown on the accompanying long section. Elevated bismuth (up to 630ppm in the projected ore zone) is found in drill holes below, south of and to the east of the target area. Elevated bismuth and gold were shown to occur on the margins of the Henty mineralisation in the "Near Miss" study that investigated drill holes that went close to known gold mineralisation, but did not intersect it.

Regional Exploration — Tasmania

One hole (410 m) was drilled at the Firetower West Prospect near Sheffield. This hole was testing a combined copper-in-soil and Induced Polarisation (IP) chargeability anomaly. The hole intersected a large volume of sulphide (pyrite) in stringers and veins. Assays have only recently been received for the top 45m of the hole, with no significant gold or base metals results, as expected. The core for the remaining 365m of the hole, which includes the primary target zone, has been cut and is currently being transported to a laboratory for analysis.

Dargues Regional Exploration — NSW

An IP survey over the tenement close to Dargues Reef was completed during the quarter. This survey covered previously reported soil anomalies in the Doubloon and Battery Paddock areas and also the Shingle Hut Prospect. Significant chargeability anomalies were generated in the Doubloon and Battery Paddock areas. Importantly, these responses are consistent with the response when the IP was "truth tested" over the known disseminated pyrite mineralisation that hosts the Dargues orebody.

GOLDSTONE RESOURCES

On 16 April 2014, Unity's 29.7% owned AIM-listed associate GoldStone Resources Ltd provided an overview of the continuing prospectivity of its Sangola permit in Senegal.

Following the withdrawal of Randgold from a joint venture agreement over the Sangola project GoldStone's team reviewed the geological data set and confirmed that it believes that the potential remains to make a meaningful discovery at Sangola and that further work is justified. A number of prospects considered appropriate for further work by GoldStone's technical team were identified, together with their recommended actions.

GoldStone continues to seek opportunities to commercialise its 600,000oz resource Homase project in Ghana.

Further details are available on GoldStone's website: www.goldstoneresources.com

CORPORATE

Gold sales were \$13.8 million during the quarter from the sale of 9965 oz gold at an average price of \$1386/oz.

Cash at bank was \$6.8 million at 30 June 2014 (\$7.9 million at 31 March 2014). The Company also has a further \$11.2 million cash-backed performance bonds for rehabilitation liabilities.

In March 2014, LionGold Corp Ltd (LionGold) entered into a binding subscription agreement to acquire additional shares in Unity by way of a share placement to increase its stake in Unity to 19.9%. Under the terms of that agreement, LionGold were required to pay subscription proceeds to Unity of \$2.37 million on or before 15 April 2014. To date LionGold has failed to complete that payment obligation. On the understanding that LionGold did not have the financial capacity to complete the payment, since May 2014, Unity has been negotiating with LionGold to agree terms on which LionGold might make a deferred payment of the subscription money.

On 10 July 2014, the Company received notice from LionGold that LionGold believes it is no longer bound by the subscription agreement or the 12 month voluntary escrow deed entered into on 4 March 2014. Unity rejects these assertions and has reserved all rights in respect of the voluntary escrow agreement and the share subscription agreement.

Competent Person's Statement

The Company estimates its Mineral Resources and Ore Reserves in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition ("JORC Code"), which governs such disclosures by companies listed on the Australian Securities Exchange.

Any information in this public report that relates to Ore Reserves, Mineral Resources or Exploration Results is based on, and accurately reflects, information compiled by Rob McLean in relation to Ore Reserves at Henty and Dargues, Raul Hollinger in relation to Mineral Resources at Henty, John Collier in relation to Mineral Resources at Dargues and Angela Lorrigan in relation to Exploration Results. McLean, Hollinger and Lorrigan are Members of the Australasian Institute of Mining and Metallurgy, and Lorrigan, Collier and Hollinger are Members of the Australian Institute of Geoscientists. McLean, Collier, Hollinger and Lorrigan are or were at the time of preparing the reports full time employees of the Company and have more than five years' experience in the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. McLean, Hollinger, Collier and Lorrigan have given prior written consent, where required, to the inclusion in this report of the matters based on their respective information, where applicable, in the form and context in which it appears.

Appendix A

Table 1. Exploration drilling results (Co-ordinates are for the Henty Mine Grid). The width of all intercepts is measured down the hole.											
Hole No.	Zone	Total Depth (m)	East	North	RL	Dip	Azim.	From (m)	To (m)	Width (m)	Au (g/t)
Z18957	Darwin South	170	20196.4	52587	1851.8	-53	67	132	133	1	1.96
Z18958	Darwin South	159	20212.4	52596.5	1867.5	-42	81	134.2	139.1	4.9	8.66
Z18960	Darwin South	137	20223	52565	1910.8	-25	85	110.55	113	2.45	0.12
Z18962	Darwin South	145	20216.1	52569.9	1868.9	-43	82	129	130	1	10.95
Z18980	Darwin South	177	20186.7	52600	1862.8	-51	75	121.9	123	1.1	4.69
and								138	140	2	4.13
Z18982	Darwin South	286.6	20187.8	52516.7	1863.7	-66	63	102.8	103.2	0.4	1.15
Z18984	Darwin South	254.8	20219.9	52457.4	1887.8	-41	119	104.8	109.25	4.45	14.02
Z18988	Darwin South	188.7	20188	52598.8	1815.9	-61	76	159.15	163.9	4.75	0.12
Z18990	Darwin South	138	20227.7	52541.4	1898.6	-32	85	111.1	113	1.9	0.25
Z18991	Darwin South	145	20216	52537.7	1880.5	-44	87	113	113.6	0.6	11.6
Z18992	Darwin South	160	20210.6	52564.1	1845.7	-55	69	137	140.15	3.15	0.17
Z18996	Darwin South	150	20221.8	52489.6	1889.4	-45	98	98.9	101.3	2.4	2.49
Z18997	Darwin South	150	20236	52448.5	1909.4	-27	118	108.4	109.9	1.5	2.16
Z19001	Darwin South	145	20213.4	52456.2	1857.1	-54	120	125.6	126	0.4	2.67
Z19002	Darwin South	155	20223.7	52414.1	1872.3	-37	136	138	141	3	0.02
Z19008	Darwin South	120	20227.3	52498.2	1902.5	-36	90	95.3	96	0.7	23.9
Z19009	Darwin South	125.8	20230.1	52485.3	1900	-35	97	99.45	100.85	1.4	0.1
Z19010	Darwin South	138	20224.8	52467.6	1900.8	-35	111	99.55	101.15	1.6	112.9
and								106	106.5	0.5	15.6
Z19011	Darwin South	133	20219.9	54269.1	1892	-42	110	98.3	101	2.7	0.06
Z19012	Darwin South	413.9	20050.9	52195.4	1740	-40	190	374	391.1	17.1	0.01
Z19017	Darwin South	154	20198.9	52482.9	1870.9	-59	104	99.5	101.6	2.1	1.44
and								106.6	107.05	0.45	3.18
Z19019	Darwin South	120	20228.7	52474	1899.9	-35	105	99.3	101.15	1.85	0.09
Z19024	Darwin South	130	20228.5	52436.5	1895.5	-32	126	114.4	117.4	3	0.08
Z19027	Darwin South	127	20221.3	52537.5	1893	-36	87	109.15	109.6	0.45	13.4
Z19028	Darwin South	144	20215.9	52549.5	1869.2	-47	78	118.7	122.35	3.65	6.04
Z19029	Darwin South	142	20218.1	52571.5	1883.7	-37	81	120.9	123.4	2.5	27.3
Z19031	Darwin South	161.3	20207	52583.2	1863.4	-47	73	128.2	130.5	2.3	6.47
and								134.65	135.6	0.95	1.58
Hole No.	Zone	Total Depth (m)	East	North	RL	Dip	Azim	From (m)	To (m)	Width (m)	Au (g/t)
Z19005	Zone 15	205	19752.6	54533.1	2007.5	-59	269	67.7	68.05	0.35	3.01
Z19006	Zone 15	200.6	19755.3	52498.2	1993	-65	269	79	80	1	7.01
and								105	106.5	1.5	7.13
Z19007	Zone 15	190.1	19746.9	54541.9	1974	-65	253	100	102	2	3.92
and								107.15	108.1	0.95	12.95
Z19013	Zone 15	180	19741.7	54544.1	1974.6	-62	256	101.9	102.8	0.9	1.98
and								148.6	149.8	1.2	15.15
Z19014	Zone 15	170.1	19730.5	54540.3	1966.3	-60	255	115	116	1	1.96

Appendix A

Hole No.	Zone	Total Depth (m)	East	North	RL	Dip	Azim	From (m)	To (m)	Width (m)	Au (g/t)
Z19015	Zone 15	206.7	19743.6	54565.5	1968.7	-65	286	106.1	107.3	1.2	10.0
and								119.75	120.1	0.35	24
Z19016	Zone 15	190	19734.7	54570.1	1959.3	-63	285	118	120.9	2.9	0.34
Z19018	Zone 15	190	19733.9	54570.4	1963.7	-59	285	114	118.7	4.7	4.11
Z19023	Zone 15	165	19726	54645.9	1978.9	-61	268	116.7	117.8	1.1	6.1
Z19025	Zone 15	150	19771.1	54546.9	1986.7	-76	248	80.2	80.8	0.6	0.2
Z19026	Zone 15	180	19775.4	54558.2	1993.8	-79	287	70.9	73.5	2.6	0.02
Z19034	Zone 15	175	19779	54649.3	2063.2	-65	268	16.45	17.15	0.7	0.59

Table 2. Development drilling results (Co-ordinates are for the Henty Mine Grid). The width of all intercepts is measured down the hole.											
Hole No.	Zone	Total Depth (m)	East	North	RL	Dip	Azim	From (m)	To (m)	Width (m)	Au (g/t)
Z18971	Read	129.4	19951.8	52981.8	1974.9	31	258	124	127.5	3.5	1.4
Z18973	Read	134.3	19951.8	52999.5	1982.3	37	269	127.5	131.7	4.2	0.28
Z18974	Read	134.2	19945.9	53013.4	1979.8	33	276	131.6	132.7	1.1	4.74
Z18976	Read	133	19957	52965.7	1986.3	37	252	130	131.2	1.2	0.72
Z18978	Read	136.4	19961.3	52954	1990.7	38	243	132.9	134.5	1.6	10.5
Z18979	Read	143.6	19958.3	52946.4	1972.7	31	268	138.8	141	2.2	0.33
Z18981	Read	148.1	19963.9	52942.1	1987.7	37	267	142.55	144.9	2.35	2.49
Z18983	Read	158	19973	52931.5	2008.3	46	261	149.8	151	1.2	0.61
Z18985	Read	155.1	19965.9	52949.6	2005.9	44	271	152	153.6	1.6	0.78
Z18986	Read	147.5	19967.7	52920.8	1990.1	38	256	114.4	114.7	0.3	2.42
Z18987	Read	143.8	19966.6	52909.2	1977.7	32	251	140	142.45	2.45	1.13
Z18989	Read	150	19971.9	52914.5	1995.9	44	253	144.85	148	3.15	16.0
Z18993	Read	153.4	19972.1	52904	1996.7	40	248	149.3	150.2	0.9	0.03
Z18998	Read	62.2	20017.9	52779.1	2047	42	239	44.3	46.8	2.5	0.33
Z18999	Read	85.8	20019	52753.4	2067.7	45	213	70.3	72	1.7	1.53
Z19000	Read	85.4	20025.1	52771.7	2075.5	59	226	65.6	66.4	0.8	0.23
Z19003	Read	102	20032.8	52753.5	2060.8	43	201	60.6	61.8	1.2	2.23
Z18972	Mt Julia	221.6	19744.3	53536.4	1769.5	11	217	154	156.8	2.8	15.7
Z18975	Mt Julia	212.7	19751.3	53538.4	1746.7	3	216	141.2	150	8.8	7.93
Z18977	Mt Julia	209.4	19743.6	53503.7	1718.7	-9	209	179.75	182	2.25	0.01

Appendix A

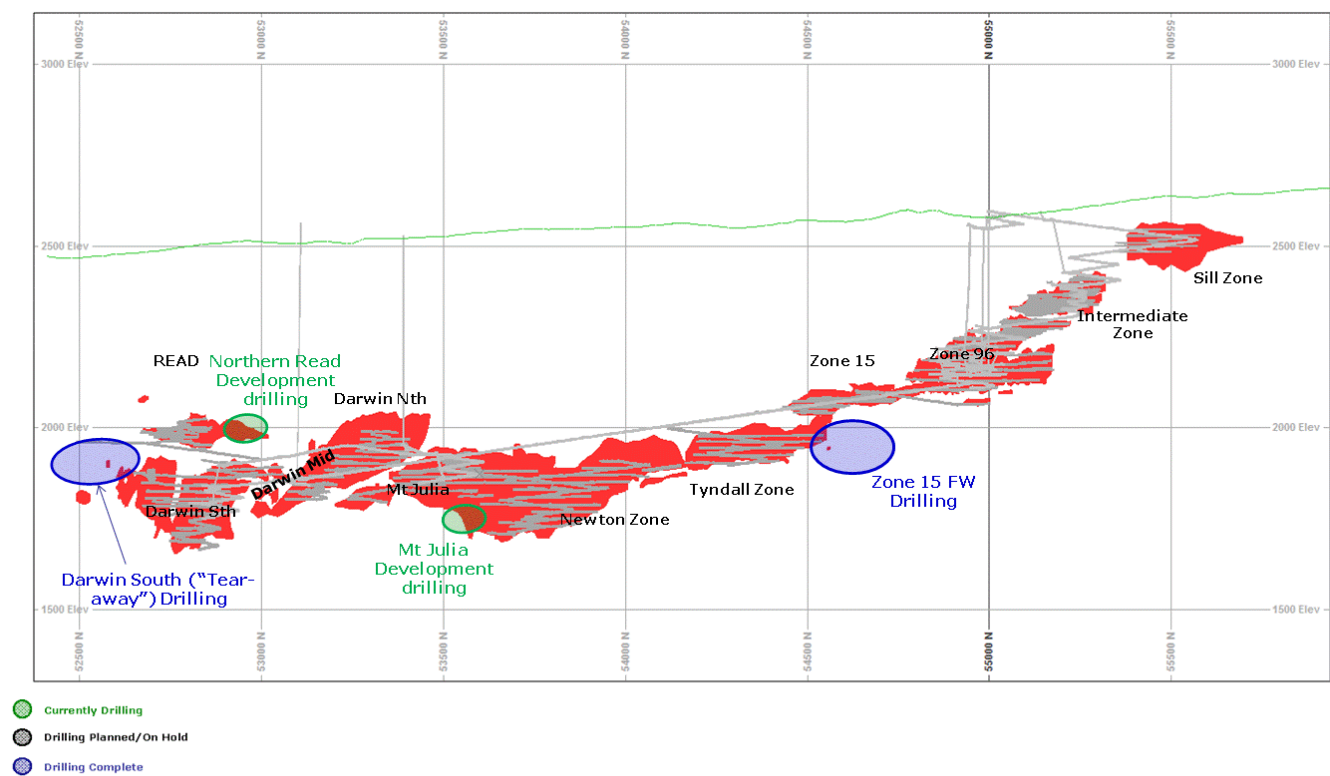


Figure 1. An overview Long Section of Henty Gold Mine showing the areas where Exploration and Development drilling took place during the June Quarter.

Appendix A

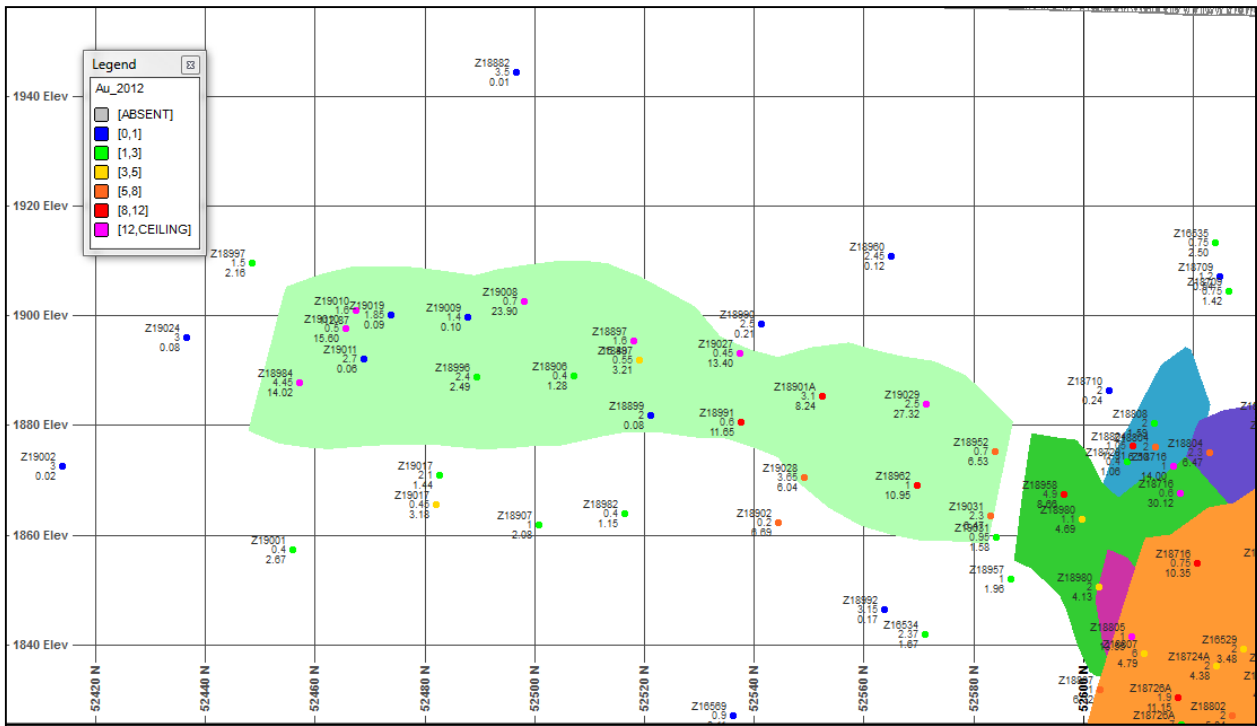


Figure 2. A Long Section of the "Tear Away" Zone, south of Darwin South, showing the intercept points of all drilling in the area at the end of the June 2014 Quarter. The numbers shown are the Hole number (Z19107), the down hole interval and the gold assay in grams per tonne.

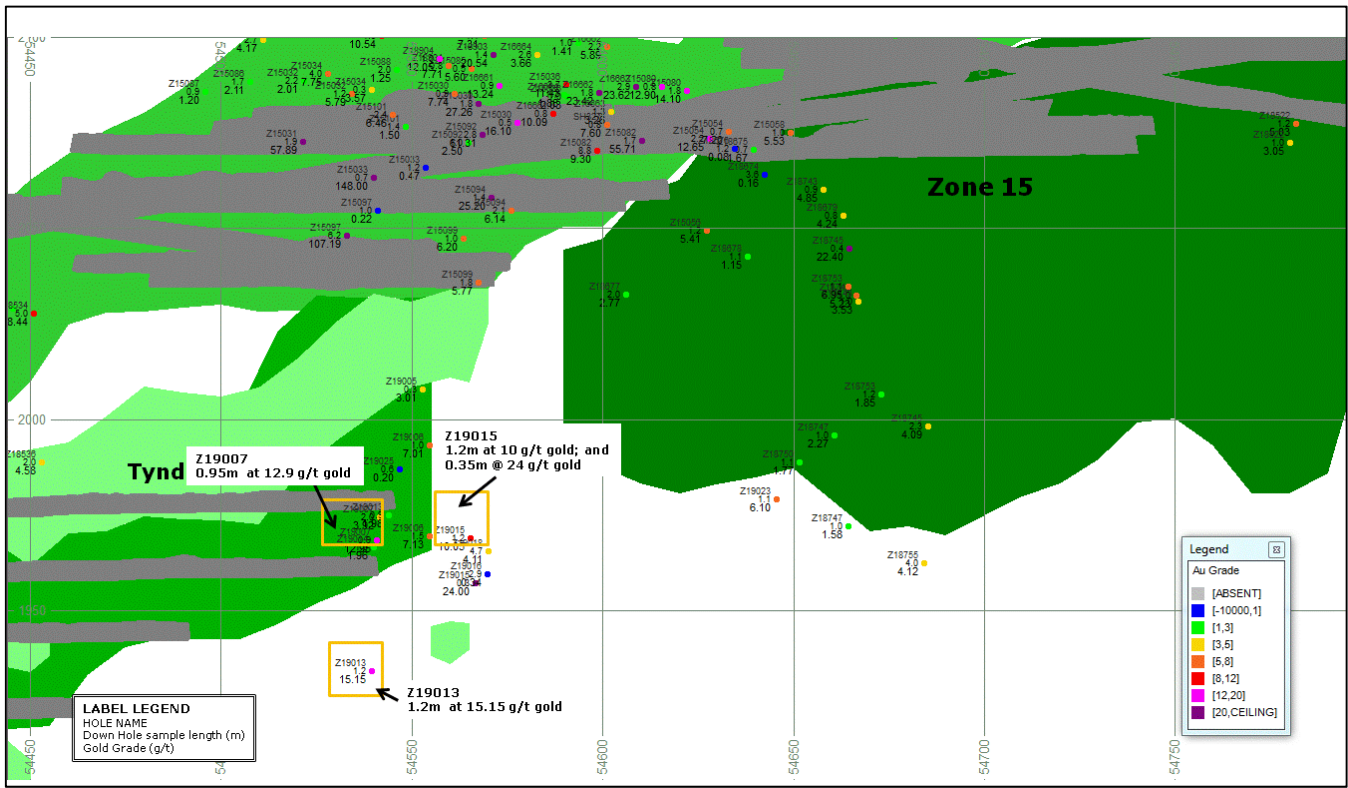


Figure 3. A long section of the Zone 15 Footwall area, showing all drill intercepts in the area, including those highlighted in the report. The numbers shown are the Hole number (Z19107), the down hole interval and the gold assay in grams per tonne.

Appendix A

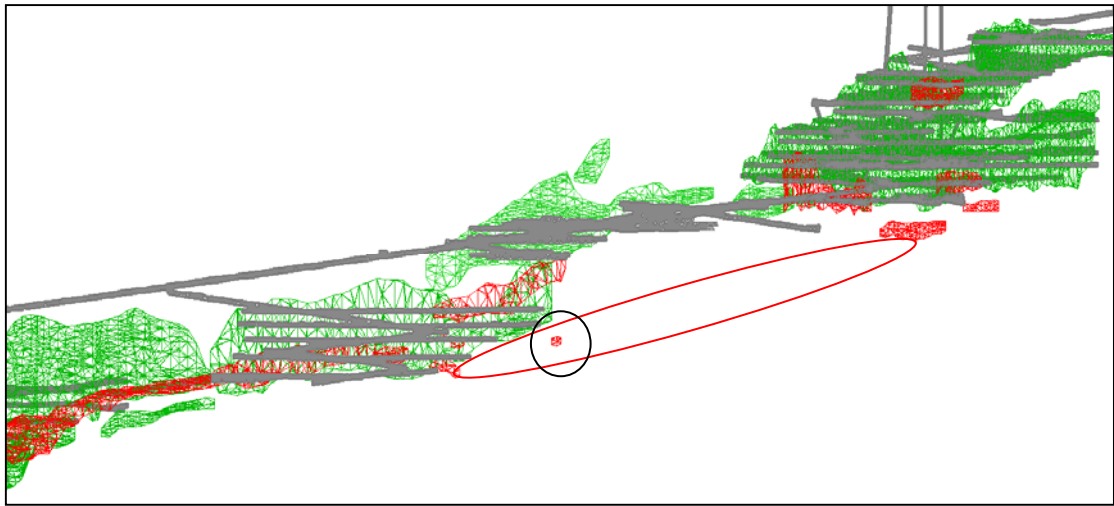


Figure 4. A Long section illustrating the Zone 15 FW (or "Noodle") target. The area targeted (red ellipse) is the extension of a very high grade, thin shoot of mineralisation that was mined in the footwall of Zone 96 and the Tyndall Zone. The black ellipse is the area covered by the reported drilling.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Where diamond drilling data are insufficient the use of face samples may be used. Underground faces samples are chip sampled where required.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Recent drillhole collars have been accurately surveyed in the local mine grid by qualified underground surveyors who are company employees.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	Sample widths are between 0.2 and 1.2 metres in width and are sampled to geological boundaries. The majority of diamond drillholes have been downhole surveyed using Eastman camera or Gyro instruments. Diamond holes were originally surveyed every 30m or 50m by single shot Eastman camera
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Underground mobile diamond drill rigs produce core of either conventional LTK 60 (43.9mm core) or wireline NQ2 (50.8mm core).
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Where core loss occurs in drill core the interval is recorded as a zero percent recovered interval and therefore no sampling is conducted or assigned to the interval. Sampled intervals are therefore not affected with core loss.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Recovery of drill core is maximised through effective drill hole conditioning with mud programs.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Mineralisation is predominant in the more competent quartz-rich rock therefore core loss does not bias in the sampling.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Drill core is brought from underground to the Surface Core Shed facility by the drilling contractor. UML technical staff place core trays on roller racks for the recovery stage where core is placed together and metre depths are marked on the core.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Drill holes are logged via LogChief software which uses site specific rock codes for rock types.

Criteria	JORC Code explanation	Commentary
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes are logged in entirety. Drill logs are exported from LogChief into Datashed (Geological Database).
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	All drill core that contains quartz, sericitic or pyritic alteration are sampled for assay including at least 5 metres either side.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Most drill core that is to be sampled is cut in half utilising the Almonte automatic core saw.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Some grade control drill core is whole core sampled.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	A QAQC regime involves the submission of one blank sample (rock containing no gold) for every batch or one blank sample for every 25 samples. A low, medium and high range certified gold standard is also submitted for every batch. QAQC standards are also used in-house by the laboratory and reported monthly. UML completes QAQC reports monthly using the QAQCR software from Maxwell.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Sampling of drill core is to industry standard and is representative of the in situ material.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are appropriate to the material being sampled.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	All samples were assayed using fire assay technique with atomic absorption finish (AU-AA25). Upper limit samples (>100 grams per tonne gold) are re-analysed using the ALS dilution method (Au-DIL). Multi element analysis is done by Aqua Regia Digestion (ICP41) and an AAS finish (OG46) is used if upper limits are reached.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Geophysical tools were not used to determine gold (or other element) grades.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	One blank is submitted for every 25 samples with at least one in every batch submitted to the laboratory. Blanks are also added to the sample set at the end of a suspected ore interval. One standard is to be submitted for every 20 samples with at least three in every batch, representing below cut-off, average grade and high grade. Standard samples to be used at Henty are sourced from Rocklabs and come as 50g sachets of powder.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections are not checked by an independent company or personnel however they are checked on a quarterly basis at a corporate level.
	<i>The use of twinned holes.</i>	The twinning of holes is not considered a worthwhile exercise in general due to the variable nature of the ore system. Therefore it is not a standard practice at Henty. Drill holes that end up close to one another confirm the variable gold distribution.

Criteria	JORC Code explanation	Commentary
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Drill hole data goes through a series of validation steps including logging, core photography, assay data processing including QAQC checks. All drill hole data is stored in DataShed (SQL database) which is maintained on the site server. DataShed is managed by Maxwell who conducts routine database audits.
	<i>Discuss any adjustment to assay data.</i>	Assay data is not adjusted in any way.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	All drill hole collars are surveyed (including dip and azimuth by a qualified surveyor). Down hole surveying has historically been conducted using a single-shot or multi-shot camera. As of May 2013 drill holes have been surveyed with a Reflex Gyro. This has allowed more precise drill hole path predictions due to the removal of any magnetic interference as caused by magnetic minerals or steel used in ground support. All mine workings are surveyed by a qualified surveyor. Where drill holes are developed into by mine workings the positions are surveyed to determine the accuracy of drill hole predictions. If these drill holes are believed to be inaccurate in positioning they are corrected in the database.
	<i>Specification of the grid system used.</i>	A local mine grid is utilised which is 20°58'53" west of True North.
	<i>Quality and adequacy of topographic control.</i>	The topography was generated using LIDAR data.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Drill spacing is between 15 m and 30 m for the majority of the deposit. Exploration results mostly occur within 100 m of the deposit margins and Development drilling is within 50m of the nearest drillhole..
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The data spacing and the distribution is sufficient to determine geological and grade continuity as determined by the JORC code 2012.
	<i>Whether sample compositing has been applied.</i>	A composite length of 1m was selected after analysis of the sample lengths.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The drill orientation is highly variable within the deposit but most intersections are at high angles tending towards perpendicular to the dip and strike of the mineralisation.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	There are no known biases caused by the orientation of the drill holes.
Sample security	<i>The measures taken to ensure sample security.</i>	Drill core was kept on site and sampling and dispatch of samples were conducted as per on-site procedures. Transport of samples from site to the laboratory was by an employee of ALS Burnie. Pulps used for multi-element analysis were air freighted to Townsville.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques</i>	The sampling method was changed from Leachwell to Fire assay in February 2012 when ALS took on the analytical contract. An in-house review indicated that fire assay would have the advantage of being a total gold estimation method rather than partial such as Leachwell.

Criteria	JORC Code explanation	Commentary
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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>The Henty deposit is located wholly within 7M/1991 and 5M/2002. These licences are 100% owned by Unity Mining.</p> <p>Mineral Resources Tasmania receives 1.9% of Nett sales plus a profit component. Barrick receives \$10 per ounce gold for ore mined below 1700 m. Franco-Nevada receives 1% on all gold ounces produced plus 10% of gold ounces north of Newton including part thereof.</p>
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The tenements are in good standing.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Other companies to have held the project include Barrick Ltd, Placer Dome Asia Pacific, Aurion Gold, Goldfields Exploration Pty Ltd (Tasmania), Delta Gold N.L. and RGC (ex Mt. Lyell Mining and Railway Company).
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>Stratigraphy</p> <p>The Henty mine lease covers rocks of the Central Volcanic Sequences, the Henty Fault Sequences, and Tyndall Group rocks of the Mount Read Volcanics and the overlying Owen Conglomerate. Near the mine, the Henty Fault splays into the North and South Henty Faults, dividing the geology into segments to the east and west of the faults, and a package between the splays. Gold mineralisation is hosted in Tyndall Group rocks to the east of the Henty Fault.</p> <p>The Henty Fault Sequences lie between the North and South Henty Faults and comprise carbonaceous black shales, mafic to ultramafic volcanics, and quartz phyric volcaniclastics. Rocks to the east of the Henty Fault comprise quartz phyric volcanics of the Tyndall Group and siliciclastics of the Newton Creek Sandstone of the Owen Conglomerate. Dacitic volcaniclastics and lavas that may be part of the Central Volcanic Sequences also occur east of the Henty Fault in the southern area of the lease.</p> <p>In the mine area, the Lynchford Member comprises green to red, massive coarse grained crystal-rich feldspar phyric volcaniclastic sandstone with lesser siltstones and matrix supported lithic breccias and minor interbedded cherts and cream, pink, or purple carbonates. Original textures are still discernible despite subsequent hydrothermal alteration and deformation.</p> <p>Structure</p> <p>The Henty orebodies are hosted east of the Henty Fault on the steeply west dipping overturned western limb of a shallowly south plunging asymmetric syncline trending into the Henty Fault. The orebodies plunge at 45° to the south between the Sill Zone and Zone 96, and shallow at depth towards Mt. Julia.</p> <p>The structure of the Henty Gold Mine is dominated by the Henty Fault Zone which dips at 70/290. The orebodies are disrupted by numerous north-south trending, steeply west dipping brittle-ductile faults</p>

Criteria	JORC Code explanation	Commentary
		<p>with displacements of up to a few metres.</p> <p>Alteration</p> <p>Nearly all of the stratigraphic units of the Tyndall Group present at the Henty Gold Mine have undergone hydrothermal alteration. The most intense quartz-sericite-sulphide alteration and gold mineralisation has affected the Lynchford Member of the Comstock Formation, adjacent to the Henty Fault, and is referred to as "A-Zone" type alteration. A Zone alteration types include MA, MZ, MV, MQ, MP, and CB. The main mineralised zone comprises MQ, MV, and MZ.</p> <p>From west to east, the alteration types are as follows:</p> <p><i>MZ (quartz-sericite-sulphide schist)</i>- is a black, fine grained, sheared and brecciated rock containing quartz, sericite, pyrite, local carbonate, and minor chlorite, feldspar, chalcopyrite, sphalerite, and galena. MZ is volumetrically the most abundant alteration type in the mineralised zone and is present stratigraphically above and below the MQ and MV alteration types.</p> <p><i>MV (quartz-sericite-carbonate-sulphide schist)</i>- is a yellow-green, fine grained, highly foliated rock containing quartz, sericite, pyrite, and local carbonate and minor chlorite, feldspar, chalcopyrite, sphalerite, and galena and rare purple fluorite. MV is the second most volumetrically abundant alteration type in the mineralised zone, followed by MQ and MP.</p> <p><i>MQ (massive quartz-sulphide-gold)</i> - is a grey, cream, or pink massive to recrystallised brecciated quartz rock with minor muscovite, sericite, pyrite, carbonate, and chalcopyrite, with lesser galena and sphalerite, and rare gold and bismuth metal.</p> <p><i>MP (massive pyrite-carbonate-quartz±gold)</i> - is a bronze-black massive pyritic rock containing 40 to 80% pyrite with interstitial carbonate and quartz.</p> <p><i>CB (massive carbonate)</i> - The CB alteration type forms the hangingwall of A Zone type alteration and occurs as white to pink laterally discontinuous lenses.</p> <p><i>AS (albite-silica alteration)</i> - occurs to the east of the A Zone alteration and overprints volcanoclastics. The alteration occurs as an irregular pervasive flood of massive white or orange fine grained silica and albite, completely destroying original textures of the volcanoclastics.</p> <p>Mineralisation</p> <p>Gold at the Henty Mine is present as both free gold and gold-rich electrum associated with chalcopyrite and galena in the main mineralised zone (MQ, MV, MZ).</p>
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) 	Drill hole information is listed in Table zz

Criteria	JORC Code explanation	Commentary
	<p>of the drill hole collar</p> <ul style="list-style-type: none"> o dip and azimuth of the hole o down hole length and interception depth o hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p>	All intersection grades have been length weighted.
	<p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p>	Small high grade results within a broader mineralised zone have been reported as included intervals.
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	No metal equivalents have been used in estimations or reporting.
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	The Henty deposit is predominantly west dipping that plunges at a shallow angle to the south. Drill holes are predominantly drilled from the mining footwall of the mineralisation from underground development. Drill holes are drilled to intercept mineralisation perpendicularly where possible.
Diagrams	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	See Diagram.
Balanced reporting	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	The results of all outstanding drillholes have been reported.
Other substantive exploration data	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential</p>	An in-situ bulk density of 2.8 based on 102 samples collected from ROM pad and underground development was used in the estimation.

Criteria	JORC Code explanation	Commentary
	<i>deleterious or contaminating substances.</i>	
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Ongoing drilling programs will test extensions of known mineralisation and within mineralised portions considered to be insufficiently drilled.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	See diagram.