



22 March 2016

ASX Release

**Unity Mining Limited**  
**ABN 61 005 674 073**

**Corporate Details:**

ASX Code: UML

**Issued capital:**

1,143M Ordinary Shares  
 2.34M Unlisted Perf. Rights  
 43.2M Unlisted Options

**Directors:**

Non-Executive Chairman:  
 Clive Jones

Acting Managing Director:  
 Frank Terranova

Non-Executive Director:  
 Gary Davison

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## Corporate Update

Unity Mining Limited (ASX : UML, "Unity" or "the Company") is pleased to provide the following update to the market in relation to various corporate and operational matters covering the period since the last Quarterly Activities Report (for the quarter ended 31 December 2015) that was released on 25 January 2016.

### Henty Gold Mine Project

The mine was placed onto care and maintenance in December 2015. All redundancies and other costs associated with placing the project on care and maintenance have now been paid.

As announced on 21 January 2016, Diversified Minerals Pty Ltd ("Diversified"), an associate of the PYBAR Group, formally elected to earn its initial 30% interest in the Henty Gold Mine Project effective from that date. Diversified is currently progressing with Stage 3 of the Farm-in Agreement that will see Diversified expend a further \$2.5 million on exploration drilling following which it will formally earn an additional 20% interest in the Henty Gold Mine Project (for a total 50% interest in the project).

Exploration drilling under the PYBAR agreement continues and a detailed overview of recent exploration results and activities is included later in this announcement.

As announced to ASX on 12 October 2015, a new royalty agreement with Franco Nevada Corporation was executed. The re-negotiation of existing arrangements has removed a large disincentive to undertake any material exploration activity in the Northern sections of the mine. As a result of the re-negotiation, Franco agreed to reduce the Net Smelter Royalty ("NSR") to a flat 1% royalty (from production and sale of gold and other precious metals) across the existing Henty Gold Mine Area. As part of this restructure Unity agreed to provide Franco with a 1% NSR over any gold and precious metals produced from Unity's other Tasmanian tenements that were not previously subject to any royalty arrangement with Franco.

**Dargues Gold Mine Project**

During September 2015, Unity announced the decision to not proceed with on-site cyanide processing. On 2 December 2015, Unity announced the signing of a Binding Heads of Agreement with Westlme Pty Ltd under which Unity's wholly owned subsidiary and owner of the Dargues Reef project has the option to process gold/silver concentrate produced at the mine at Westlme's Processing Facility located at Parkes, New South Wales.

At the time of signing of the Heads of Agreement, Unity paid a non-refundable option fee of \$200,000, and is required to pay to Westlme an additional \$150,000 upon receipt of all final approvals at the Dargues Reef project but has otherwise no other commitments to Westlme unless Unity makes a final "Decision to Proceed". Unity can terminate the arrangement at any time prior to making the final decision to proceed, without incurring any financial penalty, other than the loss of any payments made.

Unity is continuing to seek approval for relatively minor modifications sought from Modification 3 and, while discussions are continuing, no approval has been received as of yet. While Unity had expected these final approvals to be received by end of March 2016, Unity now expects that these final approvals will be received during May 2016.

**Bendigo Gold Mine Project**

During September 2015, Unity announced the signing of an Asset Sale Agreement with ASX-listed GBM Gold Limited, for the sale of Unity's Kangaroo Flat gold plant, equipment and facilities, including mining and exploration tenements, buildings and freehold land in the Bendigo area, to GBM.

The total consideration to be received by Unity is approximately \$6 million (\$100,000 received to date, approximately \$1.1 million on Completion, a further \$1.1 million on the first anniversary of completion, a further \$1.9 million on the second anniversary of completion, and the final \$1.83 million on the third anniversary of completion).

In addition, the parties have agreed that, should GBM sell or otherwise realise value from certain assets, Unity is entitled to a share of the payments received, with any such payments being used to accelerate, but not to increase, the deferred payments.

GBM's obligations to pay the deferred payments will be secured by a first-ranking security interest granted by GBM in favour of Unity over certain assets acquired under the Asset Sale Agreement.

During late February 2016, Unity and GBM agreed an extension to the Completion Date (now expected to complete on or prior to 31 March 2016) to allow for all required government approval processes (for Unity and GBM) to complete.

**HSEC**

During the period since the last Quarterly Activities Report, there have been no reportable incidents relating to any health, safety, environment or community related matters.

**Cash Holdings**

At the date of this announcement Unity holds cash of approximately \$14 million.

All available gold in circuit at Henty has been recovered and Unity does not hold any gold in transit.

All redundancies and other costs associated with placing Henty on care and maintenance have been incurred and paid.

The decline in the cash holdings balance relative to 31 December 2015 (date of last quarterly report) has occurred as a result of:

- Cessation of mining and processing operations at Henty Gold Mine;
- Additional care and maintenance costs at Henty Gold Mine;
- Higher than anticipated assay costs associated with the exploration program underway at Henty, due to the shorter length of recent holes completed under the program;
- On-going corporate costs and costs associated with the proposed Scheme of Arrangement with Diversified; and
- Partly offset by receipt of approximately \$750,000 from Diversified following their formal earn-in to a 30% interest in the Henty Gold Mine Project.

## Capital Return and Scheme of Arrangement

On 7 December 2015, Unity announced a proposed Capital Return and Scheme ("Transaction"), whereby Diversified would acquire all the shares in Unity that it and its associates do not already own or control. The Transaction contemplates total cash payments to be received by shareholders of 2.9 cents per share.

The process has progressed in accordance with timetables announced at that time. The Explanatory Booklet was lodged with ASX on 19 February 2016 and was despatched by mail to Unity shareholders on 26 February 2016.

Shareholder meetings in relation to the Transaction are scheduled to be held on 31 March 2016.

Since the announcement of the proposal on 7 December 2015, Brahman Pure Alpha Pte Ltd ("Brahman"), a fund managed by Brahman Capital Management, a Singapore-based hedge fund, has emerged as a substantial shareholder in Unity. In its last substantial shareholder notice lodged with ASX on 14 March 2016, Brahman has declared a relevant interest in Unity of 18.2%.

On 18 March 2016, Unity announced that it has been verbally informed by Brahman that at this point in time Brahman intends to vote against the Transaction resolutions. If Brahman votes against the Transaction resolutions, the requisite 75% majority needed to implement the Scheme will almost certainly not be obtained and the Transaction will not be implemented. Brahman's voting intentions are not absolute. Brahman has not lodged any proxy forms at this point in time, and it is open to Brahman to vote at the shareholder meetings in a different manner to its stated current intentions position.

Unity Directors unanimously recommend that at the forthcoming shareholder meetings, Shareholders should **VOTE IN FAVOUR** of both the Capital Return and the Scheme in the absence of a superior proposal. No such superior proposal has been received to date.

To date, proxy forms representing approximately 16% of the total shares able to be voted on the Scheme have been received by the Unity share registry.

Unity encourages Shareholders to exercise their rights as Shareholders and to vote in relation to the Transaction.

If Shareholders wish to do so by way of proxy, they should sign and return both proxy forms (for the Capital Return and the Scheme) in the manner set out on their proxy forms. Proxy forms must be received by 10.00am on **29 March 2016** for the Capital Return and 11.00am for the Scheme.

For more information about the Transaction, please refer to the Explanatory Booklet.

If any Shareholder has any questions, or wishes to lodge proxy forms but is not able to locate their personalised forms, please contact the Unity shareholder information line on 1300 082 130 (within Australia) or +61 2 8016 2884 (outside Australia).

## Australian Taxation Office – Draft Class Ruling

Unity is pleased to announce that the Australian Taxation Office has provided a draft class ruling concerning the proposed Scheme of Arrangement and associated Return of Capital.

Consistent with the commentary included in the Explanatory Booklet, the draft class ruling confirms:

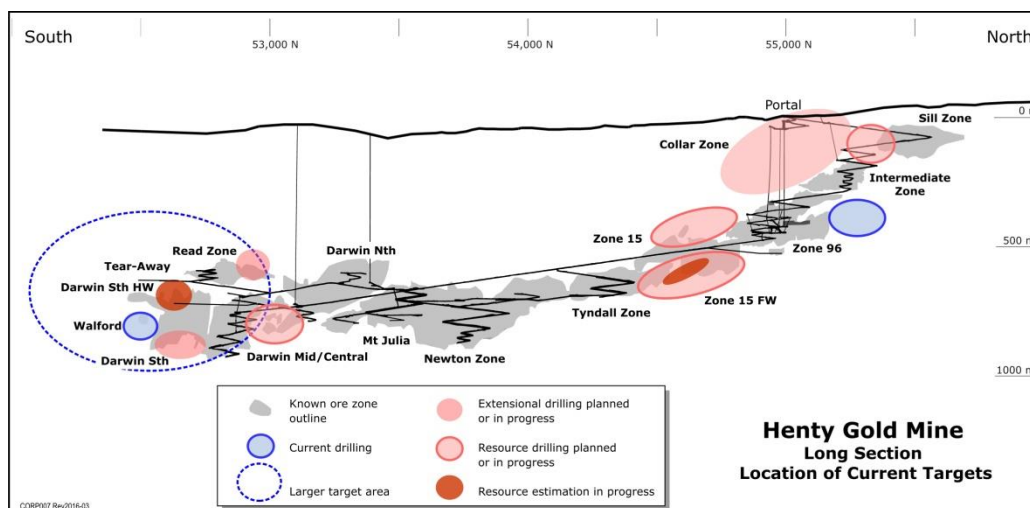
- That the Return of Capital will not be treated as a dividend for tax purposes;
- That the receipt of the proceeds will be treated as two separate CGT events (one in relation to the Return of Capital and the other in connection with the sale of shares); and
- That Unity shareholders who have held their shares for at least 12 months prior to the scheme implementation date or Return of Capital payment date (as appropriate) will be entitled to the CGT discount as would normally apply.

The final version of the class ruling is expected to be issued in late April 2016.

## Exploration Program – Henty Gold Mine Project

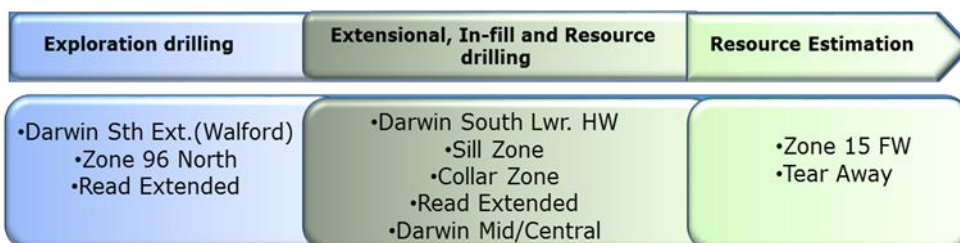
The following is an update on recent results from the drilling program at Henty Gold Mine.

Having completed the initial exploration stage, the program has reached a point where infill drilling is in progress and the interpretation required for new Resource estimates is being undertaken.



**Figure 1. Long section of Henty Gold Mine looking west, showing the location of current activity**

The drilling over the past 8 months has tested exploration targets, opened up new targets and identified areas that will provide new Resources. The interpretation required for Resource estimation is now in progress in the Tear Away and Zone 15 areas.

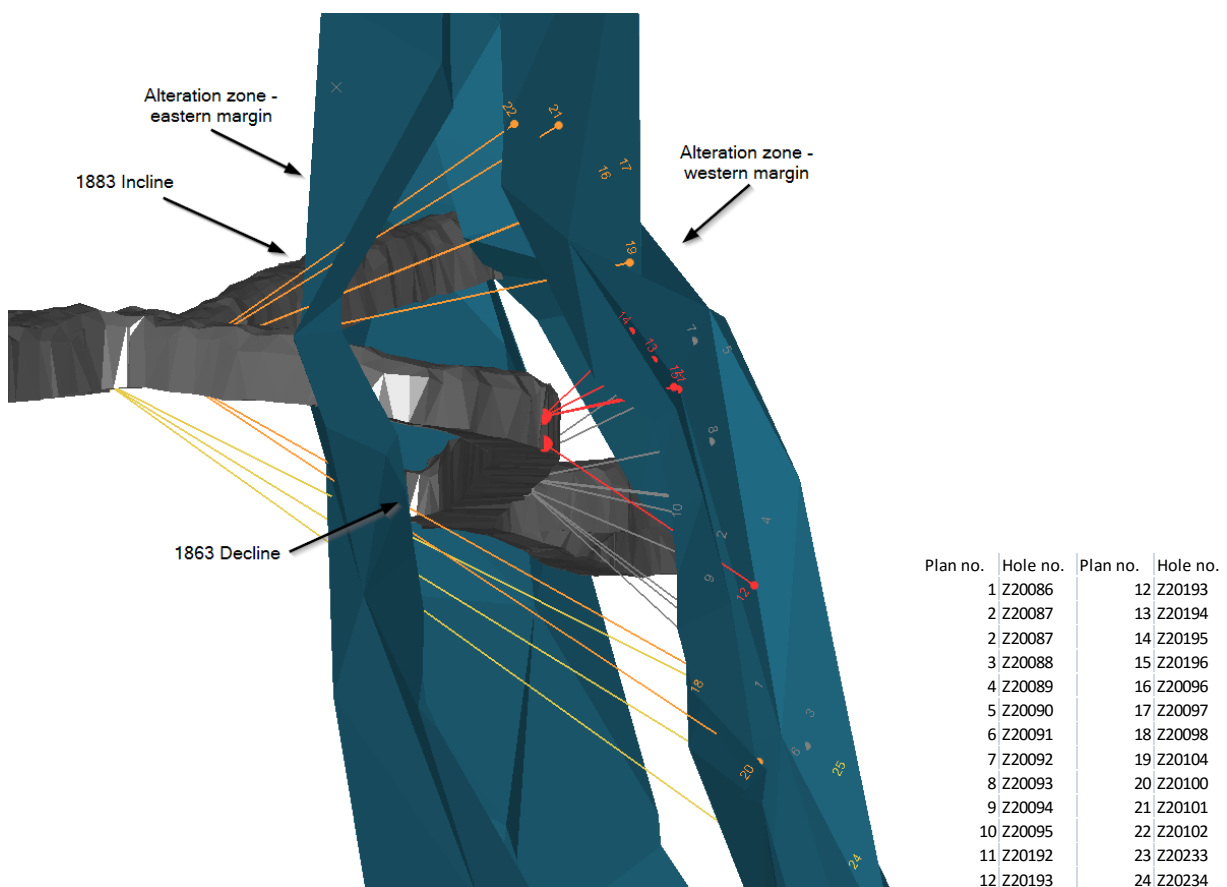
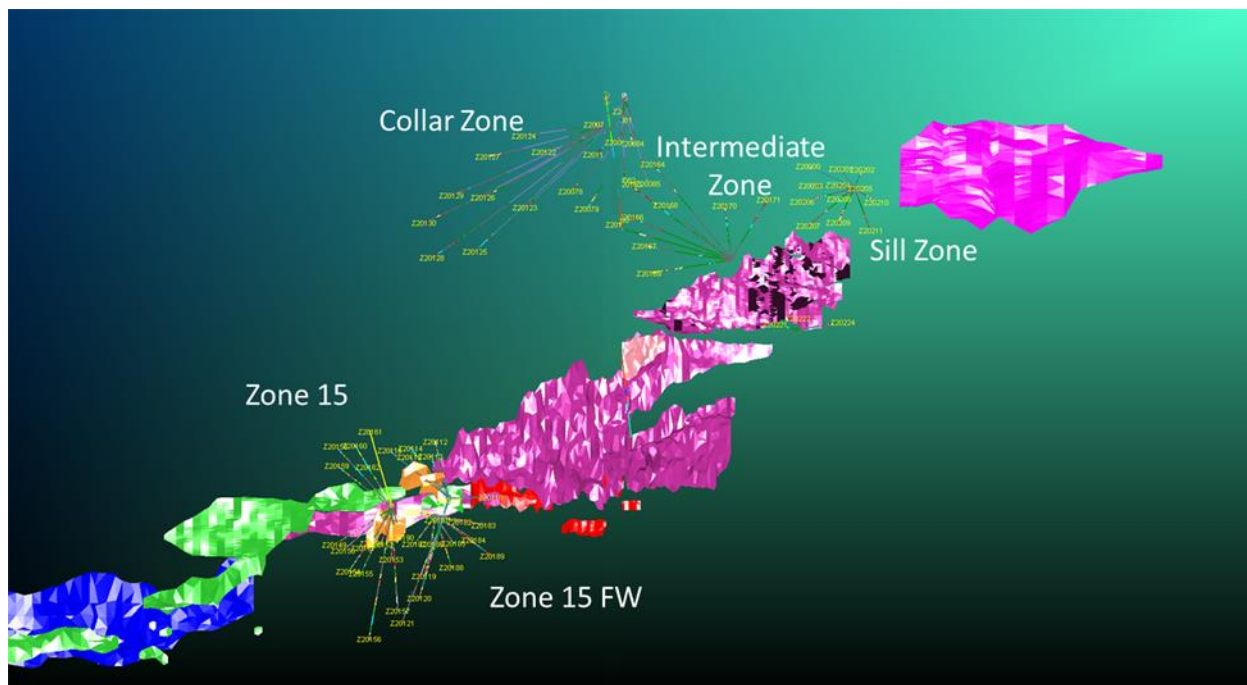


A list of recent highlights from the drilling program is shown below. The results of all drilling since the last quarterly, with 3D co-ordinates for every intersection, are shown in Appendix 1. All intervals quoted are measured down hole

Hole No.	From (m dh)	To (m dh)	Length (m dh)	Au g/t	Target
<b>Z20129</b>	268.90	270.50	1.60	<b>6.0</b>	Collar Zone 2
<b>Z20130</b>	304.30	311.30	7.00	<b>18.5</b>	Collar Zone 2
<i>Includes</i>	304.30	306.00	1.70	<b>21.0</b>	
	308.00	308.40	0.40	<b>167.0</b>	
	310.00	311.00	1.00	<b>15.4</b>	
<b>Z20086</b>	2.00	5.00	3.00	<b>143.1</b>	Tear Away
<i>Includes</i>	2.00	2.50	0.50	<b>846.0</b>	
<b>Z20086</b>	7.00	10.00	3.00	<b>17.1</b>	Tear Away
<i>Includes</i>	8.00	10.00	2.00	<b>23.1</b>	
<b>Z20088</b>	1.00	2.50	1.50	<b>58.4</b>	Tear Away
<i>Includes</i>	1.90	2.50	0.60	<b>140.0</b>	
<b>Z20089</b>	5.70	8.30	2.60	<b>12.8</b>	Tear Away
<i>Includes</i>	7.45	8.30	0.85	<b>35.5</b>	
<b>Z20090</b>	2.75	12.00	9.25	<b>4.0</b>	Tear Away
<i>Includes</i>	2.75	3.20	0.45	<b>10.3</b>	
	11.05	12.00	0.95	<b>14.4</b>	
<b>Z20092</b>	3.75	6.85	3.10	<b>23.7</b>	Tear Away
<b>Z20093</b>	3.80	7.30	3.50	<b>10.2</b>	Tear Away
<i>Includes</i>	5.00	6.00	1.00	<b>21.2</b>	
	6.45	6.80	0.35	<b>11.7</b>	
<b>Z20094</b>	6.85	8.35	1.50	<b>38.8</b>	Tear Away
<i>Includes</i>	6.85	7.60	0.75	<b>70.4</b>	
<b>Z20193</b>	0.00	0.60	0.60	<b>34.1</b>	Tear Away
<b>Z20096</b>	18.25	21.00	2.75	<b>5.0</b>	Tear Away
<i>Includes</i>	19.25	20.25	1.00	<b>6.8</b>	
<b>Z20096</b>	26.25	31.20	4.95	<b>13.1</b>	Tear Away
<i>Includes</i>	27.00	29.40	2.40	<b>22.2</b>	
<b>Z20097</b>	17.80	26.60	8.80	<b>7.1</b>	Tear Away
<b>Z20098</b>	27.60	28.05	0.45	<b>22.4</b>	Tear Away
<b>Z20098</b>	32.40	38.25	5.85	<b>6.5</b>	Tear Away
<b>Z20099</b>	18.05	21.80	3.75	<b>5.9</b>	Tear Away
<b>Z20234</b>	21.30	22.00	0.70	<b>16.4</b>	Tear Away
<b>Z20234</b>	28.00	34.10	6.10	<b>4.0</b>	Tear Away
<i>Includes</i>	30.10	30.60	0.50	<b>6.3</b>	
	33.00	34.10	1.10	<b>7.1</b>	
<b>Z20114</b>	110.20	111.90	1.70	<b>11.2</b>	Zone 15
<i>Includes</i>	110.20	111.00	0.80	<b>20.0</b>	
<b>Z20114</b>	112.90	114.40	1.50	<b>7.3</b>	Zone 15
<b>Z20149</b>	62.00	65.00	3.00	<b>32.7</b>	Zone 15
<i>Includes</i>	63.00	65.00	2.00	<b>46.0</b>	
<b>Z20150</b>	20.30	21.20	0.90	<b>53.8</b>	Zone 15
<b>Z20154</b>	116.20	118.70	2.50	<b>14.1</b>	Zone 15
<b>Z20155</b>	21.15	23.00	1.85	<b>5.3</b>	Zone 15

Hole No.	From (m dh)	To (m dh)	Length (m dh)	Au g/t	Target
<b>Z20156</b>	34.10	37.70	3.60	<b>2.8</b>	Zone 15
<b>Z20156</b>	129.30	131.10	1.80	<b>13.1</b>	Zone 15
<b>Z20157</b>	25.20	31.60	6.40	<b>7.4</b>	Zone 15
<i>Includes</i>	28.00	30.00	2.00	<b>18.2</b>	
<b>Z20158</b>	108.00	110.00	2.00	<b>6.0</b>	Zone 15
<i>Includes</i>	108.00	108.50	0.50	<b>14.6</b>	
<b>Z20190</b>	26.30	32.15	5.85	<b>11.5</b>	Zone 15
<b>Z20165</b>	110.00	113.00	3.00	<b>7.2</b>	Intermediate Zone
<i>Includes</i>	110.00	111.00	1.00	<b>15.2</b>	
<b>Z20166</b>	103.95	104.80	0.85	<b>13.7</b>	Intermediate Zone
<b>Z20214</b>	45.00	46.00	1.00	<b>16.8</b>	Darwin Mid
<b>Z20218</b>	28.20	29.20	1.00	<b>20.5</b>	Darwin Mid
<b>Z20218</b>	31.70	33.75	2.05	<b>5.2</b>	Darwin Mid
<b>Z20220</b>	76.00	76.70	0.70	<b>16.6</b>	Darwin Mid
<b>Z20173</b>	59.00	62.00	3.00	<b>7.7</b>	Darwin Central
<i>Includes</i>	60.95	62.00	1.05	<b>11.8</b>	
<b>Z20176</b>	39.70	40.85	1.15	<b>10.9</b>	Darwin Central
<b>Z20176</b>	45.15	47.15	2.00	<b>6.1</b>	Darwin Central
<b>Z20178</b>	34.20	35.90	1.70	<b>7.0</b>	Darwin Central
<i>Includes</i>	35.00	35.90	0.90	<b>10.9</b>	
<b>Z20178</b>	38.00	39.00	1.00	<b>12.8</b>	Darwin Central
<b>Z20202</b>	42.80	43.95	1.15	<b>46.9</b>	Sill Zone
<b>Z20205</b>	37.95	40.30	2.35	<b>14.0</b>	Sill Zone
<b>Z20207</b>	69.05	70.20	1.15	<b>7.9</b>	Sill Zone
<b>Z20209</b>	57.40	58.40	1.00	<b>18.7</b>	Sill Zone
<b>Z20209</b>	65.80	67.70	1.90	<b>7.1</b>	Sill Zone
<b>Z20211</b>	66.15	66.80	0.65	<b>33.2</b>	Sill Zone
<b>Z20144</b>	80.00	84.70	4.70	<b>15.2</b>	DS Downdip HW
<b>Z20183</b>	51.20	52.00	0.80	<b>37.0</b>	Zone 15

**Table 1. Highlights of the Henty drilling program, results since 31st December 2016.**









## Appendix 1. Supplementary data.

### 1. Drill hole intersections and 3D co-ordinates.

Hole ID	EAST	NORTH	RL	From (m down hole)	To (m Down hole)	Length (m down hole)	Au g/t	Target
Z20129	19826.4	54797.4	2472.4	264.90	265.90	1.00	6.0	Collar Zone 2
Z20129	19822.9	54794.3	2471.4	268.90	270.50	1.60	6.0	Collar Zone 2
Z20130	19812.6	54763.2	2437.0	304.30	311.30	7.00	18.5	Collar Zone 2
			Including	304.30	306.00	1.70	21.0	
				308.00	308.40	0.40	167.0	
				310.00	311.00	1.00	15.4	
Z20086	20197.3	52610.4	1865.0	2.00	5.00	3.00	143.1	Tear Away
			Including	2.00	2.50	0.50	846.0	
Z20086	20197.6	52605.3	1863.1	7.00	10.00	3.00	17.1	Tear Away
			Including	8.00	10.00	2.00	23.1	
Z20086	20198.8	52590.0	1857.4	24.30	25.30	1.00	5.6	Tear Away
Z20087	20196.7	52606.7	1865.8	6.60	7.50	0.90	7.0	Tear Away
Z20087	20196.4	52594.2	1864.3	19.15	20.25	1.10	7.5	Tear Away
Z20088	20195.5	52613.1	1865.3	1.00	2.50	1.50	58.4	Tear Away
			Including	1.90	2.50	0.60	140.0	
Z20088	20192.6	52605.3	1860.5	11.10	11.85	0.75	2.3	Tear Away
Z20088	20187.8	52592.7	1852.9	26.10	27.95	1.85	2.1	Tear Away
Z20089	20195.9	52613.5	1866.8	0.00	2.00	2.00	2.5	Tear Away
Z20089	20194.0	52607.2	1866.1	5.70	8.30	2.60	12.8	Tear Away
			Including	7.45	8.30	0.85	35.5	
Z20089	20191.2	52599.6	1865.2	15.20	16.20	1.00	7.8	Tear Away
Z20090	20192.5	52608.7	1871.1	2.75	12.00	9.25	4.0	Tear Away
			Including	2.75	3.20	0.45	10.3	
				11.05	12.00	0.95	14.4	
Z20091	20190.0	52612.4	1860.4	8.10	8.95	0.85	2.8	Tear Away
Z20092	20190.6	52615.6	1870.3	3.75	6.85	3.10	23.7	Tear Away
Z20093	20189.5	52615.6	1868.6	3.80	7.30	3.50	10.2	Tear Away
			Including	5.00	6.00	1.00	21.2	
				6.45	6.80	0.35	11.7	
Z20094	20187.2	52617.6	1863.7	6.85	8.35	1.50	38.8	Tear Away
			Including	6.85	7.60	0.75	70.4	
Z20095	20191.9	52618.6	1866.7	0.20	2.00	1.80	2.6	Tear Away
Z20095	20188.6	52620.0	1866.4	4.30	4.90	0.60	10.1	Tear Away
Z20095	20182.9	52622.3	1866.0	10.60	11.00	0.40	5.5	Tear Away
Z20192	20186.0	52627.1	1870.6	0.00	2.00	2.00	1.6	Tear Away
Z20192	20183.4	52623.4	1871.3	5.20	6.00	0.80	1.7	Tear Away

Z20193	20185.6	52630.0	1868.9	0.00	0.60	0.60	34.1	Tear Away
Z20193	20182.3	52629.7	1866.8	4.00	4.55	0.55	1.5	Tear Away
Z20194	20183.8	52629.3	1872.3	2.00	3.00	1.00	2.6	Tear Away
Z20195	20182.5	52632.0	1873.9	4.00	4.95	0.95	2.0	Tear Away
Z20196	20185.0	52631.7	1870.3	1.00	1.30	0.30	9.6	Tear Away
Z20196	20180.7	52633.9	1870.9	5.00	7.00	2.00	1.8	Tear Away
Z20196	20175.5	52636.6	1871.7	11.40	12.20	0.80	11.0	Tear Away
			Including	11.90	12.20	0.30	24.6	
Z20096	20199.6	52620.7	1881.7	18.25	21.00	2.75	5.0	Tear Away
			Including	19.25	20.25	1.00	6.8	
Z20096	20197.9	52617.6	1882.9	23.00	23.85	0.85	7.3	Tear Away
Z20096	20195.4	52613.4	1884.5	26.25	31.20	4.95	13.1	Tear Away
			Including	27.00	29.40	2.40	22.2	
Z20097	20194.6	52625.5	1882.3	17.80	26.60	8.80	7.1	Tear Away
Z20098	20188.8	52624.0	1859.3	27.60	28.05	0.45	22.4	Tear Away
Z20098	20183.7	52620.3	1855.8	32.40	38.25	5.85	6.5	Tear Away
Z20104	20205.5	52623.3	1864.6	17.25	20.75	3.50	2.1	Tear Away KEMPE
Z20099	20195.0	52631.6	1877.7	15.85	16.55	0.70	6.4	Tear Away
Z20099	20191.6	52629.7	1878.5	18.05	21.80	3.75	5.9	Tear Away
Z20100	20193.9	52634.4	1863.3	17.50	19.50	2.00	1.8	Tear Away
Z20100	20178.8	52629.2	1853.3	36.60	38.80	2.20	1.2	Tear Away
Z20101	20185.1	52643.5	1886.6	26.00	27.00	1.00	8.8	Tear Away
Z20101	20180.7	52644.1	1888.8	30.80	32.50	1.70	1.9	Tear Away
Z20102	20184.8	52650.0	1886.2	27.00	29.00	2.00	1.6	Tear Away
Z20102	20180.8	52651.5	1888.1	32.20	33.00	0.80	2.1	Tear Away
Z20233	20202.9	52625.4	1887.6	17.00	18.05	1.05	1.2	Tear Away
Z20233	20201.8	52623.3	1889.5	20.10	21.00	0.90	5.2	Tear Away
Z20234	20197.9	52629.8	1887.9	18.45	19.45	1.00	2.0	Tear Away
Z20234	20196.2	52628.5	1889.7	21.30	22.00	0.70	16.4	Tear Away
Z20234	20190.8	52624.2	1895.3	28.00	34.10	6.10	4.0	Tear Away
			Including	30.10	30.60	0.50	6.3	
				33.00	34.10	1.10	7.1	
Z20234	20184.1	52618.8	1902.3	41.00	42.15	1.15	4.3	Tear Away
			Including	41.70	42.15	0.45	8.7	
Z20114	19732.2	54765.3	2137.4	61.80	63.30	1.50	3.8	Zone 15
Z20114	19695.1	54748.5	2165.0	110.20	111.90	1.70	11.2	Zone 15
			Including	110.20	111.00	0.80	20.0	
Z20114	19692.8	54747.6	2166.6	112.90	114.40	1.50	7.3	Zone 15
Z20116	19733.5	54749.7	2136.8	68.60	69.95	1.35	3.9	Zone 15
Z20116	19701.0	54724.2	2161.0	116.30	117.20	0.90	1.0	Zone 15
Z20149	19738.1	54717.9	2081.3	20.95	21.75	0.80	0.2	Zone 15
Z20149	19707.6	54683.1	2066.1	62.00	65.00	3.00	32.7	Zone 15
			Including	63.00	65.00	2.00	46.0	
Z20149	19682.7	54663.7	2054.8	95.00	99.00	4.00	2.3	Zone 15
			Including	95.00	96.00	1.00	5.4	

Z20150	19737.8	54710.2	2080.2	20.30	21.20	0.90	53.8	Zone 15
Z20150	19702.9	54685.7	2059.6	66.20	69.00	2.80	1.1	Zone 15
Z20150	19683.8	54672.8	2048.8	92.95	94.00	1.05	0.3	Zone 15
Z20151	19736.4	54714.8	2080.8	19.20	20.00	0.80	1.5	Zone 15
Z20151	19682.4	54692.2	2050.0	84.90	86.00	1.10	2.1	Zone 15
Z20152	19736.5	54720.0	2082.1	16.70	17.75	1.05	0.8	Zone 15
Z20152	19697.6	54715.1	2063.9	60.00	61.00	1.00	1.4	Zone 15
Z20152	19679.5	54712.8	2055.6	79.55	81.00	1.45	1.3	Zone 15
Z20153	19735.7	54723.0	2077.7	18.75	20.10	1.35	2.6	Zone 15
Z20153	19708.1	54723.5	2059.5	52.00	53.00	1.00	1.4	Zone 15
Z20153	19677.9	54723.6	2039.9	88.20	88.65	0.45	2.0	Zone 15
Z20154	19737.2	54711.6	2074.4	22.55	24.45	1.90	1.2	Zone 15
Z20154	19693.9	54685.3	2036.1	86.00	88.00	2.00	1.3	Zone 15
Z20154	19682.5	54678.5	2026.4	102.90	103.90	1.00	4.8	Zone 15
Z20154	19672.8	54672.8	2018.2	116.20	118.70	2.50	14.1	Zone 15
Z20155	19736.5	54715.1	2075.2	21.15	23.00	1.85	5.3	Zone 15
Z20156	19733.9	54717.6	2058.5	34.10	37.70	3.60	2.8	Zone 15
Z20156	19766.9	54718.2	1984.1	100.80	102.00	1.20	1.7	Zone 15
Z20156	19682.0	54704.6	1980.3	129.30	131.10	1.80	13.1	Zone 15
Z20156	19654.2	54697.7	1940.2	178.80	179.80	1.00	2.1	Zone 15
Z20157	19733.4	54723.8	2066.2	25.20	31.60	6.40	7.4	Zone 15
			Including	28.00	30.00	2.00	18.2	
Z20157	19709.5	54725.9	2038.0	65.00	66.00	1.00	0.8	Zone 15
Z20157	19698.5	54726.9	2025.1	82.00	83.00	1.00	0.8	Zone 15
Z20157	19680.6	54728.6	2004.9	108.00	111.00	3.00	0.6	Zone 15
Z20158	19752.1	54718.7	2094.8	3.00	4.00	1.00	0.3	Zone 15
Z20158	19741.1	54702.6	2113.2	29.95	31.30	1.35	2.9	Zone 15
Z20158	19715.7	54669.9	2150.1	85.30	86.15	0.85	2.9	Zone 15
Z20158	19704.6	54656.5	2165.5	108.00	110.00	2.00	6.0	Zone 15
			Including	108.00	108.50	0.50	14.6	
Z20159	19741.0	54704.5	2104.2	23.40	24.60	1.20	0.2	Zone 15
Z20159	19719.9	54678.3	2125.7	63.80	64.20	0.40	2.6	Zone 15
Z20159	19714.3	54671.7	2131.2	73.80	74.60	0.80	1.2	Zone 15
Z20159	19710.8	54667.6	2134.7	80.20	81.00	0.80	1.5	Zone 15
Z20159	19701.6	54657.2	2143.4	96.40	97.60	1.20	2.8	Zone 15
Z20160	19739.5	54708.3	2116.4	29.70	30.75	1.05	1.8	Zone 15
Z20160	19703.4	54678.7	2168.1	99.80	100.00	0.20	1.1	Zone 15
Z20161	19731.8	54710.9	2132.4	45.85	46.70	0.85	4.7	Zone 15
Z20161	19703.8	54698.4	2179.2	101.70	102.70	1.00	3.8	Zone 15
Z20162	19707.4	54700.8	2131.7	63.40	64.00	0.60	2.7	Zone 15
Z20162	19694.7	54695.3	2141.2	80.00	81.10	1.10	7.1	Zone 15
Z20190	19732.0	54730.7	2067.8	26.30	32.15	5.85	11.5	Zone 15
Z20191	19736.7	54700.3	2053.2	43.80	44.85	1.05	5.2	Zone 15
Z20221	19732.4	55239.1	2313.3	62.30	62.60	0.30	14.3	Z96 & Intermediate
Z20221	19693.3	55231.0	2317.0	102.00	103.15	1.15	0.0	Z96 & Intermediate

Z20222	19729.5	55255.5	2317.8	64.00	64.85	0.85	1.2	Z96 & Intermediate
Z20222	19726.5	55255.6	2318.3	67.00	67.90	0.90	1.1	Z96 & Intermediate
Z20163	19785.4	55079.7	2460.8	113.00	114.10	1.10	1.9	Intermediate Zone
Z20164	19784.0	55105.4	2475.5	104.50	105.30	0.80	2.9	Intermediate Zone
Z20164	19783.6	55102.5	2479.0	109.30	109.70	0.40	2.1	Intermediate Zone
Z20165	19774.5	55065.0	2423.2	110.00	113.00	3.00	7.2	Intermediate Zone
			Including	110.00	111.00	1.00	15.2	
Z20165	19768.6	55035.5	2432.0	141.65	143.80	2.15	0.7	Intermediate Zone
Z20166	19766.9	55078.3	2433.4	103.95	104.80	0.85	13.7	Intermediate Zone
Z20166	19759.0	55055.7	2443.6	130.00	130.70	0.70	2.2	Intermediate Zone
Z20167	19758.4	55091.4	2406.3	87.60	88.10	0.50	5.2	Intermediate Zone
Z20167	19753.6	55080.6	2408.5	99.60	100.00	0.40	1.3	Intermediate Zone
Z20167	19749.4	55071.2	2410.5	109.40	111.20	1.80	2.0	Intermediate Zone
			Including	109.40	109.95	0.55	3.3	
Z20168	19759.8	55098.7	2456.4	101.80	102.80	1.00	0.1	Intermediate Zone
Z20169	19740.6	55084.5	2379.0	100.50	101.35	0.85	1.8	Intermediate Zone
Z20170	19747.4	55166.3	2459.3	80.40	82.00	1.60	1.2	Intermediate Zone
Z20171	19753.9	55204.5	2444.9	70.00	71.05	1.05	3.3	Intermediate Zone
Z20171	19740.3	55214.8	2461.4	93.15	95.70	2.55	1.4	Intermediate Zone
Z20214	19913.3	53166.5	1963.2	45.00	46.00	1.00	16.8	Darwin Mid
Z20214	19901.1	53165.7	1969.1	58.70	59.40	0.70	1.6	Darwin Mid
Z20215	19931.5	53153.9	1960.9	31.00	32.00	1.00	2.0	Darwin Mid
Z20215	19928.9	53152.4	1962.8	34.00	36.00	2.00	2.1	Darwin Mid
Z20216	19894.7	53146.2	1938.0	63.55	64.20	0.65	1.3	Darwin Mid
Z20217	19917.1	53159.8	1928.4	40.00	41.00	1.00	1.1	Darwin Mid
Z20218	19934.9	53146.2	1943.1	28.20	29.20	1.00	20.5	Darwin Mid
Z20218	19932.0	53143.2	1943.3	31.70	33.75	2.05	5.2	Darwin Mid
Z20219	19911.2	53144.1	1912.2	56.85	57.85	1.00	1.0	Darwin Mid
Z20220	19930.5	53139.9	1929.4	38.00	38.85	0.85	2.3	Darwin Mid
Z20220	19906.0	53113.1	1918.6	76.00	76.70	0.70	16.6	Darwin Mid
Z20173	19938.5	52979.1	1832.7	59.00	62.00	3.00	7.7	Darwin Central
			Including	60.95	62.00	1.05	11.8	
Z20173	19931.2	52972.6	1828.5	68.10	73.00	4.90	1.8	Darwin Central
Z20174	19907.0	52973.0	1791.2	106.40	107.65	1.25	1.4	Darwin Central
Z20174	19935.7	52990.3	1817.2	63.95	65.10	1.15	0.2	Darwin Central
Z20175	19936.7	53004.4	1829.4	51.00	53.00	2.00	2.3	Darwin Central
Z20176	19899.1	52987.7	1845.0	85.00	86.15	1.15	0.4	Darwin Central
Z20176	19941.1	53003.3	1851.6	39.70	40.85	1.15	10.9	Darwin Central
Z20176	19935.6	53001.3	1850.8	45.15	47.15	2.00	6.1	Darwin Central
Z20177	19928.0	52990.8	1866.3	56.55	56.80	0.25	28.9	Darwin Central
Z20178	19945.4	53015.1	1845.5	34.20	35.90	1.70	7.0	Darwin Central
			Including	35.00	35.90	0.90	10.9	
Z20178	19942.6	53014.9	1844.3	38.00	39.00	1.00	12.8	Darwin Central
Z20178	19936.9	53014.5	1842.3	44.00	45.00	1.00	4.2	Darwin Central
Z20179	19957.1	53023.7	1861.5	19.85	24.00	4.15	2.3	Darwin Central

			Including	21.00	22.00	1.00	4.0	
Z20179	19938.2	53027.9	1864.0	41.00	42.00	1.00	5.3	Darwin Central
Z20200	19747.6	55270.2	2507.3	61.80	62.30	0.50	1.2	Sill Zone
Z20201	19743.9	55310.6	2500.6	35.00	36.00	1.00	0.5	Sill Zone
Z20202	19735.7	55333.9	2503.5	42.80	43.95	1.15	46.9	Sill Zone
Z20203	19741.1	55281.2	2484.6	49.90	51.90	2.00	1.1	Sill Zone
Z20203	19735.4	55274.3	2485.4	59.40	60.40	1.00	5.8	Sill Zone
Z20204	19734.7	55305.0	2486.3	41.00	41.40	0.40	0.1	Sill Zone
Z20205	19733.8	55330.9	2482.1	37.95	40.30	2.35	14.0	Sill Zone
Z20206	19747.5	55284.6	2471.2	44.85	45.50	0.65	2.6	Sill Zone
Z20207	19731.4	55284.8	2450.0	61.80	62.55	0.75	1.1	Sill Zone
Z20207	19726.4	55280.6	2446.5	69.05	70.20	1.15	7.9	Sill Zone
Z20207	19717.2	55272.5	2440.1	83.00	83.80	0.80	6.0	Sill Zone
Z20208	19724.8	55306.7	2469.8	50.30	50.70	0.40	1.4	Sill Zone
Z20209	19724.5	55309.0	2449.2	57.40	58.40	1.00	18.7	Sill Zone
Z20209	19717.0	55306.9	2444.5	65.80	67.70	1.90	7.1	Sill Zone
Z20210	19735.0	55343.2	2470.5	41.50	42.50	1.00	1.5	Sill Zone
Z20211	19733.0	55336.9	2449.5	50.15	50.80	0.65	1.2	Sill Zone
Z20211	19720.7	55341.0	2440.1	66.15	66.80	0.65	33.2	Sill Zone
Z20142	20052.4	52727.2	1750.1	80.65	81.65	1.00	5.4	DS Downdip HW
Z20143	20049.0	52738.7	1742.0	70.85	71.85	1.00	3.1	DS Downdip HW
Z20144	20018.9	52753.4	1719.0	80.00	84.70	4.70	15.2	DS Downdip HW
Z20144	19979.6	52723.8	1707.9	128.00	138.40	10.40	1.7	DS Downdip HW
Z20145	20004.4	52685.9	1685.5	149.60	150.45	0.85	2.7	DS Downdip HW
Z20146	20013.3	52704.0	1712.8	121.90	124.55	2.65	3.2	DS Downdip HW
Z20146	20002.4	52689.0	1709.3	140.15	141.80	1.65	5.8	DS Downdip HW
Z20147	20042.3	52711.1	1715.2	102.00	103.00	1.00	2.9	DS Downdip FW
Z20147	20025.6	52677.8	1707.4	139.60	141.60	2.00	2.5	DS Downdip HW
Z20172	20049.3	52737.0	1732.4	72.85	73.45	0.60	9.5	DS Downdip FW
Z20172	20041.4	52723.3	1731.0	88.00	90.00	2.00	1.5	DS Downdip HW
Z20172	20035.1	52712.5	1730.0	101.10	102.00	0.90	1.2	DS Downdip HW
Z20180	19722.7	54770.8	2083.0	11.90	13.30	1.40	0.8	Zone 15
Z20180	19696.7	54762.6	2085.8	39.60	40.40	0.80	2.3	Zone 15
Z20180	19681.1	54757.7	2087.7	55.70	57.10	1.40	4.9	Zone 15
Z20181	19720.7	54775.9	2081.3	13.20	14.00	0.80	1.8	Zone 15
Z20181	19693.9	54777.2	2080.5	38.70	41.30	2.60	2.6	Zone 15
			Including	40.40	41.30	0.90	4.7	
Z20181	19675.7	54778.1	2079.8	58.20	59.05	0.85	1.1	Zone 15
Z20182	19719.3	54783.0	2080.6	16.00	16.65	0.65	0.6	Zone 15
Z20182	19693.7	54794.7	2078.6	44.10	45.00	0.90	4.1	Zone 15
Z20182	19682.5	54799.8	2077.8	56.50	57.10	0.60	4.0	Zone 15
Z20182	19674.5	54803.5	2077.3	65.60	65.80	0.20	2.2	Zone 15
Z20183	19717.2	54791.6	2079.9	21.30	22.10	0.80	0.4	Zone 15
Z20183	19694.6	54811.0	2077.5	51.20	52.00	0.80	37.0	Zone 15
Z20183	19684.5	54819.7	2076.2	63.80	66.00	2.20	1.1	Zone 15

Z20184	19717.3	54787.4	2075.6	20.00	20.80	0.80	0.8	Zone 15
Z20184	19696.1	54800.9	2068.5	45.90	47.00	1.10	5.7	Zone 15
Z20184	19683.0	54809.1	2064.2	62.00	63.00	1.00	1.3	Zone 15
Z20185	19698.6	54787.2	2067.0	39.15	40.20	1.05	7.2	Zone 15
Z20185	19693.5	54788.8	2065.0	44.80	46.00	1.20	4.6	Zone 15
Z20185	19685.0	54791.5	2061.6	54.00	56.00	2.00	1.3	Zone 15
Z20186	19719.3	54774.7	2074.4	15.40	17.20	1.80	2.3	Zone 15
Z20186	19702.1	54774.0	2067.0	34.00	36.00	2.00	4.4	Zone 15
Z20186	19682.9	54773.7	2063.0	44.10	46.00	1.90	3.5	Zone 15
Z20186	19682.2	54773.2	2058.5	56.25	57.00	0.75	1.9	Zone 15
Z20187	19700.8	54763.6	2065.6	38.00	39.20	1.20	1.2	Zone 15
Z20187	19689.9	54760.1	2061.0	50.50	51.40	0.90	2.0	Zone 15
Z20188	19699.2	54785.6	2054.1	44.20	45.30	1.10	2.0	Zone 15
Z20188	19695.2	54786.7	2051.0	49.65	50.10	0.45	4.6	Zone 15
Z20188	19683.7	54790.0	2042.3	64.20	65.20	1.00	1.0	Zone 15
Z20189	19714.9	54793.6	2070.4	26.00	27.00	1.00	0.7	Zone 15
Z20189	19686.2	54818.3	2054.7	67.00	68.00	1.00	2.2	Zone 15
Z20189	19660.7	54840.6	2040.4	104.00	104.55	0.55	0.2	Zone 15

**Table 1. All intercepts from holes drilled at Henty Gold Mine since 31st December 2015.**



## 2. Figures showing all drill holes (not just recent ones) from the areas reported

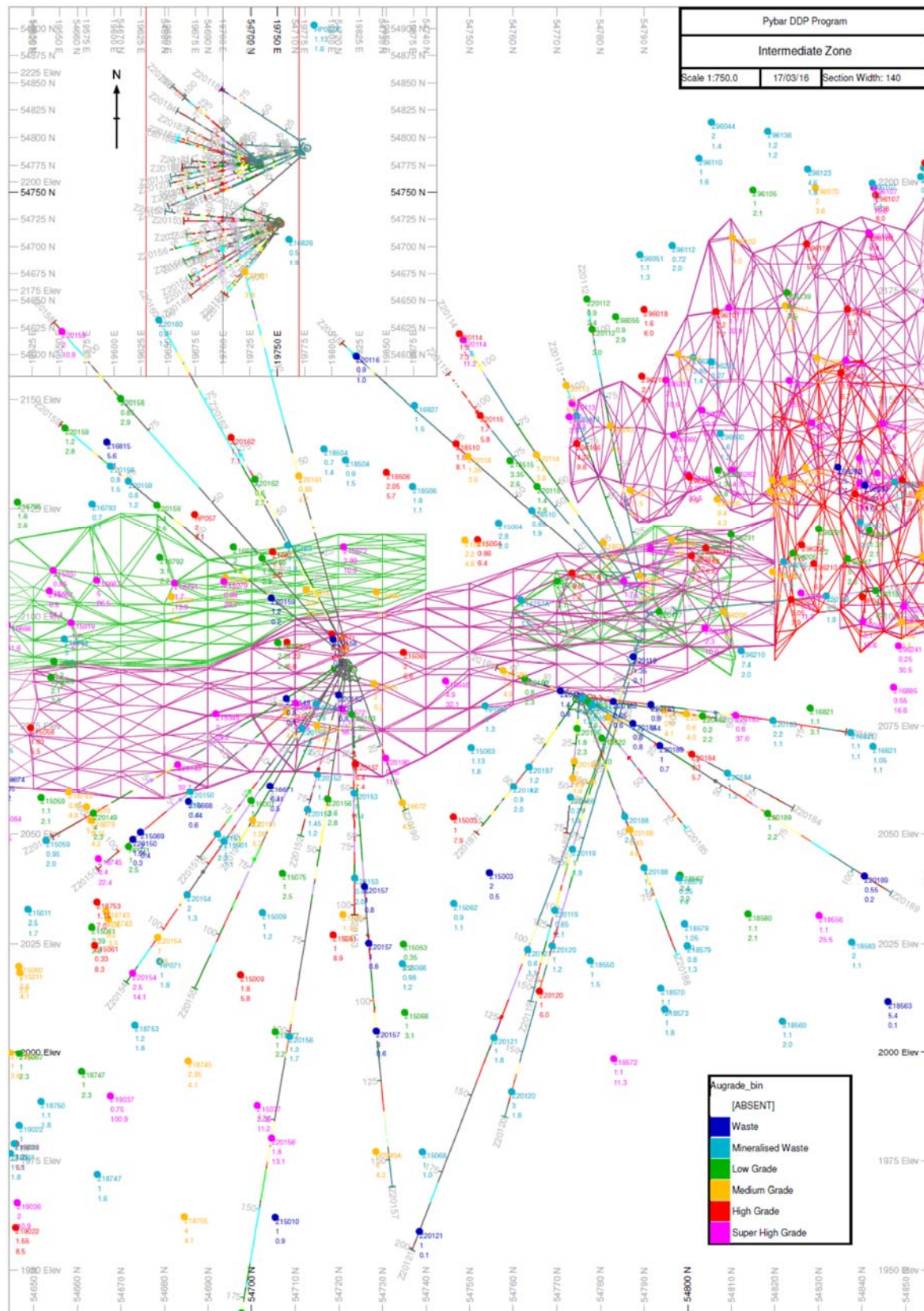


Figure 1. A long section, looking west through the recent drilling in the Zone 15. The outlines of known ore zones are shown as wireframes. Drill hole intercepts from historic campaigns are shown as dots, recent drill hole traces are also shown. A grade key is on the diagram.



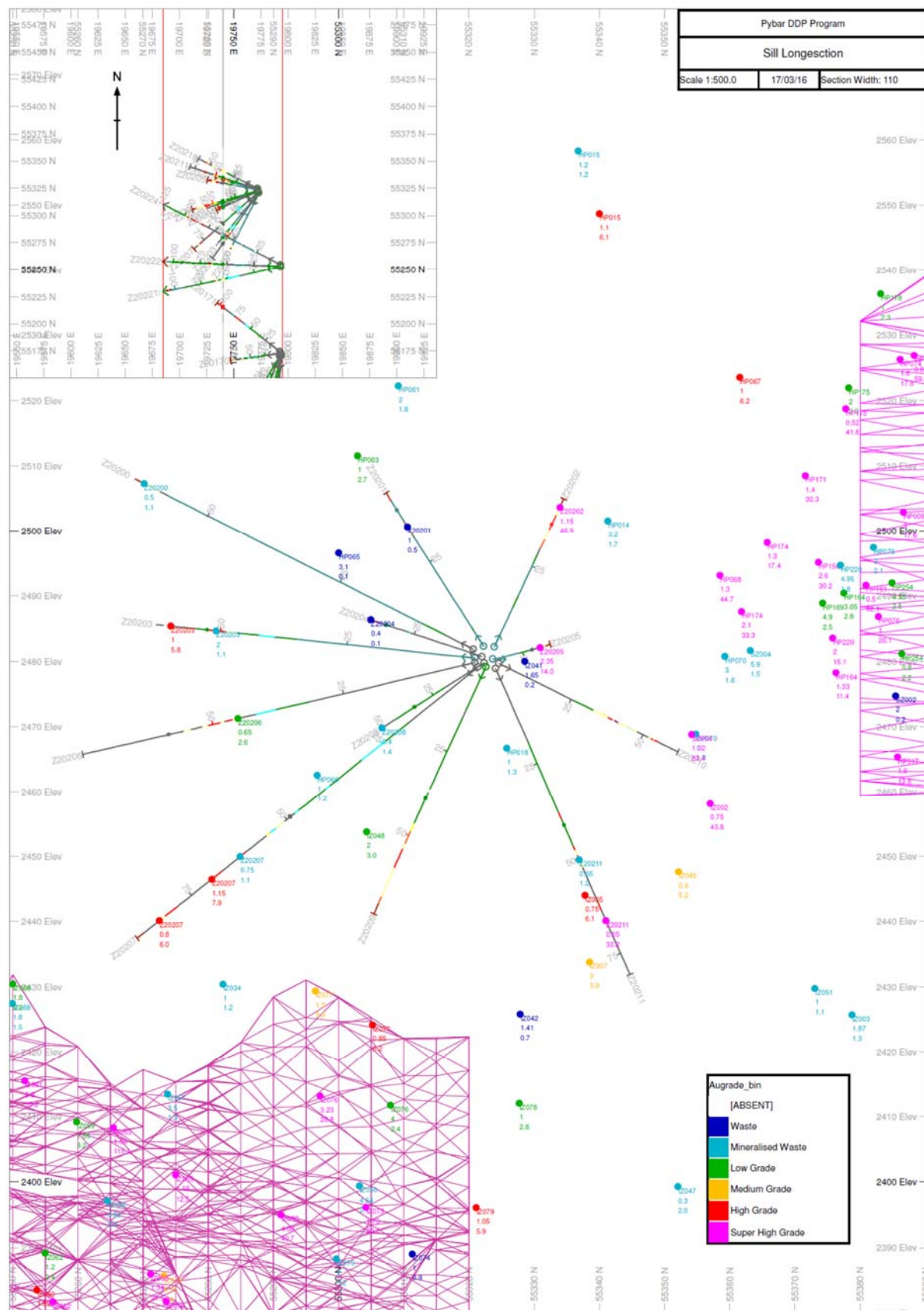
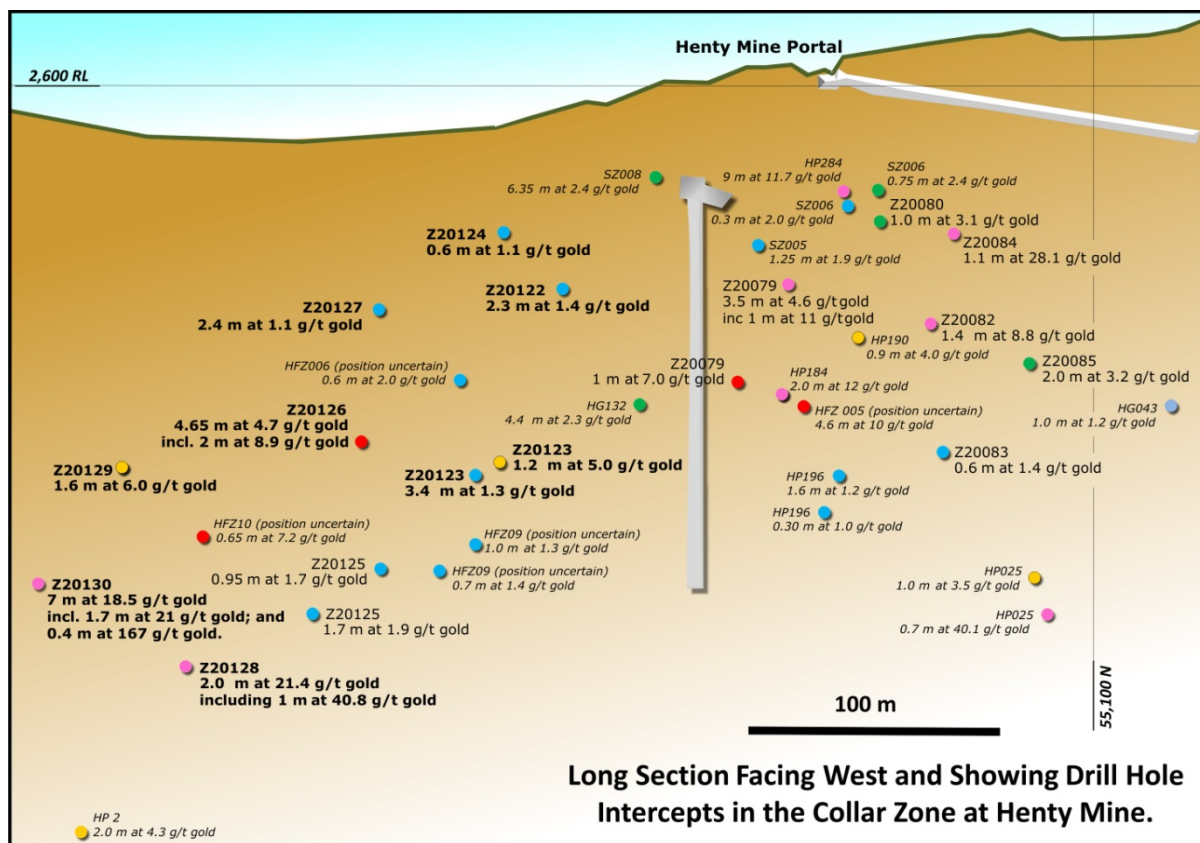


Figure 2. A long section, looking West, through the Sill Zone. Historic drill intercepts are shown as dots and recent drill holes are shown as traces. A grade key is shown on the diagram.



**Figure 3. Long section through the Collar Zone showing the location of all drill holes.**

Figures 4-9 are a series of cross-sections through the Tear Away Zone. The pierce-point locations of drill holes are shown, with grade (g/t gold) and width down hole (m). The sections look South-East. The outline is the outline of the broader alteration zone, not the interpreted ore zone (interpretation is still in progress). Data is projected from half way to the next section (so all intercepts in the area have been captured).



**Figure 4. Cross section through 52600N**

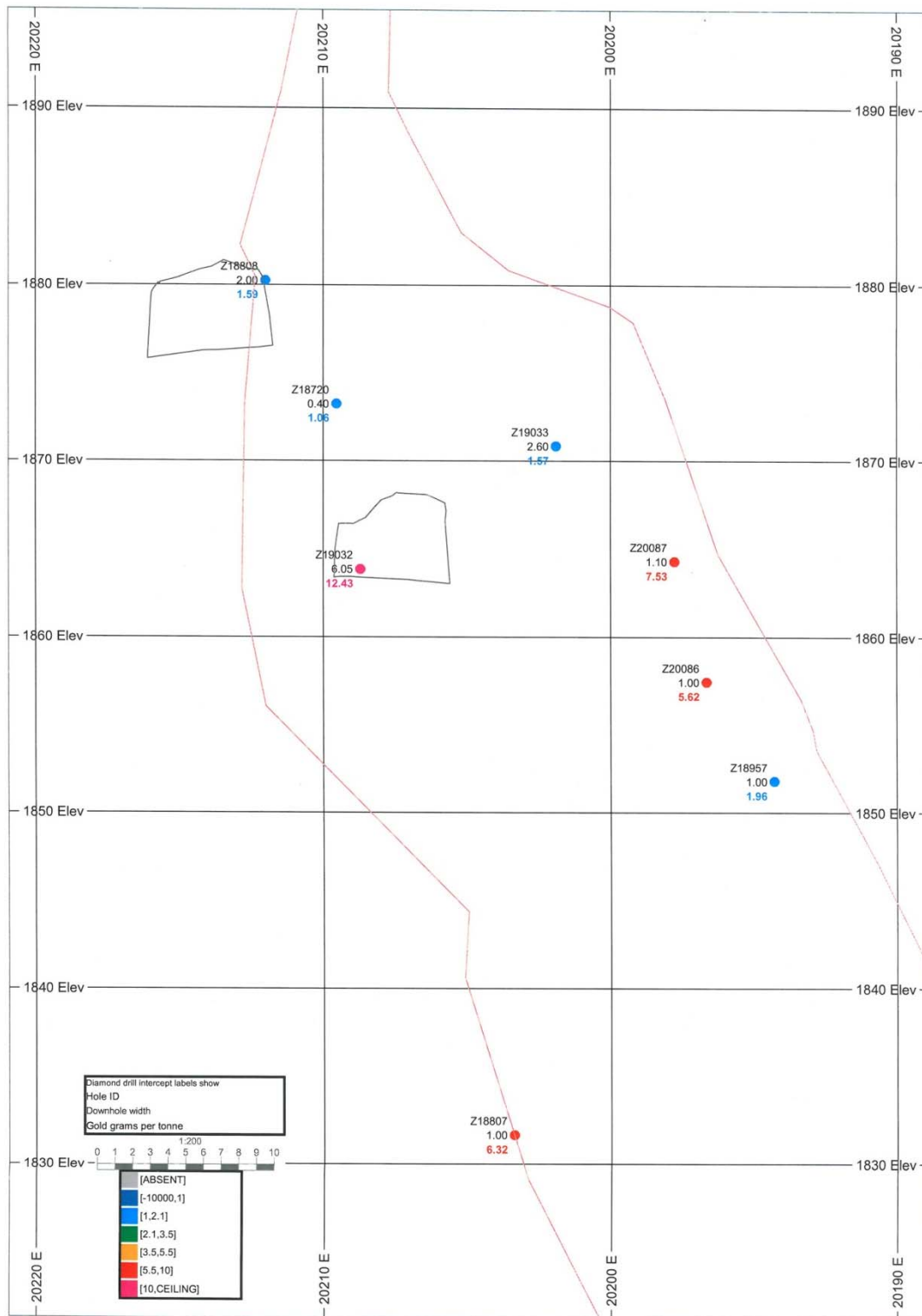


Figure 5. Cross section through 52610 N

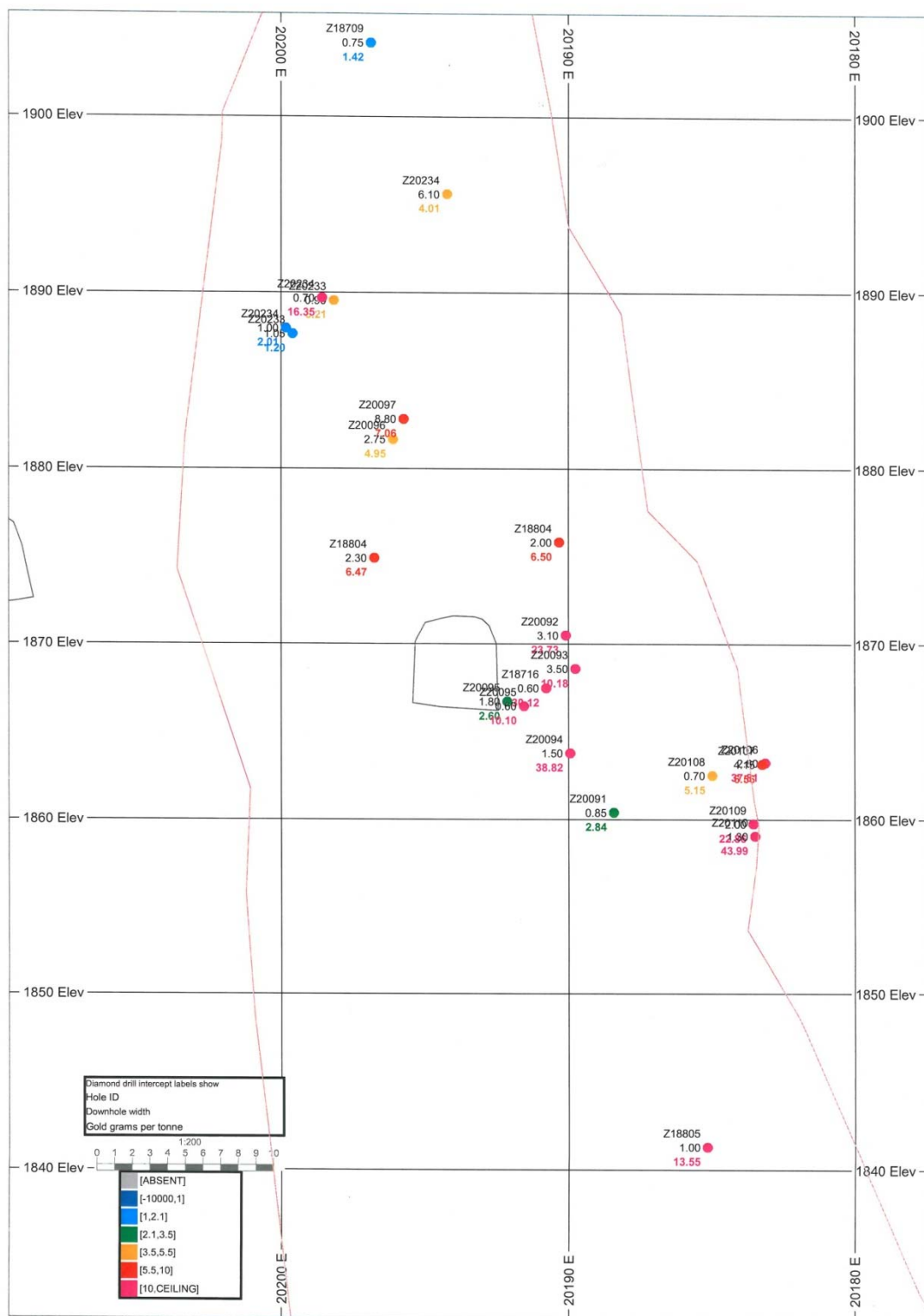


Figure 6. Cross section through 52620N

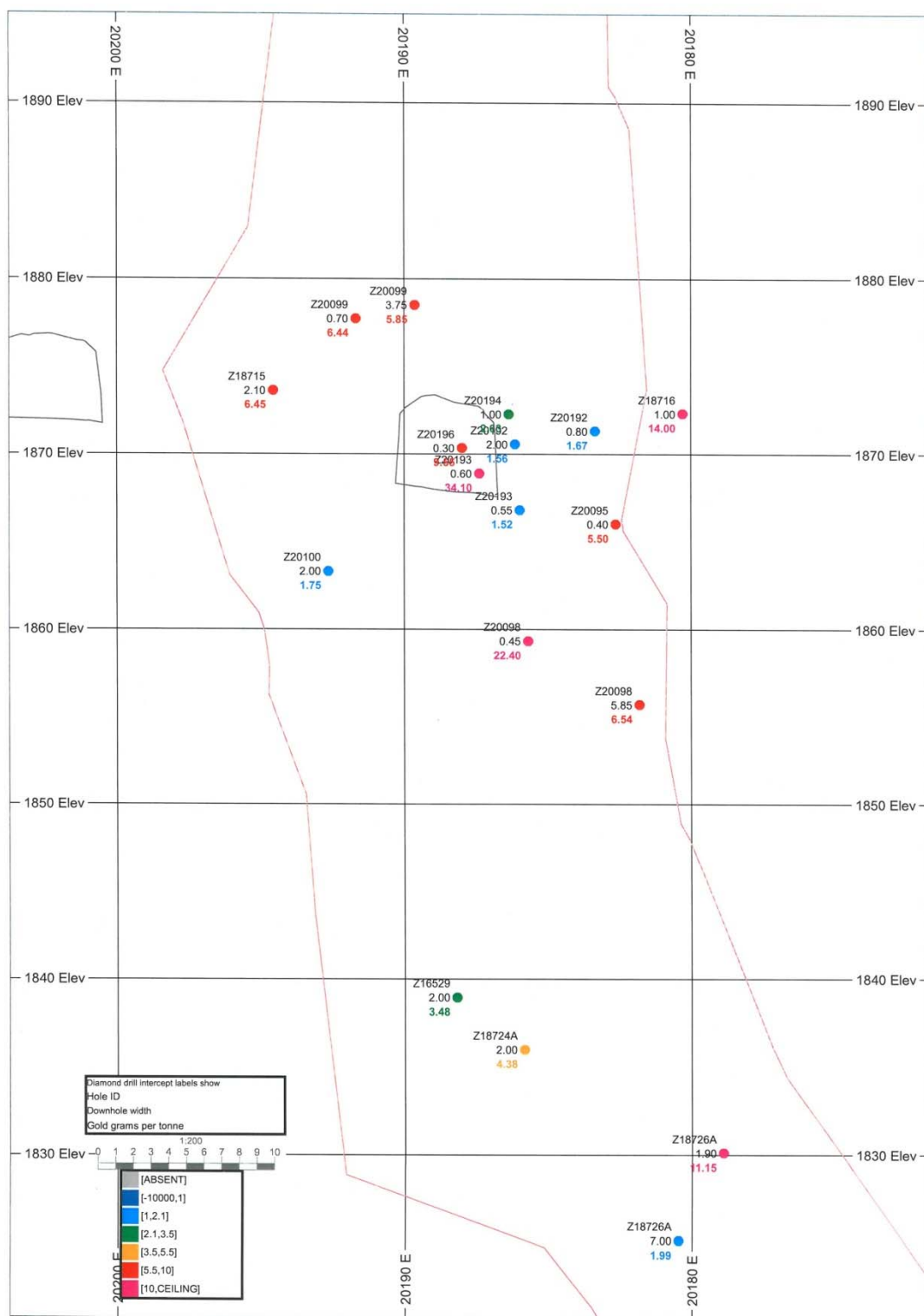


Figure 7. Cross section through 53630N

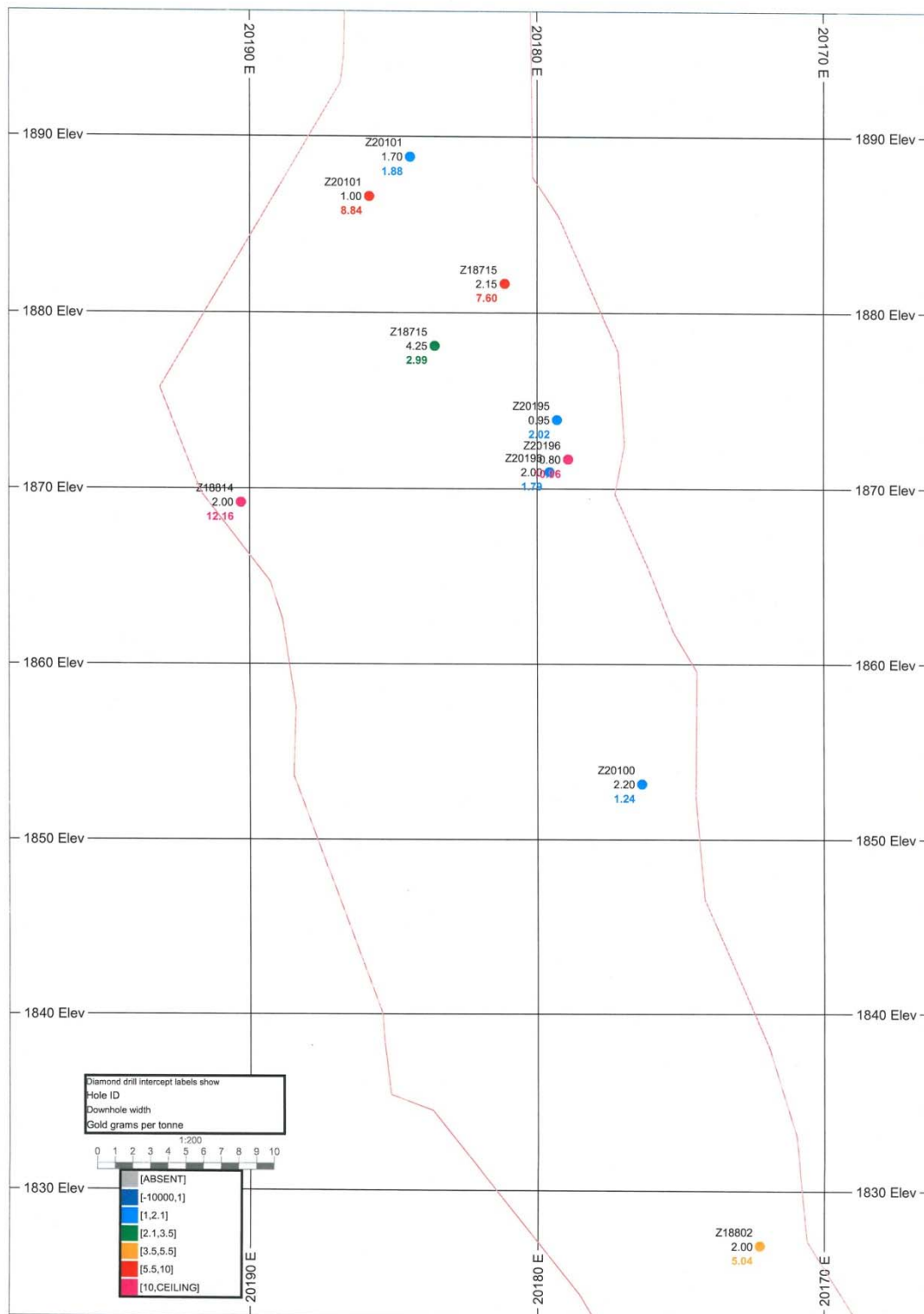


Figure 8. Cross section through 52640N



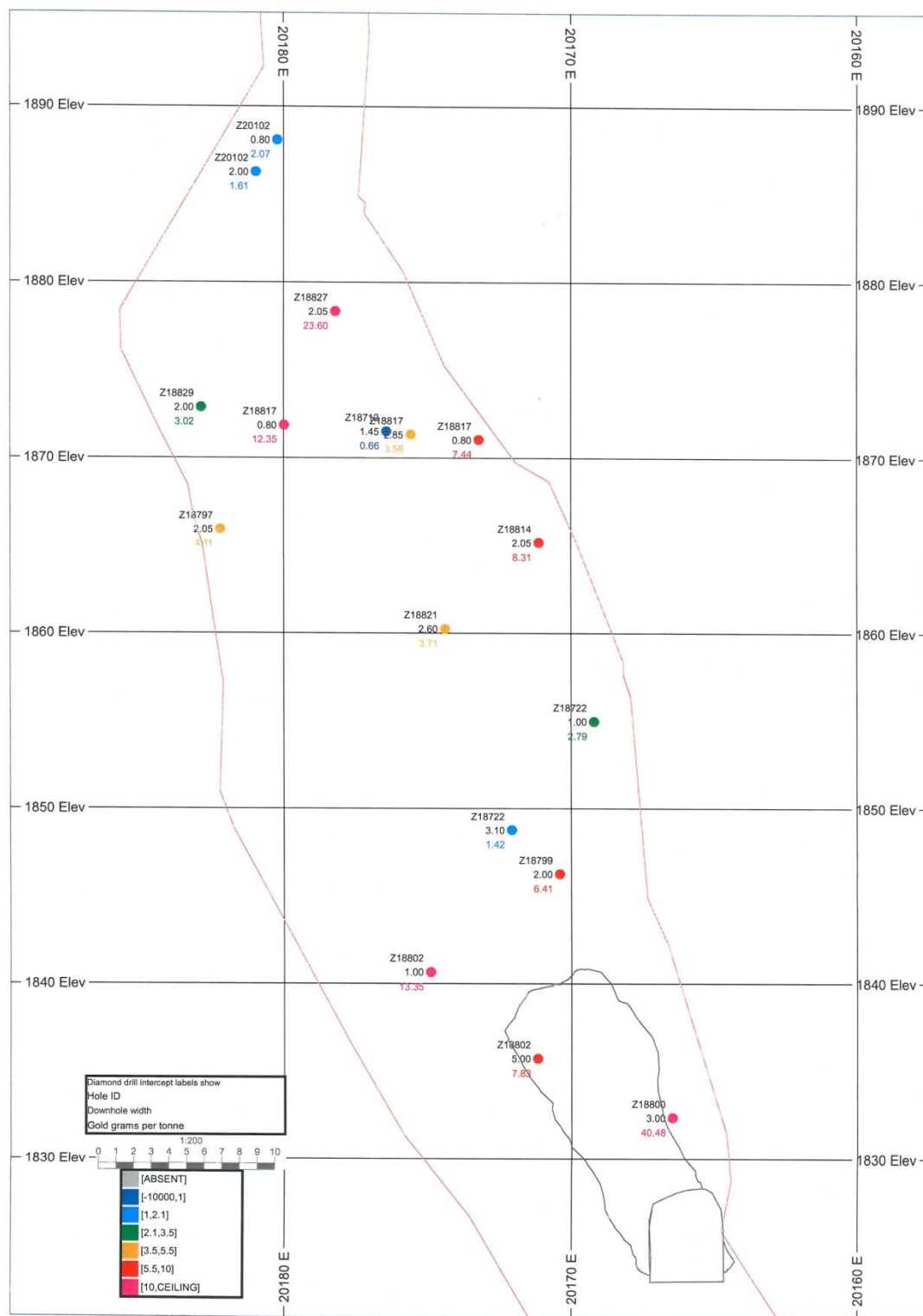


Figure 9. Cross section through 52647N

## Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<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>	All UML samples consist of sawn half core, except for samples from 192.3-193.0m in Z20082, which are quarter core. LTK60 or NQ2 size core is used. Nominal sample length is 1m, with a maximum of 1.2 m and a minimum ore is sampled to of 0.2m. The core is sampled on geological boundaries. The core size of historic samples is not always known but is usually NQ half core.
<b>Drilling techniques</b>	<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). Surface diamond rigs for historic holes in the Collar Zone.
<b>Drill sample recovery</b>	<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 the sampling.
<b>Logging</b>	<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 hole data is loaded into the Database via the Datashed "front end". Site specific rock codes for rock types are used.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes are logged in entirety. Drill logs are exported from into Datashed (Geological Database) and validated as part of the export process.
<b>Sub-sampling techniques and sample preparation</b>	<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 is sampled for assay, including at least 5 metres either side.  Core is cut in half utilising the Almonte automatic core saw.
	<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.

Criteria	JORC Code explanation	Commentary
	<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 specified by geologists as part of the logging process, to ensure that samples are representative.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Samples are taken to geological boundaries to ensure that the sample size is appropriate for the mineralisation.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	All UML 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. Assay techniques for historic samples are fire assay but the laboratory is unknown.
	<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.
<b>Verification of sampling and assaying</b>	<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 a review of each Diamond Drill Proposal (programs of up to 20 holes) is completed and this includes review of significant intersections.
	<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 and the fact that all the drilling is underground diamond drilling and it can be a difficult exercise to "land" two holes on the same spot. Therefore it is not a standard practice at Henty. Mining reconciliation process have, for the last 5 years, served to validate the drill hole intersections.
	<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. Regular database audits are undertaken.
	<i>Discuss any adjustment to assay data.</i>	Assay data is not adjusted in any way.
<b>Location of data points</b>	<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. Holes drilled between May 2013 and June 2015 were surveyed with a Reflex Gyro. In the most recent program a Deviflex instrument was used. The Gyro and the Deviflex have 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.

Criteria	JORC Code explanation	Commentary
		<p>All mine workings are surveyed by a qualified surveyor. Where drill holes are intersected by mine workings, the positions are surveyed to determine the accuracy of drill hole predictions. If these drill holes are shown to be inaccurate in positioning they are corrected in the database.</p> <p>Re-surveying of historic drill hole collars is in progress and this has revealed a lower level of precision for HFZ series drill holes. This has been indicated on the long section where these holes are displayed.</p>
	<i>Specification of the grid system used.</i>	A local mine grid (Henty 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.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Exploration results mostly occur within 100 m of the deposit margins and usually within 50m of the nearest drill hole.
	<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.
<b>Orientation of data in relation to geological structure</b>	<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.
<b>Sample security</b>	<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.
<b>Audits or reviews</b>	<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.

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<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 70% owned by Unity Mining and 30% owned by Diversified Minerals Pty Ltd., which is funding the current drilling (commenced in June 2015) as part of a staged Farm-In agreement, in which it can earn up to 50% of the Henty asset.</p> <p>Mineral Resources Tasmania receives 1.9% of Nett sales plus a profit component. Franco-Nevada receives 1% on all gold ounces produced.</p>

Criteria	JORC Code explanation	Commentary
	<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.
<b>Exploration done by other parties</b>	<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.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p><b>Stratigraphy</b></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 volcanoclastics. 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 volcanoclastics 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 volcanoclastic 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><b>Structure</b></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. 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 with displacements of up to a few metres.</p> <p><b>Alteration</b></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</p>

Criteria	JORC Code explanation	Commentary
		<p>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 volcanics. The alteration occurs as an irregular pervasive flood of massive white or orange fine grained silica and albite, completely destroying original textures of the volcanics.</p> <p><b>Mineralisation</b> 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>
<b>Drill hole Information</b>	<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"> <li>o easting and northing of the drill hole collar</li> <li>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>o dip and azimuth of the hole</li> <li>o down hole length and interception depth</li> <li>o hole length.</li> </ul> <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>	<p>3D co-ordinates have been included for every new intersection reported in this release.</p> <p>This information enables all intersections to be plotted in 3D space as well as on plans and sections.</p> <p>As the drilling has taken place within an underground mine, with numerous historic drill holes, supplying the data this way enables rapid and accurate determination of the location of drilling intercepts and reduces the volume of data to be appended.</p>
<b>Data aggregation methods</b>	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades)	All intersection grades have been length weighted.



Criteria	JORC Code explanation	Commentary
	<p><i>and cut-off grades are usually Material and should be stated.</i></p> <hr/> <p><i>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.</i></p> <hr/> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>Small high grade results within a broader mineralised zone have been reported as included intervals.</p> <hr/> <p>No metal equivalents have been used in estimations or reporting.</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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').</i></p>	<p>The Henty deposit is predominantly steeply west-dipping. The stratigraphy is overturned. Drill holes are predominantly drilled from the mining footwall (eastern side) of the mineralisation from underground development. Drill holes are drilled to intercept mineralisation perpendicularly where possible.</p>
<b>Diagrams</b>	<p><i>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.</i></p>	<p>See Diagram.</p>
<b>Balanced reporting</b>	<p><i>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.</i></p>	<p>The results of all holes drilled in this program have been reported.</p>
<b>Other substantive exploration data</b>	<p><i>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 deleterious or contaminating substances.</i></p>	<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.</p>
<b>Further work</b>	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <hr/> <p><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></p>	<p>Drilling is still in progress, utilising 3 rigs. Results from drilling will continue to be reported as they are received and compiled.</p> <hr/> <p>See diagrams in the release and appendix.</p>