

ASX Announcement

15 December 2015

SENTINEL OFFERS TO FUND SECURITY BUYBACK POST SALE OF 308 QUEEN ST/88 CREEK ST

Unity Pacific Limited (ASX: UPG) makes the following announcement in response to an offer made by Sentinel Property Group (Sentinel), a privately-owned and Brisbane-based property group.

Sentinel has today announced an offer to fund a buyback of all of the stapled securities in Unity Pacific Group (the Sentinel Offer).

The Sentinel Offer is subject to the completion of the previously announced sale of Unity Pacific Group's investment property located at 308 Queen Street / 88 Creek Street, Brisbane and the return of the net sale proceeds to securityholders. Securityholders approved the sale of the property at the annual general meeting held on 19 November 2015. The sales process is expected to commence in early 2016 and if successful, is anticipated to be completed in mid-2016.

Sentinel currently owns approximately 4.9% of Unity Pacific Group's stapled securities on issue. Sentinel has offered to fund a buyback of all of the stapled securities in Unity Pacific Group which it does not currently own, at the net asset backing per security.

The Sentinel Offer proposes that the net asset backing per security will be calculated at the time any buyback offer is made, by reference to the audited 30 June 2015 financial statements, adjusted to reflect the impact of subsequent events including the sale of 308 Queen Street / 88 Creek Street, Brisbane, any repatriation of capital to securityholders and the operating performance of UPG since 30 June 2015.

The Sentinel Offer is a type of "corporate initiative" referred to previously in Unity Pacific Group's ASX announcements as part of the potential future strategy for the business. The Board recommends that securityholders take no action until the Board has considered the Sentinel Offer and makes a further announcement in due course.

For further information, contact:

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