

**ASX Announcement**

13 April 2016

**SAN REMO VALUATION INCREASE**

As previously announced, Unity Pacific Limited (ASX: UPG) (Unity Pacific) is conducting an expressions of interest (EOI) process for its corporate vehicle, including the assets which will remain after the sale of 308 Queen Street/88 Creek Street, Brisbane.

The largest property asset that will remain is Unity Pacific's parcel of land in San Remo, Victoria (the Land).

In light of recent sales activity in San Remo and the surrounding area, the Board commissioned an independent valuation of the Land as at 31 March 2016.

The book value of the Land in Unity Pacific's 31 December 2015 half year accounts was \$3.85 million. The independent valuer has determined that the value of the Land on an 'as is' basis is \$6 million as at 31 March 2016. This 'as is' valuation is based on the rural zoning of the property and does not incorporate the potential valuation impact of the Notice of Decision to Grant a Permit<sup>1</sup> which was issued by the Bass Coast Shire Council in December 2015.

Unity Pacific's net tangible assets (NTA) per security as at 31 December 2015 was \$1.05 per security. This NTA per security does not include the following post 31 December 2015 items:

- the above valuation increase for San Remo which equates to an additional 6 cents per security (when considered separately from other NTA influences, including those noted below);
- any premium to book value which may be achieved as a result of the proposed sale of 308 Queen Street/88 Creek Street (including the transferrable site areas attached to the property); and
- the forecast trading results for the second half of the year. The San Remo uplift is expected to materially exceed any forecast trading loss for the year.

As announced on 8 April 2016, Unity Pacific is currently evaluating the submissions received during its EOI processes and the Board will update the market as required.

For further information, contact:

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<sup>1</sup> In December 2015, the Bass Coast Shire Council resolved to issue a Notice of Decision to Grant a Permit to subdivide Unity Pacific's land in San Remo into three lots in two stages and to use one of the lots for a Leisure and Recreation Facility (golf course) and associated tourist accommodation in accordance with certain endorsed plans and subject to numerous conditions. Objectors had 21 days from the issue of the Notice of Decision to lodge an application for a review of the decision at the Victorian Civil and Administrative Tribunal. One objector lodged an application for a review of the decision and the appeal process is ongoing.