

Unity Mining  
Limited  
ABN 61 005 674 073

**Corporate Details:**

ASX Code: UML

*Issued capital:*  
512.7M ord. shares

*Substantial Shareholders:*  
Orbis Funds 59.6M (11.7%)  
STRS Ohio 37.0M (7.2%)

*Directors:*  
Non-Executive Chairman:  
Peter McCarthy  
Managing Director:  
Andrew McIlwain  
Non-Executive Directors:  
Ronnie Beevor  
David Ransom

**Contact Details:**

Unity Mining Limited  
66 Ham St  
Kangaroo Flat  
Victoria 3555  
Australia

Tel: +61 (0)3 5447 1834  
Fax: +61 (0)3 5447 1835

Email:  
info@unitymining.com.au

Website:  
www.unitymining.com.au

## Financial Results for the six months ending 31 December 2011

- Gold production 28,009 ounces (1H FY11: 30,971 ounces)
- Revenue \$45.0 million (1H FY11: \$44.1 million)
- Gross Profit \$15.8 million (1H FY11: \$5.2 million)
- Net Profit \$9.1 million (1H FY11: Loss \$4.4 million)
- Cash at Bank \$44.1 million (1H FY11: \$49.9 million)

*Andrew McIlwain, Managing Director & CEO commented* "The Company has achieved a strong half year net profit of \$9.1 million, up \$13.6 million on the prior corresponding period. This result was delivered by a significant improvement in gold production at Henty, up 60 % on the ounces produced in the prior period, mitigating the loss of production and revenue from the suspension of operations at the Kangaroo Flat Mine.

The second half is anticipated to deliver a full-year production outcome toward the top end of our 40,000–50,000 ounce guidance range. The Company has retained its strong cash position, has no debt, and remains well placed for the future" said Mr McIlwain.

### Review of Result

The Company generated a gross profit of \$15.8 million, which after interest, exploration, corporate and other expenses resulted in a net profit of \$9.1 million for the six months to 31 December 2011. This is a \$13.6 million increase in net profit compared to the prior period and is primarily the result of the increased Henty Gold Mine gross profit derived from both improved production and gold sale price received during the half-year period.

The \$0.8 million increase in revenue relative to the prior half-year period was a result of processing higher gold ore grades at the Henty Gold Mine and also a higher gold price received that compensated for the resulting loss of production and revenue from the curtailment of Kangaroo Flat Mine production when compared with the prior period. The cessation of exploration activities over the Bendigo leases reduced exploration expenditure some \$1.5 million relative to the prior period. The increased "share of loss of an associate" of \$0.8 million, compared to the prior period, related to Unity Mining's share of the loss of AIM listed GoldStone Resources.

In-mine exploration at Henty discovered extensions to the Darwin South and Darwin Mid ore bodies. Drilling at the Newton Zone has also extended the known mineralisation down-dip in the southern and central portion of the zone. Drilling in the Read Zone confirmed the potential for a high grade shoot in a large envelope of favourable alteration. Regional exploration drilling commenced at Lakeside late in the half-year period.

### **GoldStone Resources Investment (34% owned by the Company):**

GoldStone Resources Limited (LON: GRL) is an AIM-listed company focussed on West African gold exploration. GoldStone has a successful and experienced management team based in South Africa. The core management team of Jurie Wessels (CEO) and Dr Hendrik Schloemann (Exploration Director, ex-Harmony West Africa) have assembled a highly prospective package of properties in West Africa. On 24 October 2011, GoldStone announced that it had now holds a 65%

interest in the Homase project in Ghana, and has the right to increase its interest to 85% upon the completion of a successful feasibility study over the Homase licence area.

On 18 November 2011, GoldStone announced that it had conditionally raised approximately £4.7 million (before expenses) through a placing of new ordinary shares at a price of 5 pence per share. The placement was subject to shareholder approval, which was subsequently granted at GoldStone's Annual General Meeting on 5 December 2011. Unity Mining invested approximately A\$2.6 million in the placement to maintain a 34% interest in GoldStone.

### ***Company Background***

Unity Mining Limited (ASX: UML) is an Australian gold explorer and producer which owns and operates the Henty Gold Mine on the West Coast of Tasmania and is involved in gold exploration in West Africa through its investment in GoldStone Resources Limited. Unity also holds tenure over the Bendigo Goldfield in Victoria where it has embarked on a plan to realise the value of its Kangaroo Flat gold plant and Bendigo exploration tenements.

The Henty Gold Mine has produced about 1.2 million ounces of gold over a 15 year period. Unity Mining acquired Henty in July 2009. Recent exploration success has significantly extended the mine life, and continued exploration on the significant near mine tenement package remains a key focus.

Positive cashflow, a robust balance sheet and significant cash position provide Unity with a strong platform for future growth opportunities.