3 June 2014 **ASX Release**

Unity Mining Limited
ABN 61 005 674 073

Corporate Details:

ASX Code: UML

Issued capital:
1048M ord. shares
14.6M unlisted Perf. Rights

Substantial Shareholders:
LionGold Corp 117.1M (11.2%)
Moly Mines Ltd 111.0M (10.6%)

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

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Drilling underway at Firetower Gold Project

- Diamond drilling underway at Firetower West
- Further work for Firetower gold prospect plus Quamby and Beulah areas
- Unity and Greatland agree extension of time to achieve 51% milestone under the Farm-In/JV agreement

Unity Mining Limited (ASX:UML) (Unity or the Company) is pleased to announce that diamond drilling is now underway at the Firetower gold project ("Firetower") in Tasmania.

Firetower Project, Tasmania

The Firetower project comprises four contiguous licences covering an area of 265 square kilometres in central-north Tasmania. The project is subject to a Farm-In agreement with AIM listed Greatland Gold plc (Greatland), whereby Unity may earn a 75% interest in via expenditure of $7 million.

During late 2013 and early 2014 a 3D IP ground geophysical survey was completed at the Firetower West prospect. The survey targeted copper/gold mineralisation in and around the edges of the Firetower West magnetic high. This work followed from holes drilled during 2007 and 2012 on the periphery of the anomaly which returned results including 1m at 2.65 g/t gold from 97 m and 1 m at 0.58% copper from 114 m in hole FTD32, and 5m at 0.76% copper from 57 m including 1 m at 1.44% copper in hole FTD33.

Data from the 3D IP survey was modelled. This outlined a strong, relatively shallow and consistent zone of chargeability approximately 800 m long and up to 400 m wide. The core of this zone will be tested with a single 300 m deep diamond hole, FTD43 which is currently being drilled. Results will be announced as they come to hand.

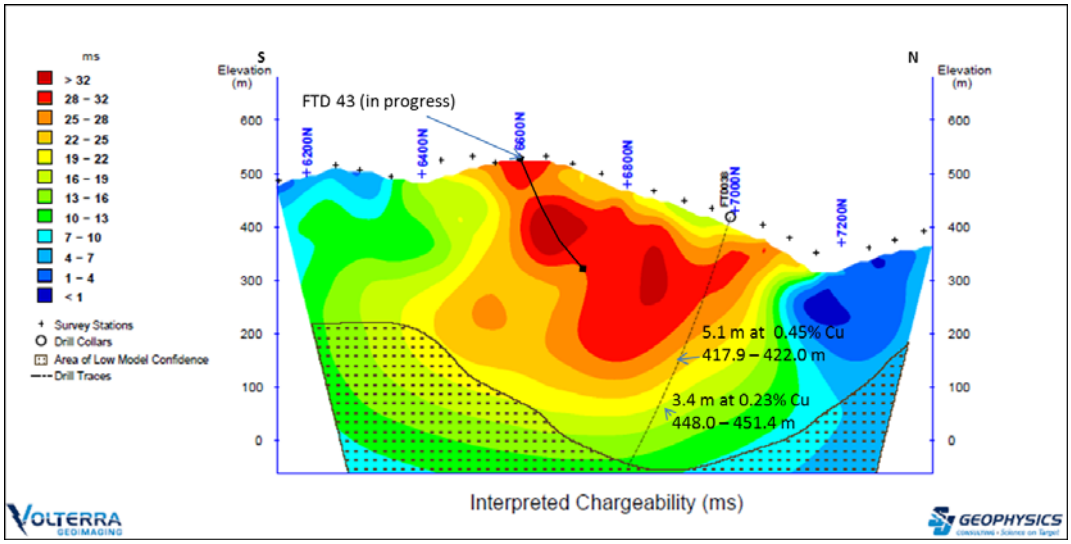


Figure 1: Cross section (looking west) through the Firetower West IP anomaly, showing FTD 43 (in progress). The location of the section is shown in the plan in Table 1. Assay intervals quoted are down hole.

Farm-in agreement

The Firetower project is subject to a Farm-In agreement dated 7 Oct 2011 between Unity and Greatland. Under the agreement two milestones are required for Unity to earn an initial 51% of the project. The first milestone was to spend a minimum of $0.2 million within 12 months and this was duly completed. The second milestone was to spend $2 million within 30 months to earn 51%.

Unity advised Greatland that, due to a combination of impediments being primarily weather and the time required to interpret new geophysical data, it would not achieve the second milestone within the 30 month period (to 6 April 2014).

Unity remains keen to progress its exploration efforts at Firetower and a 12 month extension of time for the second milestone was agreed to by both parties and executed as a 'Deed of Variation'. Under this arrangement the extension, which allows Unity to earn 51% through completing expenditure of $2 million before 7 April 2015 (of which approximately $1.4M has already been spent), is conditional on Unity completing, to the satisfaction of Greatland, a defined exploration program including diamond drilling at Firetower West, diamond drilling at the main Firetower gold prospect, and percussion drilling within the Quamby and Beulah licences before 31 December 2014. To date, Greatland retains 100% of the project.

Competent Persons' Statement

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 Matt Daly in relation to Ore Reserves at Henty, Rob McLean in relation to Ore Reserves at 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. Daly, 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. Daly, McLean, Collier, Hollinger and Lorrigan are 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 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. Daly, 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.

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	*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.*	Historic soil sampling (2002 and 2006) was conventional C-horizon on a 100m X 25m N-S grid.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Recent drillhole collars have been accurately surveyed in MGA 94 co-ordinates.
	Aspects of the determination of mineralisation that are Material to the Public Report. *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.*	Drill core was sampled at between 0.2 and 1.2m intervals and assayed for Gold by fire assay and for other elements by AAS.
Drilling techniques	*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).*	Surface diamond drill rig which produces NQ2 (50.8mm core).
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Not applicable in this case (no intervals where core loss occurred were sampled).
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Recovery of drill core is maximised through effective drill hole conditioning with mud programs.
	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.	Core recoveries are high throughout the mineralised intervals.
Logging	*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.*	NA. No resource yet attributed to this drilling.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging is conventional qualitative with core photos taken and archived for all the core.
	The total length and percentage of the relevant intersections logged.	All holes are logged in entirety. Drill logs are exported from LogChief into Datashed (Geological Database).

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	All drill core that contains any sulphide or silica alteration is sampled. It is sawn and half core sampled.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	NA
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Half core is appropriate for NQ-sized exploration core.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	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.
	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.	Sampling of drill core is to industry standard, supervised and marked up by a geologist and is representative of the in situ material.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are appropriate to the material being sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	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.
	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.	Geophysical tools were not used to determine gold (or other element) grades.
	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.	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 mineralised 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	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections are not checked by an independent company or personnel however they are checked on a quarterly basis at a corporate level.
	The use of twinned holes.	NA in early exploration such as this.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	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.

Criteria	JORC Code explanation	Commentary
	Discuss any adjustment to assay data.	Assay data is not adjusted in any way.
Location of data points	*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.*	All drill hole collars are surveyed (including dip and azimuth by a qualified surveyor). Down hole surveying has been conducted using a single-shot or multi-shot camera..
	Specification of the grid system used.	MGA 94 is used on the drill hole location map. A local grid is used on the cross section. The location of the local grid is shown on the map below.
	Quality and adequacy of topographic control.	The topography was generated using LIDAR data.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	NA. Early stage exploration with holes targetting particular geochemical or geophysical anomalies.
	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.	NA. No resource has been attributed to this data.
	Whether sample compositing has been applied.	No.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	In this stage of exploration every effort is made to intersect mineralising structures at a high angle however this is not guaranteed. The angle of intersected structures to the core is measured.
	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.	NA. Too few holes to know.
Sample security	*The measures taken to ensure sample security.*	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 UML. Pulps used for multi-element analysis were air freighted to Townsville.
Audits or reviews	*The results of any audits or reviews of sampling techniques*	NA

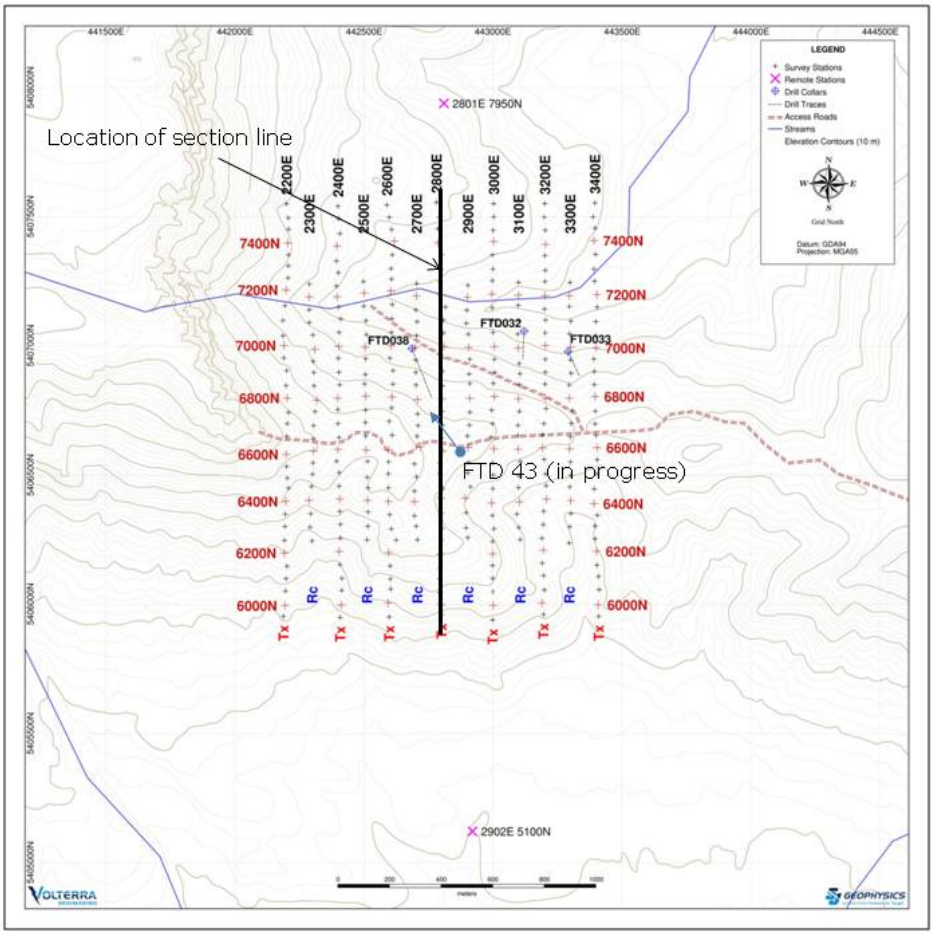
Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*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.*	This prospect is located on EL 26/2004 in Tasmania. This tenement is one of 4 that comprise the "Firetower Project" (the Project). All tenements in the Project are owned 100% by Greatland Gold (plc) and are subject to a Farm-in agreement with UML. The initial Earn-in period (in which Unity must complete expenditure of $2m in order to earn 51% equity in the Project) was recently extended by 12 months to 9th March 2015, conditional upon UML spending $295,000 prior to December 31st 2014.

Criteria	JORC Code explanation	Commentary
		After March 9th 2015, UML may go on to earn 75% in the Project through expenditure of an additional $5m.
	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.	The tenements are in good standing.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Auriongold conducted the initial soil sampling over the Firetower West Prospect.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Prospect is in Cambrian Volcanics of the Fossey Trough in Northern Tasmania. These are thrust over the nearby Ordovician sandstones and conglomerates on a system of East-West striking faults. The overall trend of the lithologies in the area is E-W. Mineralisation is in a quartz-phyric, brecciated acid volcanic. Mineralisation is associated with magnetite, haematite, sericite, pyrite and carbonate alteration. Copper occurs as chalcopyrite in veinlets in the centre of the altered zones. Subsidiary gold occurs as electrum.
Drill hole Information	*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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* *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.*	The location of FTD 43 (drill hole in progress - shown as planned drill hole) and of FTD 38 is shown on the map appended to this document. Co-ordinates are MGA 94, Zone 55. The location of the section line is also shown on this figure.
Data aggregation methods	*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.*	All intersection grades have been length weighted.
	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.	Small high grade results within a broader mineralised zone have been reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents have been used in estimations or reporting.
Relationship between mineralisation widths and	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation*	This is very early stage drilling and at this stage these relationships are still being determined.

Criteria	JORC Code explanation	Commentary
intercept lengths	*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').*	
Diagrams	*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.*	See Diagram appended to this document.
Balanced reporting	*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.*	The actual length of mineralised intervals (in context of the overall length of the hole) have been reported.
Other substantive exploration data	*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.*	The planned drill hole is targeting an Induced Polarisation chargeability anomaly. This anomaly was identified after completion and interpretation of the data collected during a 3D dipole-dipole survey during November 2013. The survey employed a Volterra Geoimaging system. It was conducted by SJ Geophysics (Vancouver-based firm) on 100m spaced grid lines with interlaced dipoles 100-150m long. The survey was supervised by an independent Hobart-based Geophysicist (Phil Muir). He also interpreted the survey data.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	One drill hole is proposed to test the I.P. chargeability anomaly.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	See diagram.



Plan showing the location of drill holes, section (in main announcement) and I.P. grid.