

12 October 2015

ASX Release

Unity Mining Limited
ABN 61 005 674 073

Corporate Details:

ASX Code: UML

Issued capital:

1140M ord. shares
9.58M unlisted Perf. Rights

Substantial Shareholders:

Diversified Minerals Pty Ltd
159.1M (13.69%)

Directors:

Non-Executive Chairman:
Clive Jones

Acting Managing Director:
Frank Terranova

Non-Executive Directors:
Ronnie Beever
Gary Davison

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Re-negotiation of Henty Royalty Agreements

Unity Mining Limited (ASX : UML, "Unity" or "Company") is pleased to announce the re-negotiation and execution of revised Royalty Agreements with Franco Nevada Corporation ("Franco") in respect of Unity's Tasmanian based gold tenements.

Historically, the royalty in the Northern section of the mine provided for a 10% Net Smelter Return ("NSR") to Franco, with the Southern section of the mine subject to a 1% NSR. This royalty regime has provided a large disincentive to undertake any material exploration activity in the Northern sections of the Henty Mine.

Since the establishment of the Unity and PYBAR Group joint venture at Henty, discussions have progressed with Franco to re-negotiate the existing royalty structure. As a result Unity is pleased to announce that Franco have agreed to reduce the NSR to a flat 1% royalty (from production and sale of gold and other precious metals, including from by-products derived from mining processing or refining) across the existing Henty Gold Mine Area. As part of this restructure Unity has also 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.

Commenting today, Frank Terranova, Acting Managing Director said: "The Unity team have concluded a transaction that can be described as a genuine win/win for all stakeholders. The exciting targets in the Northern section of the Henty Mine, particularly in the "Collar Zone" region can now be appropriately prioritised".

The new royalty arrangements take effect from 30 September 2015.

For further information contact :

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