

23 August 2011

ASX Release

Unity Mining
Limited
ABN 61 005 674 073

Corporate Details:

ASX Code: UML

Issued capital:

509.9M ord. shares
0.7M unlisted options
4.8M unlisted perf. rights

Substantial Shareholders:

Orbis Funds 59.6M (11.7%)
STRS Ohio 37.0M (7.2%)

Directors:

Non-Executive Chairman:
Peter McCarthy
Managing Director:
Rod Hanson
Non-Executive Directors:
Ronnie Beevor
Richard Guy OAM
David Ransom

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Henty Resources & Reserves Update - 2011

- Ore Reserves increase by 18% to 107,000 oz gold
- Mineral Resources increase by 57% to 318,000 oz gold
- Newton Zone remains open at depth
- \$9M exploration drilling program continues to test near mine and regional targets

Rod Hanson, Managing Director & CEO comment "It is pleasing to announce a further increase in reserves after another six months of successful exploration at Henty. Since our January 2011 update, which for the first time included an initial estimate for our Newton Zone discovery, the Company reserves increased by 18% net of production.

The strong increase in resources to 318,000 ounces was delivered in large part by additions to the Newton Zone at Henty and the first time inclusion of Lakeside, both of which deposits remain open at depth. Drilling is continuing at Newton seeking extensions down dip and to the south. Exploration drilling will also commence shortly at Lakeside to test for depth and strike extensions to the current 66,000 ounce resource on exploration ground which the Company was recently awarded.

The consistent growth in resources and the exploration success we have achieved to date gives us confidence that the mine life at Henty can continue to extend beyond the current four years" said Mr Hanson.

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 is also exploring the Bendigo Goldfield in Victoria.

The Henty Gold Mine has produced in excess of one 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.

Resources & Reserves Statement

The following statement of Mineral Resources and Ore Reserves conforms to the Australasian Code for Reporting Exploration, Mineral Resources and Ore Reserves (JORC code) 2004 Edition. Minor discrepancies may occur due to rounding to appropriate significant figures.

Mineral Resources

Mineral Resources Estimate at 30 June 2011												
	Measured			Indicated			Inferred			Total		
	kt	g/t gold	koz	kt	g/t gold	koz	kt	g/t gold	koz	kt	g/t gold	koz
Henty	590	6.0	113	620	5.2	104	200	5.4	35	1410	5.6	252
Lakeside							750	2.8	66	750	2.8	66
Total Company												318

Competent Persons' Statement – Mineral Resources

The information in this public report that relates to Mineral Resources is based on, and accurately reflects, information compiled by Mr Raul Hollinger for the Henty Gold Mine and Mrs Angela Lorrigan for the Lakeside deposit. Mr Hollinger and Mrs Lorrigan are Members of both the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Hollinger and Mrs 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 are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hollinger and Mrs Lorrigan have given prior written consent to the inclusion in this report of the matters based on their respective information in the form and context in which it appears.

Notes

Estimation of Mineral Resources at Henty utilise diamond drill assays from within mineralised zones. All samples are composited to 1 metre intervals within the geological boundaries, with top cuts applied to all datasets. Mineral Resource grade estimates were derived by ordinary kriging. A bulk density of 2.8 has been applied.

Ore Reserves

The Ore Reserves are a subset of Mineral Resources. All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.

Ore Reserves Estimate at 30 June 2011									
	Proved			Probable			Total		
	kt	g/t gold	koz	kt	g/t gold	koz	kt	g/t gold	koz
Henty	350	6.0	67	250	5.0	40	600	5.6	107
Total Company							600	5.6	107

Competent Persons' Statement – Ore Reserves

The information in this public report that relates to Ore Reserves is based on, and accurately reflects, information compiled by Mr Matt Daly for the Henty Gold Mine. Mr Daly is a Member of the Australasian Institute of Mining and Metallurgy. Mr Daly is a full time employee of the Company and has more than five years experience in the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Daly has given prior written consent to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Notes

Henty Gold Mine

Estimation of Mineral Resources at Henty utilise diamond drill assays from within mineralised zones, with the exception of the footwall mineralisation between the Newton and Tyndall ore bodies where face chip samples were used due to a lack of drilling data in the zone. All samples are composited to 1 metre intervals within the geological boundaries, with top cuts applied to all datasets. Mineral Resource grade estimates were derived by ordinary kriging. A bulk density of 2.8 has been applied.

Probable Ore Reserves have been estimated by creating planned practical mining shapes appropriate for the Measured and Indicated Resources. The design of these shapes is based on guidelines for minimum mining widths which vary according to the width of the mineralised zone and the planned mining method.

The Mineral Resources and planned dilution within each mining shape provide the tonnage and grade estimate for that shape.

Factors are also applied for each mining method with respect to external dilution. This dilution is incorporated into the tonnage and grade estimate.

Economic criteria including a gold price of A\$1400 per ounce and current site unit costs for mining, processing and administration, adjusted for specific conditions, are applied to each diluted Mineral Resource to test its viability prior to inclusion within the Ore Reserve estimate.

Lakeside Deposit

Estimation of Mineral Resources at the Lakeside Deposit utilised diamond drill core samples and RC chip samples. All samples were composited to 1 metre and flagged within the geological wireframes. Top cuts were not applied to the data. Ordinary kriging was performed on the models based on the quantity and spacing of available data and style of mineralisation. An in-situ bulk density of 2.75 was used in the estimation. This value is considered to be suitable for the style of deposit. Due to the quality of the data, the entire deposit has been classified as an Inferred Resource.