

17 August 2012

ASX Release

**Unity Mining
Limited**

ABN 61 005 674 073

Corporate Details:

ASX Code: UML

Issued capital:
505.3M 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

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Resources & Reserves Update

- Henty highest confidence Proved Ore Reserves jump 78% to 107,000 oz
- Total Henty and Lakeside gold inventory up 4% to 409,000 ounces
- Includes maiden resource for high-grade Read Zone (28,000 oz of 12.5 g/t)
- \$10 M pa drilling program continues to test near mine and regional targets
- Group inventory excludes 34% interest in Goldstone's 502,000 oz resource

Andrew McIlwain, Managing Director & CEO commented: "Unity's acquisition of the Henty gold mine three years ago has been very successful. At a current production rate of 50,000 ozpa, the Henty and Lakeside resource base of 400,000 ounces provides a sound basis for the future. We have also moved to a position where proven and probable reserves provide two years production coverage – and it's our aim to continue this cover on an annual rolling basis."

"Importantly for the future of Henty, we have delivered a maiden resource in the high-grade Read Zone which will be accessed during the year. Significantly, the grades from Read Zone are double our current resource base and at 12 g/t closer to the historic average for Henty. We are currently mining towards Read and will reach it within 8 weeks. Development into the Read Zone and additional drilling has the potential to extend this zone further and is a focus of our \$10 million annual near mine and regional drilling program.

Unity now has 400,000 oz at Henty which is steady with a year ago after the 50 koz mine depletion and we have 34% of GoldStone which has recently upgraded its resource in Ghana to 502,000 oz. This is an enviable position for a company of our size and cash backing" said Mr McIlwain.

Resources and 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

| <i>Mineral Resources Estimate at 30 June 2012</i> | | | | | | | | | | | | |
|---|----------|----------|-----|-----------|----------|-----|----------|----------|-----|-------|----------|-----|
| | 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 | 1311 | 4.9 | 205 | 673 | 4.7 | 101 | 126 | 9.1 | 37 | 2110 | 5.1 | 343 |
| Lakeside | | | | | | | 750 | 2.8 | 66 | 750 | 2.8 | 66 |

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.

| <i>Ore Reserves Estimate at 30 June 2012</i> | | | | | | | | | |
|--|--------|----------|-----|----------|----------|-----|-------|----------|-----|
| | Proved | | | Probable | | | Total | | |
| | kt | g/t gold | koz | kt | g/t gold | koz | kt | g/t gold | koz |
| Henty | 720 | 4.6 | 107 | 74 | 4.6 | 11 | 794 | 4.6 | 118 |
| Lakeside | | | | | | | | | |

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Notes

Henty Gold Mine

An Ore Reserve cut-off of 3.8 g/t gold and a Mineral Resource cut-off of 2.0 g/t gold have been estimated using a gold price of A\$1450. Based on historical mine performance the dilution of development and stopes have been modified since December 2010. Development has been attributed 10% dilution, avoca stoping has been attributed 15% dilution, blind uphole stoping has also been attributed 15% dilution and waste filled modified avoca stoping has been attributed 25% dilution.

The Mineral Resource estimation has used diamond drill core samples. All samples were composited to 1 metre, flagged within the geological wireframes and top cuts applied to all datasets. Ordinary kriging was performed on all models based on the quantity and spacing of available data and the style of mineralisation. An in-situ bulk density of 2.8 based on 102 samples collected from ROM pad and underground development was used in the estimation. The Mineral Resource classifications were based on the estimation search pass. As a guide, the first search pass has been considered a Measured Resource, the second pass has been considered an Indicated Resource and the third search pass has been considered an Inferred Resource.

Lakeside Deposit

The Lakeside deposit is located approximately 13 km northeast of the Henty Gold Mine on a wholly-owned exploration lease. Estimation of Mineral Resources at the Lakeside deposit utilised diamond drill core samples and RC chip samples. All samples were composited to 1m 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. The 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.

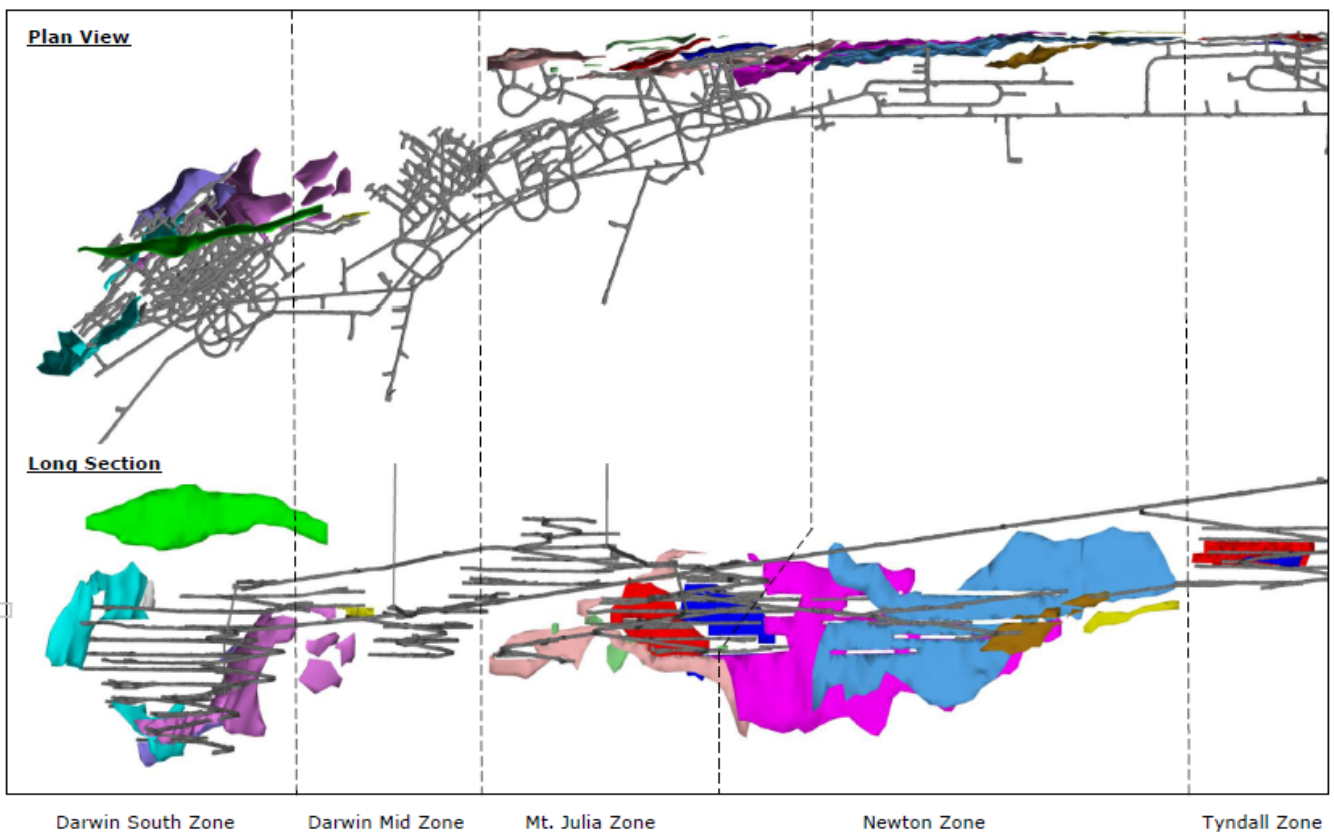


Figure 1. Henty Mineral Resource as of 30 June 2012

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.

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.