

20 February 2014

Manager, Company Announcements
Australian Securities Exchange Limited

**CLEANSING STATEMENT ISSUED IN ACCORDANCE
WITH ASIC CLASS ORDER CO 09/425**

On 17 February 2014, Unity Mining Limited (**UML** or **Company**) (ASX Code UML) announced its intention to make a Share Purchase Plan (**SPP** or **Plan**) offering eligible holders of fully paid ordinary shares recorded on its share register at 7.00 pm (AEDST) on 14 February 2014 the opportunity to purchase new fully paid ordinary shares ("New Shares") in the Company.

The Company gives notice that within 24 hours it will make offers to issue New Shares under the SPP without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (**Act**).

This notice is being given under ASIC Class Order 09/425 - Share and interest purchase plans.

At the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and section 674 of the Act.

There is no information that is excluded information as at the date of this notice (in accordance with the requirements of subsections 708A(7) and (8) of the Act as if this notice were a notice under paragraph 708A(5)(e) of the Act).

A copy of the documents in connection with the SPP that are to be sent to shareholders of the Company within 24 hours is attached.



Melanie Leydin
Company Secretary
Unity Mining Limited

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20 February 2014

Dear Shareholder,

Underwritten Share Purchase Plan

Unity Mining Limited (ASX:UML) (**Unity** or the **Company**) is pleased to offer existing shareholders the opportunity to participate in an underwritten \$5 million Share Purchase Plan (**SPP** or **Offer**) to accelerate exploration and development works at the Henty Mine and technical studies at the Dargues gold project.

Under the SPP, each eligible shareholder will be entitled to apply for up to A\$15,000 of new shares. The issue price will be determined at the conclusion of the SPP, and will be the price that is a 17.5% discount to the average price of Unity's shares quoted on the ASX during the 5 days immediately prior to and including the closing date of the SPP. Shareholders who are recorded on the share register as at 7.00 pm on 14 February 2014 with a registered address in either Australia or New Zealand will be eligible to participate in the SPP.

Directors of Unity who are eligible to participate intend to apply for their maximum allocation of shares under the Offer.

Unity wishes to raise \$5 million under the SPP which will be used for resource conversion and extension drilling and capital development at the Henty Gold Mine, technical studies at Dargues Gold Mine, corporate and working capital and fees of the SPP. The enclosed investor presentation contains further details in this regard.

Patersons Securities Limited is Lead Manager and Underwriter to the Offer and has underwritten the SPP to \$5 million. Unity's major shareholder, Liongold Corp, has committed to sub-underwrite part of the SPP in line with its current holding of 13.2% in Unity. In addition, Unity has agreed to allow Liongold Corp an opportunity to increase its interest in the Company up to a maximum of 19.9% via a subsequent placement.

Eligible shareholders are able to purchase up to \$15,000 of new shares without incurring brokerage or transaction costs. All new shares issued under the SPP will rank equally with existing ordinary shares in the Company. To apply for a parcel of shares, please follow the instructions on the enclosed application form and ensure that your application is received in cleared funds no later than 5.00pm (Melbourne time) on 11 March 2014. The SPP is expected to close on 11 March 2014 and is not subject to shareholder approval.

I encourage you to read the attached SPP Terms and Conditions carefully. If you are unsure about whether to participate, please contact your professional adviser. If you require further information, please contact us on 03 8622 2300.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company and thank you for your continued support.

Yours sincerely,



Clive Jones
Chairman

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UNITY MINING LIMITED – SHARE PURCHASE PLAN

TERMS AND CONDITIONS

These are the Board approved Terms and Conditions of the Share Purchase Plan (the Plan) of UNITY MINING LIMITED (Unity).

1. Participation in the Plan

Shareholders who are entered in the register of members at 7.00pm Melbourne Time on 14 February 2014 (Record Date) and who have a registered address in Australia or New Zealand (Eligible Shareholders) may participate in the Plan. The following rules apply to participation by Eligible Shareholders in the Plan:

- (a) **Single holders** – If you are the registered holder of shares, but you receive more than one offer under the Plan (for example, due to multiple registered holdings), you may only apply for up to a maximum amount of \$15,000 of shares.
- (b) **Joint holders** – If you are recorded with one or more persons as the joint holder of a holding of shares, that joint holding is considered to be a single registered holding for the purpose of the Plan. Joint holders are only entitled to participate in the Plan in respect of that single holding. If the same joint holders receive more than one offer under the Plan due to multiple identical holdings, the joint holders may only apply for up to one maximum amount of \$15,000 of shares.
- (c) **Custodians and nominees** – If you are an Eligible Shareholder who hold shares as a custodian, trustee or nominee (within the definition of 'custodian' in ASIC Class Order 10/105) (Custodian) or in any more specific relief granted to Unity in relation to this Offer and hold shares on behalf of one or more persons ("beneficiaries"), this Offer is made to you and you have the discretion whether to extend this Offer to the beneficiaries on whose behalf you hold shares. If you apply for shares on behalf of a beneficiary, Unity will not issue shares to you unless you certify the following in writing to Unity:
 - (a) that you hold the shares on behalf of one or more persons (each a "participating beneficiary") on the Record Date who have subsequently instructed you to apply for Shares on their behalf under the Plan;
 - (b) the number of participating beneficiaries;
 - (c) the name and address of each participating beneficiary;
 - (d) the number of shares that you hold on behalf of each participating beneficiary;
 - (e) the number and dollar amount of shares which each participating beneficiary has instructed you to apply for on their behalf;
 - (f) there are no participating beneficiaries in respect of which the total of the aggregate application price for the following exceeds A\$15,000:
 - (i) the shares applied for by you on behalf of a participating beneficiary under the Plan; and
 - (ii) any shares issued to you in the 12 months before the application as a result of an instruction given by a participating beneficiary to you to apply for shares on their behalf under an arrangement similar to the Plan;
 - (g) that a copy of the Plan offer document was given to each beneficiary; and
 - (h) where you hold shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

Custodians should request a Custodian Certificate when making an application on behalf of participating beneficiaries. To request a Custodian Certificate, and if you would like further information on how to apply, you should contact our share registry Boardroom Pty Limited ("Share Registry") on +61 2 9290 9600 between 8.30am to 5.00pm (Melbourne time) Monday to Friday

- (d) **Participation** - Participation in the Plan is entirely optional and the offer of shares under the Plan is not a recommendation. You should seek independent advice if you are unsure whether you should participate in the Plan. The offer of shares under the Plan is non-renounceable which means that Eligible Shareholders cannot transfer their entitlement to purchase shares under the Plan to another person. The application form specifies a minimum and maximum value of shares for which applications may be made and

application may not be made for a value of shares less than the minimum or greater than the maximum. If an Eligible Shareholder applies for (i) a value of shares greater than is provided for in the application form, the maximum number of shares under the Plan will be issued and the excess amount paid will be refunded without interest or (ii) a value of shares less than is provided for in the application form, no shares will be issued under the Plan and any amount paid will be refunded without interest.

(e) Underwritten - The Plan is underwritten by Patersons Securities Limited (Underwriter) to \$5 million. If Unity has not received applications for the total shares on offer under the Plan, Unity may serve notice on the Underwriter that it will place to nominees of the Underwriter (sub-underwriters) any shares that have not been applied for by Eligible Shareholder in accordance with the maximum threshold allowed under the ASX Listing Rules. The terms of the Underwriting Agreement govern the underwriting of the Plan.

(f) Listing Rules Limit - If total applications exceed the maximum amount permitted by the ASX Listing Rules to be raised under the Plan, applications will be scaled back in such manner as is determined at the absolute discretion of the Directors.

2. Application form

Unless payment is made by using the BPAY® facility, applications to participate in the Plan must be made on the enclosed application form and must be received by the share registry (with the correct payment) no later than 11 March 2014. Unity reserves the right to return any payment and not allot any shares if payment is received after that time. By returning the enclosed application form or by making a BPAY® payment, you agree to be bound by these Terms and Conditions and certify that the aggregate of the application price paid by you for the shares the subject of the application form or BPAY® payment, and any other shares applied for by you, or which you have instructed a Custodian to acquire on your behalf, under the Plan or under any similar arrangement operated by Unity in the 12 months prior to the date of issue under the Plan, does not exceed A\$15,000. Applications and payments under the Plan may not be withdrawn once they have been received. Application money will not bear interest under any circumstances.

3. Payments by BPAY®

If payment is made using the BPAY® facility (Australian bank accounts only), there is no requirement for the application form to be returned. Payment must be received by no later than 11 March 2014. Eligible Shareholders must ensure that funds submitted through BPAY® are received by this time as their own financial institutions may implement earlier cut off times with regards to electronic payment.

Applicants should be aware that their own financial institution may implement earlier cut off times for electronic payments and should take this into consideration when making payment of Application Monies via BPAY. You may also have your own limit on the amount that can be paid by BPAY. It is your responsibility to ensure that the amount you wish to pay via BPAY does not exceed your limit and is received by the Share Registry prior to the close of the offer. If you have multiple holdings you will have multiple customer reference numbers. To ensure you receive your shares in respect of that holding, you must use the customer reference number shown on each personalised Application Form when paying for any New Shares that you wish to apply for in respect of that holding. Shareholders who have multiple holdings must ensure they comply with the requirements in condition 1. Applications can only be made for Shares in the amounts specified on the Application Form. Please do not forward cash. Receipts for payment will not be issued. Application forms returned by fax will not be accepted. Application monies will only be accepted if your cheque or money order is drawn, or your BPAY payment is made, in Australian currency. Cheques must be drawn on an Australian financial institution. Application money will not bear interest as against Unity under any circumstances.

4. Issue Price

The issue price under the Plan will be the price that is a 17.5% discount to the average price of Unity's shares quoted on the ASX during the 5 days immediately prior to and including the closing date of the Plan.

5. Shares to be issued

Shares issued under the Plan will rank equally in all respects with existing fully paid ordinary shares. Promptly after issue, application will be made by for shares issued under the Plan to be listed for quotation on the official list of the Australian Securities Exchange. Transaction Confirmation Statements will be despatched to the Issuer Sponsored and CHES participants for shares issued under the Plan. No brokerage, commissions, stamp duty or other transaction costs

will be payable by Eligible Shareholders for their application for, or issue of, shares under the Plan. This offer of securities under the Plan is made in accordance with ASIC Class Order 09/425 and Class Order 10/105, which grants relief from the requirement to prepare a prospectus for the offer of shares under the Plan.

6. Variations, waivers and resolution of disputes

The Plan is governed by the law in force in Victoria and Unity reserves the right to

- (a) vary the closing date and share issue date for the Plan;
- (b) waive compliance with any of these Terms and Conditions;
- (c) refuse to allot shares where it believes there has been a breach of these Terms and Conditions;
- (d) amend or vary these Terms or Conditions or suspend or terminate the Plan at any time;
- (e) scale back applications; and
- (f) settle in any manner it thinks fit any disputes or anomalies which may arise in connection with the Plan. Any determinations by Unity will be binding on all Eligible Shareholders and other persons to whom the determination relates.

Unity's rights may be exercised by the Board or any delegate thereof.

7. Applications and notices

Applications and notices given to Unity for the Plan must be in writing and in such form as Unity may from time to time require. Such applications and notices will be effective on receipt by Unity subject to (a) these Terms and Conditions and (b), in the case of applications, acceptance by Unity before the closing date.

8. Raising Amount and Scale back

Unity seeks to raise approximately \$5,000,000. In accordance with the ASX Listing Rules oversubscriptions may be accepted by the Directors and Unity, reserves absolute discretion regarding the final amount raised under the Plan. Unity also retains 24.8% of its available placement capacity and the Directors reserve the right to make a further placement of up to 174.4 million shares to nominees of the Underwriter, on the same terms and conditions as the Offer, using the Company's placement capacity. Unity's major shareholder, Liongold Corp, has committed to sub-underwrite part of the SPP in line with its current holding of 13.2% in Unity, an amount of \$660,000. In addition, Unity has agreed to allow Liongold Corp an opportunity to increase its interest in the Company up to a maximum of 19.9% via a subsequent placement.

In the event of an oversubscription by the closing date the Directors may, in their absolute discretion, scale-back all applications on an equitable basis. If Unity rejects or scales-back an application or purported application, Unity will promptly return to the shareholder the relevant application monies, without interest.

9. Questions

If you have any questions, please contact Unity's share registry on +61 2 9290 9600 between the hours of 8.30am and 5.00pm, Monday to Friday. For details regarding how your personal shareholder information is used, please refer to the enclosed application form.