Unity Mining Limited (ASX:UML) (Unity or the Company) is pleased to announce that the program to develop a complete geological structural model at Henty has revealed new areas which have the potential to host significant new resources. In particular, the work indicates a previously unknown offset to the Darwin South orebody may exist.

Darwin South has been the most productive area within the 17 year life of Henty’s underground operation, having produced in excess of 325,000 oz at an average recovered grade of approximately 10 g/t gold.

Structural modelling of the key and secondary faults in the Henty system indicates that the Darwin South orebody may have been truncated and displaced to the west.

Previously considered barren ground, the target area has had little effective drill testing, is close to existing access and infrastructure, and presents a potential structural repetition of the South Darwin Zone as an exploration concept that can readily be tested by underground drilling.

“This is the culmination of some very determined work by our geological team, challenging the historical interpretation and developing from first principles the potential for a significant extension in our resources” said Managing Director Andrew McIlwain.

Drill testing of this position will be undertaken in June once access has been re-established into the previously mined 1750 access drive.

In addition to this exciting prospect, an area in the structural footwall (to the east) of the Zone 15 orebody is currently being drilled.

“Through this reassessment work, we have also identified the potential for a high grade “noodle” to sit in the Footwall of Zone 15. This is an exciting target as previous “noodles” in the footwall of the Tyndall and Newton have delivered significant grade” commented Andrew McIlwain.

Following a challenging March Quarter, the Henty operations have lifted production and continued to maintain the lower cost profile previously reported.

"With approximately 6,000 oz produced to date this quarter, we expect to see substantially reduced cash and all-in sustaining production costs per ounce compared with the previous quarter” stated Mr McIlwain.

In recognition of the continuing need to maximise cash generation, the Directors have also recently agreed to a further reduction in their fees, resulting in a reduction of approximately 45% from the previous year.
In March, LionGold Corp Ltd (LionGold) entered into a binding subscription agreement to acquire additional shares in Unity by way of a share placement to increase its stake in Unity to 19.9%. Whilst LionGold has yet to complete this placement, apparently due to its own difficulties concluding a previously announced capital raising, the Company continue to pursue the finalisation of this share placement.

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.