Welcome from Andrew McIlwain

Welcome to the third edition of the newsletter.

June saw a number of firsts at the project. As detailed further in this newsletter, blasting was undertaken in the boxcut without incident.

The recent rains have presented challenges with more than 180mm falling in a few days in late June. This has delayed the new site access road—now forecast to be completed in the first week of August with the final sealing of the Majors Creek Road intersection. Also, to mitigate runoff from site much of the water from site sediment ponds was pumped into the boxcut preventing excavation of the recently blasted rock.

World economics have resulted in a drop on the price of gold. Fortunately the grade of the ore that we will mine at Dargues still means we have a financially robust project. The Unity team are finalising the financing plans and these will be announced in the near future.

Unity will be holding another community information session at the Majors Creek Community Hall on Friday 19 July 2013 at 6:30pm. If you would like to know more, or have any questions about the project, please come along, meet the team, enjoy a sausage and a cup of tea.

Andrew McIlwain
Managing Director & CEO
Unity Mining Limited

www.unitymining.com.au

Site Activities

Inaugural Blast at Dargues Gold Mine Box Cut

On 13th of June, the inaugural blast at the Dargues Gold Mine was fired. To date, all the excavation had been "free dig" which meant that the excavators being operated by the earthworks contractor Divalls were able to dig the oxidised material without blasting. The drilling and blasting for this and the subsequent firing was undertaken by Orica Blasting Services, and was a "presplit" designed to create a fracture around the outside of the main blast and protect the walls of the box cut from damage when the second larger blast was fired the next day. Overpressure readings from the blast were 94dbl and ground vibration levels were 0 mm/s - well under the limits set by the NSW government in the Dargues Gold Mine Project Approval Conditions (120dbl and 10.0 mm/s). The second much larger blast was fired on the 14th of June to break the rock inside the already blasted pre spilt. Once again, this blast was successful with over pressure readings of 100.3dbl and ground vibration levels of 0.32 mm/s - again well below Approval Condition levels. This blast used some 8.5 tonnes of emulsion explosives and broke 33,000 tonnes of rock.

Above (Presplit Blast)

It is believed that the blast was very successful in breaking the hard un-oxidised Granodiorite rock, however the mine will be pumping water from the boxcut for the next week or two before the material will be excavated. This water was pumped into the boxcut during last month's deluge to reduce run-off of muddy water from the mine site.

Community Corner

The Dargues Reef Community Consultative Committee (DRCC) meeting was held at the Dargues Gold Mine on the 10 July 2013. The DRCC was briefed by the General Manager on the current activities being carried out at the Mine, and a proposed modification to the Mine’s Project Approval - which was unanimously endorsed by the DRCC members. Also, EPA Head of Operation for South East Region, Dr Sandi Jones, gave a presentation which illustrated the relationship between the Government and the EPA, and in particular, the Committee, the general Community and the Mine. Majors Creek representative Bill Waterhouse also provided an interesting presentation about Wombats and how the mine could minimise its impact of these creatures. The meeting was followed by a site tour and a barbeque for the DRCC and employees of the mine.
Useful Contacts:

Project Information
The best source of up-to-date info is our website www.darguesreef.com.au
For more detailed assistance please ring the Dargues Gold Mine Info Line on 1800 732 002 or email darguesinfoline@unitymining.com.au and one of the team will respond promptly.

Environmental
For reporting of urgent environmental issues, please contact the EPA at either:
• the South East Regional office on (02) 6229 7002 or
• Environmentline (24hours) on 131555.

Employment
Interested in working with us?:
Email us with your resume at recruiting@unitymining.com.au

What is a Tailings Storage Facility?
A Tailings Storage Facility (TSF) is used to store material that does not contain any gold after it has been extracted from underground and passed through the Process Plant.
When the rock containing gold is brought to the surface, it is first crushed and then ground using a large rotating mill that contains steel balls. The process results in the granodiorite rock being ground down to particles around the same size as very fine beach sand. This material then passes through a number of processes which produces a sulphide concentrate, that will later be processed offline to remove gold.
The “sand” material left over which makes up approximately 99% of the material brought to surface, is then dewatered before being either used as fill with cement added and pumped underground or is pumped to the Tailings Storage Facility (TSF).
At the TSF the sand material settles and the water is recovered and returned to the process plant for re-use. The TSF is fully lined with a High Density Polyethylene liner (HDPE) which is 1.5 mm thick. The TSF is designed in accordance with the standards established by the NSW Dam Safety Committee.
The dam must be operated so that there is always sufficient freeboard to the spillway to contain a 1 in 10,000 year rainfall event. In addition, the dam is also ringed by a large clean water diversion drain designed to divert any fresh water from running into the TSF.
The TSF will be built in three stages and will be raised throughout the life of the mine to ensure the correct capacity is available as it fills up. When the mine is closed the TSF will be capped and revegetated to create a stable long term landform.

Dargues Gold Mine TSF Dam

New Employee - Hamish McLeod, Mine Manager

Hamish is a mining engineer by profession and has worked in the hard rock underground mining industry for over 30 years. He has held the position of Mine Manager on and off for 20 of those years and has worked for both mine owners and mining contractors. He graduated from the University of Queensland in 1983. He is the holder of a first Class Mine Managers Certificate of competency in both Western and South Australia.

New Employee - Hamish McLeod, Mine Manager

He adds even more grey hair to the very experienced management team that is being assembled for the Dargues Project.
Hamish has at some time worked in over 16 underground operations across Australia and brings a wealth of knowledge and experience to the Dargues Gold Mine. He hails from Cane Toad country (Nundah - Brisbane) and intends to live in the local area with his wife Annie.