UNIGOLD INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended December 31, 2012 and 2011

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The following discussion and analysis of the consolidated operating results and financial condition of Unigold Inc. ("Unigold" or the "Company") for the fiscal years ended December 31, 2012 and 2011 should be read in conjunction with the condensed consolidated financial statements of the Company and notes thereto at December 31, 2012. All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"), and all dollar amounts are expressed in Canadian dollars unless otherwise indicated. Additional information, including the Company's press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online at www.sedar.com. The date of this report is March 27, 2013.

Company Overview

Unigold is a Canadian based, growth oriented, junior natural resource company focused on exploring and developing its significant land position in the Dominican Republic, within the highly prospective, Cretaceous age, Tireo Formation. The Tireo Formation, an emerging gold and base metal district, is a 75 kilometre wide series of volcanic and sedimentary rocks trending northwesterly across the island of Hispaniola. Unigold's most advanced project is their 100 percent interest in the 22,600 hectare Neita Property, located in the west central highlands of the Dominican Republic along the border with Haiti. The license for the Neita Property was renewed in 2012 for another five year term. In addition to Neita, the Company holds an option on two additional concessions totalling 55,720 hectares ("Sabaneta Concession") that are also highly prospective for gold and copper mineralization. Sabaneta contains extensive artisanal placer workings but remains largely unexplored.

Unigold operates through its wholly owned Canadian subsidiary, Unigold Resources Inc., and its 97 per cent owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic.

Forward-Looking Statements

This presentation contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information concerning Unigold's exploration program and planned gold production as well as Unigold's strategies and future prospects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Assumptions upon which such forward-looking information is based include, without limitation, availability of skilled labour, equipment, and materials. Many of these assumptions are based on factors and events that are not within the control of Unigold and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in ore reserves, resources, grade or recovery rates, risks relating to international operations (including legislative, political, social, or economic developments in the jurisdictions in which Unigold operates), economic factors, government regulation and approvals, environmental and reclamation risks, actual results of exploration activities, fluctuating metal prices and currency exchange rates, costs, changes in project parameters, conclusions of economic evaluations, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and the availability of skilled labour, failure of plant, equipment or processes to operate as anticipated, capital expenditures and requirements for additional capital, risks associated with internal control over financial reporting, and other risks of the mining industry as well as those risk factors discussed in the Annual Information Form for the year ended December 31, 2007, of Unigold available at www.sedar.com. Although Unigold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Unigold undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

Nature of Operations and Going Concern

The Company is in the process of exploring its mineral properties located in the Dominican Republic and has not as yet determined whether these properties contain mineral resources or mineral reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and deferred exploration costs are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete its exploration programs and upon future profitable production or proceeds from disposition of such properties.

Because of limited working capital and continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations or be able to sell properties.

Highlights for 2012

Operations

- The company announced a significant, potentially world-class gold discovery at Candelones Extension located approximately 3 km east of the Candelones deposit. The Company has been successfully demonstrating through 100 m step out holes near continuous mineralization over the nearly 3 km of strike length. The deposit remains open at depth.
- 57 holes (23,077 metres) of drilling was completed;
- Drilling in 2012 focused on expanding the gold mineralization discovered at the Candelones Extension;
- Drilling in 2012 has traced the Candelones Extension over a 1,300 metre strike length to a depth of 450 metres;
- Surface geological mapping identified significant silicification and alteration consistent with the Candelones Extension at the Candelones Connector Zone, midway between Candelones Main and the Candelones Extension Zones;
- Rock geochemistry sampling identified anomalous gold grades at surface at the Candelones Connector Zone;
- Initial metallurgical results from composite samples collected from the Candelones Extension Zone demonstrated excellent gold recovery and that a 'clean' gold, copper, zinc can be achieved; and
- The license for the Neita Concession was renewed for an additional five year term. Environmental licences remain in good standing.

Financial

- Two financings raised combined gross proceeds of $15.7-million to continue exploration.
- Unigold closed the year with $8.6-million in cash.

Events Subsequent to the Year End

- Agreements were signed for the sale of the Company's options on the Los Guandules and El Carrizal properties.
- The TSX Venture Exchange ranked Unigold as 3rd in the top 10 mining sector companies listed on the TSX Venture Exchange.
- Dr. Talal A. Al-Shair resigned as Director. Wes Hanson, P.Geo. was appointed Chief Operating Officer and Technical Director.

Strategy and Objectives

Unigold's strategy is: *to discover world class gold deposits of +5.0 M ozs gold, amenable to open pit and/or bulk underground mining.*

Key Performance Drivers
The ability of the Company to continue exploration is dependent on the availability of equity capital. Equity capital interest in the Company in turn depends on the price of gold, exploration results and the market's appetite for risk.

The price of gold reached a historic high during 2011 and, despite dropping during 2012 and the first quarter of 2013, remains at elevated levels thus enhancing the ability to attract new financing. This movement has been similar to that observed with other major metals. The Company's outlook for the gold market remains positive. The gold price has increased significantly over the past several years due in part to the weakening of the United States ("U.S.") dollar, decreasing world-wide mine production, sovereign debt risk in the European Union, and producer de-hedging.

The properties that Unigold is working on are recognised as being highly prospective for gold and base metal mineralization. The Company's understanding of the mineralization and geology of Neita was greatly enhanced in 2011 following completion of an IP survey and detailed geological mapping. Drilling at Candelones Extension (Lomita Piña) returned significant gold mineralization. During 2012, Unigold, through a planned, systematic drilling program, was able to extend the area of mineralization at the Candelones Extension to approximately 2,000 m X 700 m. The area of mineralization remains open.

In 2012 economic uncertainty created volatility and risk aversion among investors. The market's appetite for risk expressed by the willingness to invest in early-stage gold exploration companies dropped during 2012 and is very low at the time of writing this report. In the first quarter of 2013 commodity prices in general and gold have decreased as the U.S. dollar has increased in value against other major currencies.

Capability to Deliver Results
The price of gold and the market's appetite for risk are external variables that cannot be managed by the Company. The Company has an experienced Board and management that have been able to raise capital despite the "risk-off" environment in 2012 due in large part by the success in delivering positive exploration results.

Objectives for 2012 as Presented in the 2011 Management Discussion and Analysis
- Follow up drilling at 100 m spacing along strike, down dip of the LP17 to LP20 results;
- Systematically drill the significant IP anomaly between Candelones and Candelones Extension;
- Systematically and effectively drill the Candelones extension to expand its known area of mineralization and for the purposes of an initial mineral resource;
- Perform reconnaissance drilling on other targets in Neita, namely MGN, Jimenez and Kilometre 6;
- Communicate to new and existing investors a clear, concise, current picture of the Neita property potential and how Unigold will attempt to realize that potential. Broaden shareholder base and liquidity and retail market;
- Prepare an initial National Instrument ("NI") 43-101 compliant resource estimate in late 2012 or 2013; and
- Raise sufficient financing to sustain a comprehensive drilling program and sustained marketing effort.

2012 Results
Drilling to follow up on holes LP17 and LP20at the Candelones Extension extended the mineralized zone to a distance of 1,300 metres along strike to a depth of 700 metres. Significant results include:

LP 23	70.0 metres averaging 2.10 g/t Au, 3.2g/t Ag, 0.2% Cu and 0.1% Zn;
LP 28	77.0 metres averaging 3.81 g/t Au, 6.2 g/t Ag, 0.1% Cu and 1.1% Zn;
LP 29	89.0 metres averaging 1.72 g/t Au, 2.0 g/t Ag, 0.2% Cu and 0.3% Zn;
LP31A	122.0 metres averaging 0.73g/t Au, 1.4 g/t Ag, 0.1% Cu and 0.2% Zn;
LP 42	100.6 metres averaging 1.02 g/t Au, 1.4 g/t Ag, 0.1% Cu and 0.2% Zn;
LP 50	116.9 metres averaging 0.70 g/t Au, 1.4 g/t Ag, 0.2% Cu and 0.0% Zn;
LP 51	97.8 metres averaging 0.84 g/t Au, 3.3 g/t Ag, 0.0% Cu and 0.0% Zn and
LP 52	69.4 metres averaging 3.75 g/t Au, 10.3 g/t Ag, 0.1% Cu and 1.6% Zn

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Reconnaissance drilling at MGN, Jimenez and Kilometre 6 was not performed as Unigold focused on extending the mineralization of the Candelones Extension in preparation for the initial resource estimate. The areas were mapped in detail and at MGN geophysics was further processed to define clear exploration targets for drilling in 2013.

Marketing and Investor Relations efforts successfully introduced the Unigold story to a number of qualified investors and improved liquidity. New shareholders were attracted to the Company on the strength of the continued explorations success at Neita. The Company also successfully completed two separate financings, bringing in $15.7 million in funds to allow for the continued field work at Neita.

A NI 43-101 report was not started. The Candelones Extension was open in several directions and at depth and the primary focus was expanding the size of the mineralization discovered. Initial metallurgical testing required for a 43-101 was completed and demonstrated that a bulk concentrate can be achieved. Recoveries of 85.5 to 89% can be anticipated and that 30% of the gold can be recovered in a gravity circuit.

Objectives for 2013

- Continue expanding the gold mineralization at Candelones Main, Connector and Extension; leading to
    - ▶ Completing the initial National Instrument 43-101 compliant mineral resource estimate for Candelones Main, Connector and Extension Zones in 2013;
- Drill for new discovery outside of Candelones:
    - ▶ Evaluate and prioritize remaining coincident geochemical and IP anomalies;
    - ▶ Complete regional scale mapping and rock geochemical sampling of prioritized targets;
    - ▶ Select favourable targets for drill testing based on geology, geochemistry and geophysical data;
- Advance metallurgical studies;
- Initiate formal baseline environmental work and local community involvement;
- Continue marketing to new and existing investors;
- Continue to build relationships with the Dominican Government;
- Continue to broaden shareholder base and increase liquidity; and
- Finance the Company to support continued exploration and resource estimation.

Exploration

The 2012 program moved into high gear with the acquisition of two new Atlas Copco CS-1000 drills that were commissioned in June 2012.

Completed work:

	Statistics	
Compilation data	**2012**	PROJECT TO DATE
Drilling – holes	**57**	302
Drilling – metres	**23,077**	68,169
Trenching – metres	**1,800**	28,935
Soil samples	**–**	32,704
Grab samples	**827**	8,862
Stream samples	**–**	884
Induced polarization lines – km	**–**	196
Magnetic survey lines – km	**–**	687
Geochemical analysis	**12,796**	125,060

Neita

Unigold's Neita concession covers a 22,616 ha area within the highly prospective Tireo Formation, a 75 kilometre wide series of volcanic and sedimentary rocks trending northwesterly through the island of Hispaniola. The Tireo Formation hosts a number of promising gold and base metal targets, both in the Dominican Republic and Haiti.

Unigold has been actively exploring the Neita claims since 2002, compiling an extensive database and isolating numerous soil geochemical anomalies for both gold and copper. The Neita concession is highly prospective for copper-gold porphyry deposits and volcanogenic massive sulphide deposits.

Since acquiring the Neita property, Unigold has built an extensive and detailed geological database with information gathered from more than 8,800 grab samples, 28,900 m of trenching, 32,700 soil samples, hundreds of line kilometres of airborne and ground geophysics, extensive stream sediment sampling and more than 66,000 m of drilling, mainly on the Los Candelones deposit, and other targets on the property. This extensive geological information is an invaluable exploration tool for Unigold and continues growing. In 2012, total metres drilled on Neita increased significantly and the total metres on the project to date increased by approximately 50%.

Geological Description

Based on increasing geological knowledge of its Neita property, Unigold interprets mineralization at Candelones may be the result of initial emplacement as a large, volcanogenic massive sulphide deposit with late stage epithermal system or remobilization of gold resulting in the gold mineralization being near the stratabound contact between lower Cretaceous andesite and dacite volcanics. The mineralized zones have been tilted due to post-mineral tectonic activity. Unigold has mapped the volcanic package as being part of the favourable Upper Cretaceous Tireo volcanic sequence, that is believed to host the La Escandalosa (GoldQuest) and La Miel – Haiti (Eurasian Minerals / Newmont) deposits. This prospective formation and belt of mineralization is over 150 km long, oriented NW-SE. The Pueblo Viejo deposit (Barrick 60%/Goldcorp 40%) is along the same trend, with proven and probable reserves of 314.5-million tonnes grading 2.48 g/t gold. These favourable volcanic packages are interpreted as deposited in rifted shallow basins (back arc) behind the extensive Greater Antilles island arc that developed during the Cretaceous period near the subduction zone of the North American Plate colliding with the Caribbean Plate. Unigold believes Candelones has the potential for containing a world class economic gold deposit, with significant credits for silver, copper and zinc.

To date, gold mineralization at Neita has been identified at the Candelones Main, Connector and the Candelones Extension Zones. Drilling has indicated a potential strike length of three kilometres combining the three zones. Candelones Extension has been Unigold's main focus since 2010, with the program accelerating in late 2011 due to the recognition of a major mineralizing system and successful financing. In 2011, Unigold completed an Induced Polarization ground survey ("IP") over Candelones. The results defined distinct chargeability anomalies that geologists interpret to high sulphide content from deeper zones of mineralization. The recent drilling at Candelones Extension was based primarily on chargeability high IP anomalies. Mineralized intercepts coinciding with IP highs have been very significant, with thicknesses and grades potentially increasing "down-dip" to the south. The IP highs appear to have a direct correlation to mineralized core, which locally has >15% pyrite, along with lesser sphalerite and chalcopyrite. The Candelones Extension zone remains open in all directions and at depth.

Metallurgy

Initial metallurgical test results were received in 2012 and demonstrate:

- gold, silver and base metal recoveries of 85-90% to a 'clean' sulphide concentrate;
- a sulphidic concentrate at 12% of the mass; and
- multiple final processing solutions or concentrate sale are open to the Company.

20 metallurgical samples (half core) totalling 188 kilograms were taken from the 2011/2012 drilling program at Candelones Extension representing typical lithologies from the mineralized zone and ranging in grades to provide a master composite and variability samples. The samples were shipped to G&T Metallurgical Services Ltd. (part of ALS Metallurgy "ALS"), Kamloops, Canada: an independent metallurgical test facility where all test work was performed. Upon arrival at ALS, the samples were composited into a sample deemed to be representative of the deposit.

The objective of the flotation test work was to produce a bulk gold, silver, copper-zinc concentrate that would be suitable for on-site processing and also to meet the specifications of conventional smelters. The metallurgical composites were used in a number of initial batch tests to define preliminary process criteria such as reagent consumption, grind size and flotation grade/recovery relationships. The ALS work focused on the production of a flotation concentrate, which is a very common procedure for sulphidic refractory gold ores. This was achieved for the Candelones Extension sample, with 85-90% of the gold, silver and base metals recovered into a flotation concentrate, at 12% of the mass. A simple comminution, flotation circuit is envisaged, followed by a treatment route for the concentrate.

Future work needs to evaluate the optimum grind size and to attempt to increase it as far as possible to reduce the grinding circuit capital and operating costs. However, these initial tests suggest a much coarser primary grind might be possible and a simple SAG mill circuit plus cone crushers could be considered.

Targets

The Neita Concession hosts multiple targets resulting from soil geochemistry and the IP survey. The Company plans to evaluate these targets through field mapping and additional geological evaluation to prioritize the targets for follow up drilling.

The most advanced target is currently the MGN (Montazo-Guano-Naranjo) target, located 8 km northeast of Candelones. The soil geochemistry and IP chargeability anomalies bear a striking resemblance to Candelones-Candelones Extension and have not been previously tested by systematic drilling. It is mapped as the largest epithermal alteration zone on the Neita property. MGN trends east-west and covers an area of more than 16 square km with a higher grade gold zone occurring in the oxide layer at surface. The MGN zone occurs at the intersection of two separate northwest trending regional structures. Gold mineralization is widespread and enveloped by strong argillic alteration within a 150 m thick hydrothermal breccia horizon. The mineralization is associated with a rhyolite dome and occurs in lenses and veins of dense silica-barite rock that replaces the host volcanic pyroclastic rock. The highest grades (> 5 g/t Au) occur at the base of the breccia horizon and in the underlying, highly argillic andesite. Barite-manganese jasperoids are locally well developed. They are distinctly anomalous in arsenic, copper and antimony suggesting an epithermal system similar to the one responsible for gold mineralization at the nearby Candelones deposit. Currently the area is being mapped for geological detail to generate refined drilling targets. Drilling is expected to commence in 2013.

Jimenez in located in the northern part of Neita. The Company recognizes that the northern portion of the Neita property is defined as an Ultra Mafic “Upper Plate” or thrust block. Extensive soil surveys and detailed mapping at Jimenez show considerable copper-gold potential. Throughout 2013 the Company will evaluate, at a regional scale level, the extent of this potential and its mineralization model.

Outlook

In 2013, Unigold will focus on systematically drilling its developing gold deposit at Candelones – Candelones Extension to expand its known area of mineralization and for the purposes of an initial mineral resource. Reconnaissance drilling is planned on other targets located within the Neita Concession based on the results of field mapping and target prioritization. An initial mineral resource estimate is planned for 2013.

Sabaneta

Unigold holds options to acquire 100% of the exploration rights for gold, silver, zinc, copper and all associated minerals on the Sabaneta concessions (El Cerrazo and El Guanal), as well as a sole and exclusive option for commercial mining. The property contains extensive artisanal placer workings and with outcrop samples reported running up to 9 g/t Au and 5% zinc, but remains largely unexplored. The region is underlain by the same favourable upper Cretaceous volcano-sedimentary rocks of the Tireo Formation that underlie Neita.

In 2011, exploration license holders, Inversiones Mineras Aldajo, S.R.L. and Inversiones Mineras Aldajo, S.R.L., applied for renewal of the El Cerrazo and El Guanal exploration licenses based on the property boundaries in place when the properties were acquired from the Government of the Dominican Republic in 2003. Since that time the Government has expanded the boundary of a national park and a forestry reserve so that they cover approximately 70% of the original license grant area. The Government has not to date renewed the exploration licenses on the basis that the boundaries in the application overlap the park and reserve. Discussions with the Government continue to amicably and constructively resolve the issue in the interests of all affected parties. No exploration will be carried out until the licenses are renewed.

Outlook

No work is planned on the property until the boundary overlap issue is resolved. Unigold remains in discussion with the Government and the mineral rights owners to resolve the issue. The Company may dispose of or joint venture its interest as it focuses on Neita.

Los Guandules

Subsequent to the year end, Unigold entered into an agreement (the “Consent Agreement”) with Malbex Resources Inc. whereby Unigold has provided its consent to the acquisition of Americana by Malbex. In exchange for Unigold consenting to the acquisition, Malbex has agreed to: (i) issue to Unigold 13,000,000 common shares in the capital of Malbex (the "Malbex Shares"); and (ii) grant to Unigold a 2% net smelter returns royalty in respect of all minerals produced from the Property (the "NSR"). Half of the NSR may be repurchased by Malbex for $1,000,000 which would leave Unigold with a royalty equal to 1 % of net smelter returns. Additional consideration of 5,000,000 common shares of Malbex will be issued to Unigold in the event that Malbex, within the period commencing on the date upon which Americana is issued the concession agreement in respect of the Property and ending five years thereafter, delineates 2,000,000 ounces of gold from the Property on a National Instrument 43-101 compliant basis in the measured and/or indicated mineral resource categories. All such common shares of Malbex which may be issued to Unigold pursuant to the Consent Agreement will be subject to a hold period which will run for a period of four months from the time of the issue of such common shares.

The closing of the transaction contemplated by the Consent Agreement remains subject to the final approval of the TSX Venture Exchange and the shareholders of Malbex. In addition, the issuance of the Malbex Shares and the grant of the NSR are conditional on the closing of the acquisition and the issuance to Americana of the concession agreement in respect of the Property. The transaction involves non-arm's length parties. Malbex is considered a non-arm's length party of Unigold as a result of the fact they have a common director.

El Carrizal
On May 30, 2011, the Company entered into a definitive agreement relating to the acquisition by the Company of an option to acquire the El Carrizal Concession for $114,456 (U.S.$120,000) and 400,000 common shares of the Company (issued and valued at $40,000). The option is exercisable at any time until May 30, 2017 for U.S. $100.

Subsequent to December 31, 2012, Unigold entered into an agreement (the "Agreement") with Terreno Resources Corp. ("Terreno") to sell its option to acquire 100% of the El Carrizal concession. As consideration for the purchase of the option, Terreno will issue to Unigold a total of 11,500,000 common shares in the capital of Terreno (the "Terreno Shares") and make cash payments totaling $1,000,000. An initial $50,000 cash payment is due immediately with the 11,500,000 common share issuance and a further cash payment of $250,000 is due on the exercise of the option by Terreno. Two further cash payments of $350,000 will be due on the 12 and 24 month anniversaries of the date Terreno exercises the option. In addition, Unigold will be granted a 2% net smelter returns royalty, of which half (leaving Unigold with a royalty equal to 1% of net smelter returns) can be repurchased by Terreno for US$1,000,000. Unigold will be entitled to receive an additional 5,000,000 common shares of Terreno in the event that 2,000,000 ounces of gold are delineated on the property by Terreno on a National Instrument 43-101 compliant basis, in any category of resource. All such common shares of Terreno which may be issued to Unigold pursuant to the Agreement will be subject to a hold period which will run for a period of four months from the time of the issue of such common shares.

The closing of the transaction contemplated by the Agreement remains subject to the final approval of the TSX Venture Exchange and the shareholders of Terreno. The transaction involves non-arm's length parties. Terreno is considered a non-arm's length party of Unigold as a result of the fact an investor hold more than 10% of each company.

Selected Annual Information

The following table provides selected financial information and should be read in conjunction with the Company's Audited Consolidated Financial Statements.

Year ended December 31,	**2012**	2011	2010
Net income (loss) for the year	**$ (3,107,234)**	$ 683,625	$ (2,670,766)
Net income (loss) per share	**(0.02)**	0.00	(0.02)
Total assets	**37,595,579**	24,673,403	27,005,958
Long-term financial liabilities	**nil**	nil	nil
Dividends	**nil**	nil	nil

Results of Operations

For the year ended December 31, 2012, the Company recorded a loss of $3,107,234, or $0.02 per share, compared with a net income of $683,625, or $0.00 per share, in 2011. The 2011 net income included a non-cash gain of

$2,398,344 (2012 – $nil) due to a change in the method of estimating the fair market value of its financial instruments – the investment in the restructured ABCP notes. Unigold changed to a market-based method of estimation of the fair market value of the restructured notes after it determined that an active market existed for the securities. Unigold sold the ABCP notes in 2011 for an amount equal to the estimated fair market value.

Compensation, including salaries, termination costs, stock-based compensation and directors' fees, totalled $1,965,150 (2011 – $1,057,863). The largest component of the increase was an increase in share-based compensation $1,259,185 from $245,359 in 2011.

Travel and business development expense increased to $437,102 (2011 – $59,571) as the Company began actively marketing itself. Costs include attendance at investor shows and funding analysts' visits to Neita.

Liquidity and Capital Resources

The Company has no producing properties and, consequently, has no current operating income or cash flow. Financing of the Company's activities to date has been primarily obtained from equity issues. The continuing development of the Company's properties therefore depends on the Company's ability to obtain additional financing.

As at December 31, 2012, the Company had cash balances of $8,265,454 (2011 – $2,540,945) and working capital of $7,916,973 (2011 – $2,094,832).

On March 8, 2012, the Company closed a "bought deal" private placement financing of 35,053,300 units of the Company (the "2012-Units") at a price of $0.30 per 2012-Unit for aggregate gross proceeds of $10,515,990. Each 2012-Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "2012-Warrant"). Each 2012-Warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.50 until March 8, 2014.

As compensation for the services, the underwriters received a cash commission in the aggregate amount of $718,620 and an aggregate of 2,395,400 non-transferable broker warrants of the Company (the "Broker Warrants"), with each Broker Warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.30 at any time until March 8. 2014. The net proceeds of the financing will be used by the Company to advance the exploration and development of the Company's exploration and evaluation assets in the Dominican Republic and for general corporate purposes. All securities issued under or in connection with the financing are subject to a hold period in Canada until July 9, 2012.

Directors of the Company purchased 833,300 2012-Units for gross proceeds of $249,990 pursuant to this financing.

On September 13, 2012, the Company closed a "bought deal" private placement financing of 11,200,000 common shares of the Company at a price of $0.45 per share for aggregate gross proceeds of $5,040,000. As compensation for the services, the underwriters received a cash commission in the aggregate amount of $302,400 and an aggregate of 672,000 non-transferable broker warrants of the Company (the "Broker Warrants-II"), with each Broker Warrant-II entitling the holder thereof to purchase one common share of the Company at a price of $0.45 at any time until September 13. 2014. The net proceeds of the financing will be used by the Company to advance the exploration and development of the Company's exploration and evaluation assets in the Dominican Republic and for general corporate purposes. All securities issued under or in connection with the financing are subject to a hold period in Canada until January 14, 2013.

Directors of the Company purchased 110,000 shares for gross proceeds of $49,500 pursuant to this financing.

Quarterly Financial Information (Unaudited)

The following table sets out selected financial information derived from the Company's consolidated financial statements for each of the eight most recently completed quarters:

($ thousands, except per share amounts)	**2012** Q4	Q3	Q2	Q1	2011 Q4	Q3	Q2	Q1
Revenue	**–**	**–**	**–**	**–**	–	–	–	–
Net income (loss)	**(403)**	**(613)**	**(1,543)**	**(548)**	(923)	(251)	2,154	(296)
Net income (loss) per share: Basic and diluted	**(0.00)**	**(0.01)**	**(0.01)**	**(0.00)**	(0.00)	(0.00)	0.01	(0.00)
Acquisition of exploration and evaluation assets	**1,802**	**1,661**	**1,269**	**942**	1,189	883	1,004	709

The second quarter of 2012 included stock-based compensation expense of $1,173,687. The fourth quarter of 2011 included a share-based compensation expense of $249,385. The second quarter of 2011 included a non-cash gain of $2,398,344 due to a change in the method of estimating the fair market value of its financial instruments.

Related Party Contractual Obligations and Transactions

Included in the accounts for the year ended December 31, 2012 and 2011 are payments made to officers, directors and corporations under the control or significant influence of officers and directors of the Company as follows:

Year ended December 31,	**2012**	2011
Management services fees paid to corporations controlled by or under significant influence of officers and directors of the Company	**$ 47,500**	$ 429,750
Professional fees paid to an officer and director of the Company	**–**	20,000
Share issue expense and value of broker warrants paid to a brokerage firm where a director is also a managing director	**438,495**	–
Professional fees paid to a law firm where a director of the Company is also a partner	**1,789**	2,366
	$ 487,784	$ 452,116

These transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Commitments, Contingencies and Contractual Obligations

The Company is a party to certain management contracts. These contracts contain clauses requiring that $400,000 be paid upon a change of control of the Company. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these consolidated financial statements.

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Minimum contractual payments over the next five years are as follows:

Year	**Total**	2013	2014	2015	2016	2017
Office lease	**$ 150,000**	$ 50,000	$ 50,000	$ 50,000	$ –	$ –
Services	**1,116,000**	1,100,000	7,000	3,000	3,000	3,000
	$ 1,266,000	1,150,000	$ 57,000	$ 53,000	$ 3,000	$ 3,000

Trend Information

There are no major trends which are anticipated to have a material effect on the Company's financial condition and results of operations in the near future.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements, no capital lease agreements and no long-term debt obligations.

Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company. As is typical of the gold exploration sector, Unigold is continually reviewing potential property acquisition, investment and joint venture transactions and opportunities

Critical Accounting Policies and Estimates

The Company prepares its consolidated financial statements in accordance with IFRS. The most significant accounting estimates are the policy of capitalizing exploration costs on its properties and the valuation of such properties; and the stock-based compensation calculation.

The Company reviews its portfolio of exploration properties on an annual basis to determine whether a write-down of the capitalized cost of any property is required. The recoverability of the amounts shown for mineral properties and deferred exploration costs is dependent on the existence of economically recoverable reserves, and the ability to obtain financing to complete the development of such reserves.

The Company uses the Black-Scholes model to determine the fair value of options and warrants. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses the historical price data and comparables in the estimate of future volatilities.

Risks and Uncertainties

At the present time, Unigold does not hold any interest in a mining property in production. The Company's viability and potential successes lie in its ability to develop, exploit and generate revenue out of mineral deposits. Revenues, profitability and cash flow from any future mining operations involving the Company will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices have fluctuated widely and are affected by numerous factors beyond the Company's control.

Liquidity and Capital Market Risk
The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although Unigold has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests.

Nature of Mineral Exploration and Development Projects
Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few mining properties that are explored are ultimately developed into producing mines. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities. Large amounts of capital are frequently required to purchase necessary equipment. It is impossible to ensure that the current or proposed exploration programs on properties in which the Company has an interest will result in profitable commercial mining operations.

Success in establishing mineral reserves through exploration is the result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Whether a deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size and grade, costs and efficiencies of the recovery methods that can be employed, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold or silver, and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on its invested capital. Because of these uncertainties, no assurance can be given that exploration programmes will result in the establishment or expansion of resources or reserves.

The Corporation's Properties Are Subject to Title Risks
The Company has taken all reasonable steps to ensure that it has proper title to its properties. However, the Company cannot provide any guarantees that there are no prior unregistered agreements, claims or defects that may result in the Company's title to its properties being challenged. A successful challenge to the precise area and location of these claims could result in the Company being unable to operate on its properties as anticipated or being unable to enforce its rights with respect to its properties which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. The

The Company and Its Projects Are Subject to Risks of Operating in Foreign Countries
The Company's projects are subject to the risks of operating in foreign countries. The Company's foreign operations and investments and its ability to carry on its business in the normal course may be adversely affected by political and economic considerations such as civil unrest, war (including in neighbouring states), terrorist actions, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties, courts or governments to honour or enforce contractual relations, changing government regulations with respect to mining (including environmental requirements, taxation, land tenure, foreign investments, income repatriation and capital recovery), fluctuations in currency exchange and inflation rates, import and export restrictions, challenges to the Company's title to properties or mineral rights, problems renewing licenses and permits, opposition to mining from environmental or other non-governmental organizations, increased financing costs, instability due to economic under-development, inadequate infrastructure, and the expropriation of property interests. In addition, the enforcement by Unigold of its legal rights to exploit its properties or to utilize its permits and licenses may not be recognized by the court systems in the Dominican Republic. The occurrence of one or more of these risks could have a material and adverse effect on the viability and financial performance of its foreign operations, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. Any of these events could also result in conditions that delay or prevent the Company from exploring or developing its properties even if economic quantities of minerals are found.

Conflicts of Interest of Directors
Certain of directors of Unigold are associated with other companies involved in the mining industry. These associations may give rise to conflicts of interest from time to time. The Company's policy on conflicts of interest complies with the procedures established in the *Canada Business Companies Act*, which sets out the necessity of full disclosure of any conflict of interest prior to the Board dealing with the subject matter giving rise to the conflict of interest and the interested party refraining from voting on such matter. The directors are further required to act honestly and in good faith with a view to the best interests of the Company and its shareholders.

Financing Risk
To fund future investments in its mineral properties the Company requires capital. The Company may not have sufficient internally generated cash flow and working capital and may have to access the capital markets. Subject to economic conditions at the time, there can be no assurance the Company would be able to raise additional debt or equity financing on acceptable terms. If the Company cannot finance its future projects it could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

The Company is Dependent on Key Officers and Employees
The Company is dependent on the efforts of key officers, including its Chief Executive Officer and its Chief Financial Officer. The loss of the services of any of the Company's key officers and employees could have an adverse effect on Unigold, which could have a material adverse effect on the Company's future cash flows, earnings, results of operations and financial conditions. The Company does not have and currently has no plans to obtain key man insurance with respect to any of its key employees. In addition, the Company may need to recruit and retain other qualified managerial and technical employees to build and maintain its operations. If the Company requires such persons and is unable to successfully recruit and retain them, its development and growth could be significantly curtailed.

Gold Price
The ability of Unigold to raise capital is dependent on the price of gold. Gold prices fluctuate on a daily basis and are affected by a number of factors beyond the control of the Company, including the U.S. dollar exchange rate with other currencies, central bank lending and sales, producer hedging activities, global demand, production costs, confidence in the global monetary system, expectations of the future rate of inflation, the availability and attractiveness of alternative investment vehicles, the strength of the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The future trend in the price of gold cannot be predicted with any degree of certainty. The market price of gold affects the economics of any potential development project and the viability of current operations, as well as having an impact on the perceptions of investors with respect to gold equities, and therefore, the ability of the Company to raise capital. A decrease in the market price of gold and other metals could affect the Unigold's ability to finance the exploration and development of the Company's properties could curtail further exploration or development due to lack of capacity to finance. There can be no assurance that the market price of gold will remain at current levels, that such prices will increase or that market prices will not fall.

Currency Risk
By virtue of the location of its exploration activities, the Company incurs costs and expenses in a number of currencies other than the Canadian dollar. The exchange rates covering such currencies have varied substantially in the last three years. Financings typically raise funds in Canadian dollars. The majority of exploration expenditures are incurred in U.S. dollars or Dominican Republic pesos to potential significant foreign currency translation and transaction exposure, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. The Company currently does not hedge against other currencies and maintains the majority of its cash in Canadian dollars.

Government Regulation
The Company's mining operations and exploration and development activities are subject to laws and regulations governing health and worker safety, employment standards, exports, price controls, taxation, waste disposal, management and use of toxic substances and explosives, protection of the environment, mine development, protection of endangered and protected species, reclamation, historic and cultural preservation and other matters. Furthermore, the Company requires a number of different permits and licenses in order to carry on its business. Failure to comply with applicable laws, regulations and permits, even if inadvertent, may result in enforcement actions thereunder, including the forfeiture of claims, orders by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. The Company may be required to compensate those suffering loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms and conditions of existing permits and agreements applicable to the Company or its properties, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. Where required, obtaining necessary permits can be a complex, time consuming process and the Company cannot assure that any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the

operation or further development of a mine, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities and or to maintain continued operations that economically justify the cost.

Internal Controls and Procedures

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. They are not a guarantee of perfection. A control system, no matter how well designed and operated, can provide only reasonable, not absolute assurance with respect to the reliability of financial reporting and financial statement preparation.

Unigold operates in the Dominican Republic and as such is obligated to comply with local laws and financial reporting requirements. Internal controls and procedures employed over financial reporting are adapted to the business environments within which the company operates. Every effort is undertaken to ensure that reasonable and cost effective procedures and controls are in place to allow for the preparation of reliable financial information.

Environmental

Operations, development and exploration projects are subject to the environmental laws and regulations of the country in which the activities are undertaken. The environmental standards continue to change and the world trend is to a longer, more complex process. Although Unigold continuously reviews environmental matters and undertakes to comply with changes as expeditiously as possible, there is no assurance that existing or future environmental regulation will not materially adversely affect the Company's financial condition, liquidity and results of operation.

Environmental Matters

In the risks section above, reference was made to several risks impacting on environment matters. Unigold believes that it is in compliance with all environmental regulations in the Dominican Republic and has made no provision for environmental remediation costs as such costs are believed to be immaterial.

Corporate Social Responsibility (CSR), Safety, Health and Environment.

The Company engages in and adheres to the principles of sound Corporate Social Responsibility with the local communities and people where it operates. While the company recognizes that the funds to achieve these goals are derived from shareholders investment in the company, it also believes that those same shareholders recognize that pragmatic and cost effective CSR activity benefits all stakeholders and enables ongoing field activity with the support of local leaders, government, landowners and the community in general.

Highlights for 2012:

- High levels of local employment (over 100 local staff);
- Ongoing employment and high level skill development of diamond drillers, geological technicians, data entry personnel and GIS technicians, all of whom are local residents; and
- Total community donations amounting to approximately $17,000 including;
  - Donation of 1,000 school uniforms;
  - Donation of 1,000 food parcels to remote communities at Christmas;
  - Installation of running water to a local school;
  - Assisting in the maintenance of local infrastructure;
  - Provision of IT equipment to a local school; and
  - Provision of basic medical supplies to the local clinic.

In 2012 the Company's Board adopted formal Safety, Health and Environment policies. The Company also provided and implemented full use of Personal Protective Equipment ("PPE") at all worksites, implemented safety orientations and continued to build a culture of "Safety First."

The Company reports that there were zero fatalities, and two minor Lost Time Incidents related to drilling activities. In both cases, employees were using correct PPE, and the injury was the result of accidental circumstances. In the case of the LTI, the injured workers have fully recovered and resumed full duties.

Future Accounting Changes

Accounting standards and interpretations issued but not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards are not yet effective for the year ended December 31, 2012, and have not been applied in preparing these consolidated financial statements as follows:

- IFRS 9, *Financial Instruments*, addresses the classification and measurement of financial assets;
- IFRS 10, *Consolidated Financial Statements*, builds on existing principles and standards and identifies the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company;
- IFRS 11, *Joint Arrangements*, establishes the principles for financial reporting by entities when they have an interest in arrangements that are jointly controlled;
- IFRS 12, *Disclosure of Interest in Other Entities*, provides the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities;
- IFRS 13, *Fair Value Measurement*, defines fair value, requires disclosure about fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards;
- IAS 27, *Separate Financial Statements*, revised the existing standard which addresses the presentation of parent company financial statements that are not consolidated financial statements;
- IAS 28, *Investments in Associate and Joint Ventures*, revised the existing standard and prescribes the accounting for investments and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures;
- IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. Stripping costs may create two types of benefit: i) inventory produced and ii) improved access to ore. Stripping costs associated with the former should be accounted for as a current production costs in accordance with IAS 2, *Inventories*. The latter should be accounted for as an addition to or enhancement of an existing asset; and
- IAS 1 – *Presentation of Financial Statements* was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012.

These standards are being evaluated to determine their impact on the consolidated financial statements of the Company. IFRS 9 is effective for the Company's fiscal year starting January 1, 2015 and the rest of these standards will become mandatory for the Company's fiscal year starting January 1, 2013.

Financial Instruments

Fair Value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. The carrying amounts for cash and cash equivalents, sundry receivables, accounts payable and accrued liabilities on the Statements of Financial Position approximate fair value because of the limited term of these instruments.

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The book values of cash, other receivables, other financial assets, and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments.

Liquidity Risk
As at December 31, 2012, the Company has working capital of $7,916,973 (December 31, 2011 – $2,094,832). The Company's ability to meet its financial obligations is dependent upon securing financing.

As of December 31, 2012, the Company has a cash balance of $8,265,454 (December 31, 2011 – $2,540,945) to settle current accounts payable and accrued liabilities of $722,357 (December 31, 2011 – $569,534). The Company's other current assets consist of other receivables of $122,552 (December 31, 2011 – $66,333) and other financial assets of $251,324 (December 31, 2011 – $57,088).

Credit Risk
Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, sundry receivables and other investments.

Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss to be minimal.

Financial instruments included in sundry receivables consist of harmonized sales tax due from the Government of Canada and an advance to an officer of the Company. Sundry receivables are in good standing as of December 31, 2011. Management believes that the credit risk concentration with respect to financial instruments included in sundry receivables is minimal.

Market Risk
At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

Interest Rate Risk
The Company has cash balances and interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2012, interest rate risk is minimal since the Company has no interest-bearing instruments. Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's current policy is to earn interest on bank balances which approximate rates available from investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2012, interest rate risk is minimal since the Company has no interest-bearing instruments.
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Foreign Exchange Risk
The Company's financings are in Canadian dollars. Certain of the Company's transactions with its subsidiary, Unigold Dominicana, S.R.L. are incurred in foreign currencies and are therefore subject to gains or losses due to fluctuations in exchange rates. The Company is therefore subject to foreign exchange risk. As at December 31, 2011, the Company had cash balances of $107,476 (December 31, 2010 – $49,726) in U.S. dollars.

Commodity Price Risk
The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals.

Sensitivity Analysis
The Company is exposed to foreign currency risk of fluctuations on financial instruments that are denominated in U.S. dollars and the Dominican Peso related to cash balances, other investments and accounts payable Sensitivity to

a plus or minus 5% change in the foreign exchange rate would not have resulted in a significant fluctuation in income for the year ended December 31, 2011. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

Capital Management

The Company considers its capital structure to consist of common shares and contributed surplus. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support is exploration and corporate activities.

The Company is in the development stage and as such is dependent on external financing. In order to carry out planned exploration and development, and pay for administrative and operating costs, the Company will spend its existing working capital.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing its existing credit facility or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets.

Management reviews its capital management approach on an ongoing basis. Subsequent to the year end, non-core exploration properties were sold. The Company is not subject to externally imposed capital requirements.

The Company's objectives in managing capital are to safeguard its ability to operate as a going concern.

Report on Internal Control over Financial Reporting and Disclosure Controls and Procedures

In connection with Exemption Orders issued in November 2007 by each of the British Columbia Securities Commission and Ontario Securities Commission, the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and the accompanying related MD&A. In contrast to the certificate under National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

Management believes that based upon the evaluations and actions taken to date, reasonable assurance can be provided that there is no material misstatement of the financial results reported as of December 31, 2011.

Outstanding Share Data

Details about the Company's outstanding common shares as at March 27, 2013 are as follows:

Common shares issued and outstanding	222,563,238
Potential issuance of common shares – warrants	32,384,050
Stock options issued to directors, employees, officers and consultants	17,070,000

Qualified Person

The foregoing scientific and technical information has been prepared or reviewed by Wes Hanson, P.Geo., the Chief Operating Officer and Technical Director of the Company. He also supervises all work associated with the Company's exploration programs in the Dominican Republic. Mr. Hanson is a "qualified person" within the meaning of National Instrument 43-101.

UNIGOLD INC.

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2012 and 2011
Expressed in Canadian Dollars

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

Management has prepared the information and representations in this year-end report. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and, where appropriate, reflect management's best estimates and judgement. The financial information presented throughout this report is consistent with the data presented in the consolidated financial statements.

Unigold Inc. maintains adequate systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors, through its Audit Committee, is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Audit Committee is composed of three directors. This Committee meets periodically with management and the external auditors to review accounting, auditing, internal control and financial reporting matters.

McGovern, Hurley, Cunningham, LLP, Chartered Accountants, have audited the consolidated financial statements and their report outlines the scope of their examination and gives their opinion on the consolidated financial statements.

s/ Andrew Cheatle
Chief Executive Officer

s/ John Green
Chief Financial Officer

March 27, 2013

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Unigold Inc.

We have audited the accompanying consolidated financial statements of Unigold Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2012 and 2011, and the consolidated statements of changes in shareholders' equity, consolidated statements of comprehensive (loss) income, and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Unigold Inc. and its subsidiaries as at December 31, 2012 and 2011, and their financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards.

Chartered Accountants, Licensed Public Accountants

TORONTO, Canada
March 27, 2013

UNIGOLD INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

As at,	December 31, 2012	December 31, 2011
Assets		
Current assets		
Cash	**$ 8,265,454**	$ 2,540,945
Other receivables	**122,552**	66,333
Other financial assets and prepaids	**251,324**	57,088
Total current assets	**8,639,330**	2,664,366
Non-current assets		
Property, plant and equipment *(Note 6)*	**1,403,183**	457,996
Exploration properties *(Note 7)*	**779,030**	779,030
Exploration and evaluation assets *(Note 7)*	**26,774,036**	20,772,011
Total assets	**$ 37,595,579**	$ 24,673,403
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**$ 722,357**	$ 569,534
Total liabilities	**722,357**	569,534
Equity attributable to shareholders of the Company		
Share capital *(Note 10(a))*	**49,824,616**	37,077,977
Reserve for warrants *(Note10(b))*	**2,348,996**	419,198
Reserve for share-based payments *(Note 10(c))*	**2,998,753**	1,850,326
Accumulated deficit	**(18,301,974)**	(15,246,463)
Total equity attributable to shareholders of the Company	**36,870,391**	24,101,038
Non-controlling interest	**2,831**	2,831
Total equity	**36,873,222**	24,103,869
Total liabilities and equity	**$ 37,595,579**	$ 24,673,403

Nature of operations *(Note 1)*
Going concern *(Note 2)*
Commitments and contingencies *(Note 18)*

Approved on Behalf of the Board:

s/ Joseph Del Campo
Director

s/ Andrew Cheatle
Director

The accompanying notes are an integral part of these consolidated financial statements.

UNIGOLD INC.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

	Share capital		Other reserves			Accumulated	Equity
	Number of shares	Amount	Warrants	Share-based payment	Total other reserves	Deficit	attributable to shareholders
Balance, December 31, 2010	148,634,938	$ 35,129,520	$ 2,017,547	$ 2,401,983	$ 4,419,530	$ (18,744,651)	$ 20,804,399
Exploration property acquisition	400,000	40,000	–	–	–	–	40,000
Transfer to deficit on expiry			(2,017,547)	(797,016)	(2,814,563)	2,814,563	–
Private placement, net of share issue costs	24,800,000	1,908,457	419,198	–	419,198	–	2,327,655
Share-based compensation	–	–	–	245,359	245,359	–	245,359
Net loss	–	–	–	–	–	683,625	683,625
Balance December 31, 2011	173,834,938	$ 37,077,977	$ 419,198	$ 1,850,326	$ 2,269,524	$ (15,246,463)	$ 24,101,038
Transfer to deficit on expiry	–	–	–	(51,723)	(51,723)	51,723	–
Exercise of warrants and stock options	2,475,000	494,784	(54,998)	(59,035)	(114,033)	–	380,751
Private placement, net of share issue costs	46,253,300	12,251,855	1,984,796	–	1,984,796	–	14,236,651
Share-based compensation	–	–	–	1,259,185	1,259,185	–	1,259,185
Net loss	–	–	–	–	–	(3,107,234)	(3,107,234)
Balance, December 31, 2012	222,563,238	$ 49,824,616	$ 2,348,996	$ 2,998,753	$ 5,347,749	$ (18,301,974)	$ 36,870,391

The accompanying notes are an integral part of these consolidated financial statements.

UNIGOLD INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

(Expressed in Canadian Dollars)

For the year ended December 31,	**2012**	2011
Operating expenses		
Compensation (*Note 13)*	**$ 1,965,150**	$ 1,057,863
Professional and consulting fees	**417,367**	263,571
Travel and business development	**437,102**	59,682
Listing and shareholder information	**82,430**	114,959
General and administrative expenses	**233,668**	188,968
Amortization	**7,282**	7,514
Loss on disposal of equipment *(Note 6)*	**26,884**	4,654
Revaluation of financial instruments (*Note 8*)	**–**	(2,398,344)
Foreign exchange	**(9,669)**	(12,729)
Net (loss) income for the year before the undernoted	**(3,160,214)**	713,862
Investment income	**52,980**	46,653
Finance expense *(Note 9)*	**–**	(64,852)
Foreign exchange loss	**–**	(12,038)
Net (loss) income for the year	**(3,107,234)**	683,625
Other comprehensive income for the year	**–**	–
Total comprehensive (loss) income for the year	**$ (3,107,234)**	$ 683,625
Net (loss) income per share - basic & diluted (*Note 12*)	**$ (0.02)**	$ 0.00

The accompanying notes are an integral part of these consolidated financial statements.

UNIGOLD INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

For the year ended December 31,	**2012**	2011
Cash flows from operating activities		
Net (loss) income for the year	**$ (3,107,234)**	$ 683,625
Adjustments to add/(deduct) non-cash items		
Share-based payment	**1,151,110**	245,359
Unrealized foreign exchange loss	**–**	11,956
Amortization	**7,282**	7,514
Loss on disposal of equipment	**26,884**	4,654
Revaluation of financial instruments	**–**	(2,398,344)
Add finance expense	**–**	64,852
Deduct investment income	**(52,980)**	(46,653)
	(1,974,938)	(1,427,037)
Working capital adjustments		
Other receivables	**(56,219)**	(1,972)
Other financial assets and prepaids	**(194,236)**	(1,836)
Accounts payable and accrued liabilities	**(69,160)**	610,971
Net cash flows from operating activities	**(2,294,553)**	(819,874)
Cash flows from investing activities		
Acquisition of property plant and equipment	**(978,761)**	(27,357)
Mineral property option	**–**	(114,456)
Acquisition of exploration and evaluation assets	**(5,673,950)**	(3,785,358)
Redemption of other investments *(Note 8)*	**–**	7,603,753
Investment income	**52,980**	46,653
Net cash flows from investing activities	**(6,599,731)**	3,723,235
Cash flows from financing activities		
Private placement *(Note 10a)*	**15,555,990**	2,480,000
Share issue costs	**(1,319,339)**	(152,345)
Warrants exercised	**297,642**	–
Options exercised	**84,500**	–
Finance expense	**–**	(64,852)
Repayment of bank loan *(Note 9)*	**–**	(6,074,615)
Net cash flows from financing activities	**14,618,793**	(3,811,812)
Net increase (decrease) in cash	**5,724,509**	(908,451)
Cash, beginning of year	**2,540,945**	3,449,396
Cash, end of year	**$ 8,265,454**	$ 2,540,945

Supplemental information pertaining to cash flows *(Note 15)*

The accompanying notes are an integral part of these consolidated financial statements.

1. *Nature of Operations and Basis of Presentation*

Nature of operations
Unigold Inc. ("Unigold" or the "Company") was incorporated pursuant to the Business Corporations Act (Ontario) on May 9, 1990, under the name "Highlander Minerals Ltd." Unigold subsequently amended its articles to change its corporate name to "Caribgold Resources Limited" and then to "Caribgold Resources Inc." On December 30, 2002, Unigold filed Articles of Arrangement pursuant to section 182 of the Business Corporations Act (Ontario) and changed its name to "Unigold Inc." The Company's executive office is located at 44 Victoria Street, Suite 504, Toronto, Ontario M5C 1Y2.

Unigold is in the process of exploring its properties in the Dominican Republic.

Basis of presentation
These consolidated financial statements include the accounts of the Company, and its wholly owned subsidiary, Unigold Resources Inc., which is incorporated in Canada under the Canada Business Corporations Act, and its 96.7% owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic. All material intercompany balances and transactions have been eliminated.

2. *Going Concern*

These consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing or to reach profitable levels of operation. To address its financing requirements, the Company will seek financing through measures that may include joint venture agreements, debt and equity financings, asset sales, and rights offerings to existing shareholders.

It is not possible to predict whether financing efforts will be successful or if Unigold will attain profitable levels of operation. These consolidated financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

3. *Measurement Uncertainty*

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and exploration and evaluation assets, and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. All of the Company's exploration properties are located outside of Canada and are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and political uncertainty.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory and environmental requirements.

4. Summary of Significant Accounting Policies

(a) Statement of compliance

The accounting policies applied in these consolidated financial statements are based on International Financial Reporting Standards ("IFRS") issued and outstanding as of March 27, 2013, the date the Board of Directors approved these statements. The policies set out below have been consistently applied to all periods presented.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. See Note 5.

(b) Basis of preparation

The financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis. In addition, these financial statements are prepared using the accrual basis of accounting except for cash flow information.

(c) Accounting standards and interpretations issued but not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards are not yet effective for the year ended December 31, 2012, and have not been applied in preparing these consolidated financial statements as follows:

- IFRS 9, *Financial Instruments*, addresses the classification and measurement of financial assets;
- IFRS 10, *Consolidated Financial Statements*, builds on existing principles and standards and identifies the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company;
- IFRS 11, *Joint Arrangements*, establishes the principles for financial reporting by entities when they have an interest in arrangements that are jointly controlled;
- IFRS 12, *Disclosure of Interest in Other Entities*, provides the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities;
- IFRS 13, *Fair Value Measurement*, defines fair value, requires disclosure about fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards;
- IAS 27, *Separate Financial Statements*, revised the existing standard which addresses the presentation of parent company financial statements that are not consolidated financial statements;
- IAS 28, *Investments in Associate and Joint Ventures*, revised the existing standard and prescribes the accounting for investments and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures;
- IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. Stripping costs may create two types of benefit: i) inventory produced and ii) improved access to ore. Stripping costs associated with the former should be accounted for as a current production costs in accordance with IAS 2, *Inventories*. The latter should be accounted for as an addition to or enhancement of an existing asset; and
- IAS 1 – *Presentation of Financial Statements* was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012.

These standards are being evaluated to determine their impact on the consolidated financial statements of the Company. Except as otherwise noted, IFRS 9 is effective for the Company's fiscal year starting January 1, 2015 and the rest of these standards will become mandatory for the Company's fiscal year starting January 1, 2013.

(d) Foreign currencies

The Company considers the Canadian dollar to be the functional currency of its primary operations. Transactions in foreign currencies are translated into the currency of measurement at the exchange rates in effect on the transaction date. Monetary statement of financial position items expressed in foreign currencies are translated into Canadian dollars at the exchange rates in effect at the statement of financial position date. The resulting exchange gains and losses are recognized in operations.

(e) Cash

Cash includes cash on hand and balances with banks. Deposits are held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

(f) Property, plant and equipment and amortization

Property, plant and equipment are carried at cost, less accumulated amortization and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the assets to a working condition for their intended use, the initial estimate of the rehabilitation provisions, and for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Where an item of property, plant and equipment comprises significant components with different useful lives, the components are accounted for as separate items of property, plant and equipment. The property, plant and equipment noted below are amortized over their estimated useful lives using the following annual rates and methods. The assets' residual values, useful lives and methods of amortization are reviewed at each reporting period and adjusted prospectively if appropriate.

Office furniture and equipment	20% declining balance
Computer equipment	30% declining balance
Vehicles	30% declining balance
Field equipment	20% declining balance
Camp and buildings	20% declining balance

Amortization of property, plant and equipment related to exploration activities has been capitalized to exploration and evaluation costs.

Property, plant and equipment are derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of comprehensive (loss) income.

(g) Exploration properties and exploration and evaluation assets

The Company capitalizes all exploration costs which include the acquisition of land, property rights, licenses and all costs associated with exploration and evaluations. Exploration properties are recorded at the direct cost of acquisition. Costs include the cash consideration and the fair market value of the shares issued for the acquisition of exploration properties. Exploration and evaluation assets represent the costs incurred in conducting exploration work for unknown or unproven ore deposits. Exploration and evaluation assets are reclassified to "Property, plant and Equipment, construction in progress" when the technical feasibility and commercial viability of extracting a mineral reserve are demonstrable. Exploration and evaluation assets are assessed for impairment, and the impairment loss, if any, is recognized before reclassification to construction in progress. Exploration and evaluation assets associated with projects which prove to be economically unviable are written off. Proceeds derived from the full or partial disposal of interests in properties are credited against the carrying cost of the related property. Costs incurred before the Company has obtained the legal rights to explore are recognized as an expense in the consolidated statements of comprehensive (loss) income.

The amounts shown for both exploration properties and exploration and evaluation assets represent costs incurred to date and do not necessarily reflect present or future values.

(h) Restoration, rehabilitation and environmental obligations

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Amounts recorded for the related assets are increased by the amount of these obligations. Over time, the liabilities will be accreted for the change in their present value and the initial capitalized costs will be depleted and amortized over the useful lives of the related assets. The increase in provisions for restoration, rehabilitation and environmental obligations due to the passage of time is charged to profit or loss as a finance cost. The Company did not have any material restoration, rehabilitation and environmental obligations as of December 31, 2012 and 2011.

(i) Taxation

Current tax
Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(j) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Proceeds from unit financings are allocated between common shares and warrants based on their relative fair values. The grant date fair value of the warrants issued are reflected in the reserve for warrants account until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the warrants expire unexercised, the amount recorded is transferred to deficit.

(k) Share-based payment

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the share-based payment note.

The fair value is measured at grant date and each tranche is recognized on a graded vesting basis over the period in which the options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Charges for options that are forfeited before vesting are reversed from share-based payment reserve. For those options that expire or are cancelled after vesting, the recorded value is transferred to deficit.

(l) Impairment of non-financial assets

At each statement of financial position reporting date, the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For the purposes of impairment testing, exploration properties and exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(m) Financial assets and liabilities

The Company's financial assets and liabilities include cash, other receivables, other financial assets, accounts payable and accrued liabilities.

The Company has designated its cash, other receivables, and other financial assets as loans and receivables and measured them at amortised cost on the statement of financial position. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

Financial Instruments – recognition and measurement
All financial assets and financial liabilities are measured at fair value on initial recognition and their subsequent measurement is determined by the classification of each financial asset and liability. Financial assets and financial liabilities held for trading are measured at fair value with the changes in fair value reported in operations. Financial assets held to maturity, loans and receivables and financial liabilities other than those held for trading are measured at amortized cost. Available-for-sale financial assets are measured at fair value with changes in fair value reported in other comprehensive income until the financial asset is disposed of, or becomes impaired.

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each financial position reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For unlisted shares classified as held-for-trading, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as other receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of estimated, discounted future cash flows. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

(n) Investment income

Investment income on cash is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. The proceeds from options granted on exploration properties are credited to the cost of the related property, but where the proceeds exceed the property's carrying value, any excess proceeds are credited to income.

(o) Financing expense

Financing expense is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(p) Comprehensive income (loss)

Comprehensive income or loss includes unrealized gains and losses on available-for-sale investments, gains and losses on certain derivative instruments, none of which are included in the calculation of net income until realized. During the years ended December 31, 2012 and 2011, the Company did not have any available-for-sale investments or derivative instruments.

(q) Income (loss) per share

Basic income (loss) per common share is calculated by dividing the income (loss) attributed to shareholders for the period by the weighted average number of common shares outstanding in the period. Diluted income (loss) per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. This method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted income (loss) per share calculation. The diluted income (loss) per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share.

(r) Segment reporting

A segment is a component of the Company that is distinguishable by economic activity (business segment), or by its geographical location (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company operates in one business segment, mineral exploration, and two geographical segments, Canada and the Dominican Republic, during the years ended December 31, 2012 and 2011.

(s) Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred. The Company did not have any finance leases at December 31, 2012 and 2011.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

5. Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates and the differences could be material. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. the recoverability of exploration properties and exploration and evaluation assets which are included in the consolidated statement of financial position.
   Capitalization of exploration and evaluation costs
   Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See Note 7 for details of capitalized exploration and evaluation costs.

   Impairment of exploration properties and exploration and evaluation assets
   While assessing whether any indications of impairment exist for exploration properties and exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company’s exploration properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company’s exploration and evaluation assets;

ii. the inputs used in accounting for share-based payment expense in the consolidated statement of comprehensive loss. Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates;

Expressed in Canadian dollars unless otherwise stated.

iii. the nil provision for restoration, rehabilitation and environmental obligations which is included in the consolidated statement of financial position. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine or restoration of the property. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities;

iv. the estimated useful life of property, plant and equipment;

v. the nil provision for income taxes which is included in the consolidated statement of comprehensive (loss) income and composition of deferred income tax assets and liabilities included in the consolidated statement of financial position. In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

vi. the existence and estimated amount of contingencies (Note 18).

6. Property, Plant and Equipment

Cost	**Land**	**Office furniture and equipment**	**Computer equipment**	**Vehicles**	**Field equipment**	**Camp and buildings**	**Total**
Balance December 31, 2010	$ 13,771	$ 15,626	$ 8,138	$ 182,786	$ 701,632	$ 191,747	$ 1,113,700
Additions	–	8,296	8,579	–	–	10,482	27,357
Disposals	–	–	–	(60,843)	–	–	(60,843)
Balance December 31, 2011	$ 13,771	$ 23,922	$ 16,717	$ 121,943	$ 701,632	$ 202,229	$ 1,080,214
Additions	–	36,322	49,934	153,400	834,946	99,605	1,174,207
Disposals	–	–	–	–	(197,237)	–	(197,237)
Balance December 31, 2012	$ 13,771	$ 60,244	$ 66,651	$ 275,343	$ 1,339,341	$ 301,834	$ 2,057,184

Expressed in Canadian dollars unless otherwise stated.

Amortization and impairment	**Land**	**Office furniture and equipment**	**Computer equipment**	**Vehicles**	**Field equipment**	**Camp and buildings**	**Total**
Balance December 31, 2010	$ –	$ –	$ –	$ 100,056	$ 457,935	$ –	$ 557,991
Amortization	–	3,784	4,389	23,917	48,739	38,645	119,474
Disposals	–	–	–	(55,247)	–	–	(55,247)
Balance at Dec. 31, 2011	$ –	$ 3,784	$ 4,389	$ 68,726	$ 506,674	$ 38,645	$ 622,218
Amortization	–	13,819	6,866	36,942	131,310	13,791	202,728
Disposals	–	–	–	–	(170,945)	–	(170,945)
Balance December 31, 2012	$ –	$ 17,603	$ 11,255	105,668	$ 467,039	$ 52,435	$ 654,001

Carrying amounts	**Land**	**Office furniture and equipment**	**Computer equipment**	**Vehicles**	**Field equipment**	**Camp and buildings**	**Total**
At December 31, 2011	$ 13,771	$ 20,138	$ 12,328	$ 53,217	$ 194,958	$ 163,584	$ 457,996
At December 31, 2012	13,771	42,641	55,396	169,675	872,398	248,398	1,403,183

Vehicles, field equipment and camp and buildings relate to the Company's exploration activities. During the year ended December 31, 2012, $195,446 (2011 – $111,960) of amortization was capitalized to exploration and evaluation assets.

7. Exploration Properties and Exploration and Evaluation Assets

Exploration properties and deferred exploration costs consist of the following:

	Balance December 31, 2010	2011 Additions	Balance December 31, 2011	2012 Additions	**Balance December 31, 2012**
Exploration property interests					
Neita, Dominican Republic	$ 283,747	$ –	$ 283,747	$ –	**$ 283,747**
Los Guandules, Dominican Republic	340,827	–	340,827	–	**340,827**
El Carrizal, Dominican Republic	–	154,456	154,456	–	**154,456**
	624,574	154,456	779,030	–	**779,030**
Exploration and evaluation assets					
Neita, Dominican Republic	17,039,301	3,732,710	20,772,011	6,002,025	**26,774,036**
Los Guandules, Dominican Republic	–	–	–	–	**–**
El Carrizal, Dominican Republic	–	–	–	–	–
	$ 17,039,301	$3,732,710	$ 20,772,011	$ 6,002,025	**$ 26,774,036**

Neita Property

The Company owns 100% of the exploration rights for gold, silver, zinc, copper and all associated minerals on the Neita Property in northwestern Dominican Republic, as well as a sole and exclusive option for the commercial mining of the mineral deposits. In 2006, the regulatory authorities in the Dominican Republic granted the Neita Property exploration concession status. The exploration concession is issued for three years plus two one-year extensions after which it must be converted to an exploitation licence which is issued for 75 years at a cost of zero dollars. During 2009, the Company applied for and received a one-year extension of the exploration concession, which expired April 24, 2010. During the second quarter of 2010, the Company applied for and received an extension on this concession for an additional year. During 2011, Unigold applied for renewal of the concession for a three-year period. Approval was received March 2012 with the term for exploitation being 75 years.

Los Guandules

On February 16, 2004, the Company entered into a definitive agreement with Americana de Exploitaciones Mineras, S.R.L. ("Americana"), a Dominican private company, and the shareholders thereof, relating to the acquisition by the Company of the Los Guandules concession in the Dominican Republic. Under the terms of the agreement, in consideration for the payment of U.S. $30,000 (which has been previously paid) and the issue of an aggregate of 330,000 common shares of the Company (issued and valued at $257,400), the Company has been granted an option to acquire, at its election, the rights of Americana under the Los Guandules concession agreement or all of the shares of Americana for the price of $1.00 at any time for a period of five years. Americana has extended the option period on the Los Guandules concession until February 16, 2015.

Subsequent to December 31, 2012, Unigold entered into an agreement (the “Consent Agreement”) with Malbex Resources Inc. (“Malbex”) whereby Unigold has provided its consent to the acquisition of Americana by Malbex and the termination of the Unigold’s option agreement with Americana. In exchange for Unigold consenting to the acquisition, Malbex has agreed to: (i) issue to Unigold 13,000,000 common shares in the capital of Malbex (the “Malbex Shares”); and (ii) grant to Unigold a 2% net smelter returns royalty in respect of all minerals produced from the Property (the “NSR”). Half of the NSR may be repurchased by Malbex for $1,000,000 which would leave Unigold with a royalty equal to 1% of net smelter returns. Additional consideration of 5,000,000 common shares of Malbex will be issued to Unigold in the event that Malbex, within the period commencing on the date upon which Americana is issued the concession agreement in respect of the Property and ending five years thereafter, delineates 2,000,000 ounces of gold from the property on a National Instrument 43-101 compliant basis in the measured and/or indicated mineral resource categories. All such common shares of Malbex which may be issued to Unigold pursuant to the Consent Agreement will be subject to a hold period which will run for a period of four months from the time of the issue of such common shares.

The closing of the transaction contemplated by the Consent Agreement remains subject to the final approval of the TSX Venture Exchange and the shareholders of Malbex. In addition, the issuance of the Malbex Shares and the grant of the NSR are conditional on the closing of Malbex’s acquisition of Americana and the issuance to Americana of the concession agreement in respect of the Property. The transaction involves non-arm’s length parties. Malbex is considered a non-arm’s length party of Unigold as a result of the fact they have a common director.

El Carrizal

On May 30, 2011, the Company entered into a definitive agreement relating to the acquisition by the Company of an option to acquire the El Carrizal Concession for $114,456 (U.S.$120,000) and 400,000 common shares of the Company (issued and valued at $40,000). The option is exercisable at any time until May 30, 2017 for U.S. $100.

Subsequent to December 31, 2012, Unigold entered into an agreement (the “Agreement”) with Terreno Resources Corp. (“Terreno”) to sell its option to acquire 100% of the El Carrizal concession. As consideration for the purchase of the option, Terreno will issue to Unigold a total of 11,500,000 common shares in the capital of Terreno (the “Terreno Shares”) and make cash payments totaling $1,000,000. An initial $50,000 cash payment is due immediately with the 11,500,000 common share issuance and a further cash payment of $250,000 is due on the exercise of the option by Terreno. Two further cash payments of $350,000 will be due on the 12 and 24 month anniversaries of the date Terreno exercises the option. In addition, Unigold will be granted a 2% net smelter returns royalty, of which half (leaving Unigold with a royalty equal to 1% of net smelter returns) can be repurchased by Terreno for US$1,000,000. Unigold will be entitled to receive an additional 5,000,000 common shares of Terreno in the event that 2,000,000 ounces of gold are delineated on the property by Terreno on a National Instrument 43-101 compliant basis, in any category of resource. All such common shares of Terreno which may be issued to Unigold pursuant to the Agreement will be subject to a hold period which will run for a period of four months from the time of the issue of such common shares.

The closing of the transaction contemplated by the Agreement remains subject to the final approval of the TSX Venture Exchange and the shareholders of Terreno. The transaction involves non-arm’s length parties. Terreno is considered a non-arm’s length party of Unigold as a result of the fact an investor holds more than 10% of each company.

8. Other Investments

The Company owned asset-backed notes that were issued by Master Asset Vehicle II ("MAV2") and Master Asset Vehicle III ("MAV3") special purpose entities that were created as a result of the restructuring of the Company's previous investment in third party asset-backed commercial paper ("ABCP") having a face value of approximately $10.2-million. When the ABCP matured but was not redeemed in 2007, it became the subject of a restructuring process that replaced the ABCP with long-term asset backed securities ("New Notes"). The restructuring was completed and the New Notes were issued on January 21, 2009.

From January 21, 2009 until March 31, 2011, the Company used a valuation methodology to estimate the fair value of the New Notes. An estimated yield required by prospective buyers was determined and then used to calculate the present value of the New Notes using required yield as the discount factor. Using a range of potential discount factors allowed the Company to estimate a range of recoverable values.

The best evidence of fair values is provided by quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. In the latter part of 2010, a secondary market for the New Notes began to develop. In the second quarter of 2011, management believed that the secondary market was well enough established in terms of the number of participants and the volume of transactions that it constituted an active market. Consequently, management changed its valuation method to estimate the fair value of its notes using quoted market values. The change in the estimate resulted in a gain on revaluation of $2,398,344 in the second quarter of 2011.

Having determined that an active market existed, the Company also made the decision to sell its investment in the New Notes. The MAV3 notes were sold in the second quarter of 2011 for gross proceeds of $189,200. The MAV2 notes were sold in July 2011 for gross proceeds of $7,414,553.

9. Bank Loan

In 2008, the Company obtained from a senior Canadian bank a revolving credit facility of up to an amount not exceeding $7,456,765 in Canadian dollars, and up to an amount not exceeding $746,487 in U.S. dollars, by way of floating rate advances, to be used to finance the Company's working capital needs. In the third quarter of 2011, the loan was paid off using the proceeds from the sale of the New Notes (Note 8) and the facility was cancelled.

At December 31, 2011, the Company had drawn down $nil of the Canadian dollar credit facility and has paid $64,852 in interest for the year ended December 31, 2011. No U.S. dollars had been drawn down and the U.S. dollar credit facility was not renewed in 2011.

10. Equity Attributable to Equity Holders of the Company

(a) Common shares

Authorized, issued and outstanding shares
Common shares, no par value, authorized unlimited number of shares, issued and outstanding were 222,563,238 shares as at December 31, 2012 (2011 – 173,834,938).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2012 and 2011
Expressed in Canadian dollars unless otherwise stated.

	Year ended December 31, 2012		Year ended December 31, 2011	
	Number of shares	**Amount $**	Number of shares	Amount $
Balance, beginning of year	**173,834,938**	**37,077,977**	148,634,938	35,129,520
Exploration property option (*Note 7*)	**–**	**–**	400,000	40,000
Private placements	**46,253,300**	**15,555,990**	24,800,000	2,480,000
Cash share issue costs	**–**	**(1,319,339)**	–	(152,345)
Value assigned to Warrants issued	**–**	**(1,565,378)**	–	(345,300)
Value assigned to Finder Warrants issued	**–**	**–**	–	(73,898)
Value assigned to Broker Warrants issued	**–**	**(419,417)**	–	–
Option exercise	**500,000**	**84,500**	–	–
Option exercise-transfer of valuation	**–**	**59,035**	–	–
Warrant exercise	**1,975,000**	**296,250**	–	–
Warrant exercise-transfer of valuation	**–**	**54,998**	–	–
Balance, end of year	**222,563,238**	**49,824,616**	173,834,938	37,077,977

On December 21, 2011, the Company completed a non-brokered private placement of 24,800,000 units of the Company (the "Units") at a price of $0.10 per Unit for aggregate gross proceeds of $2,480,000 (the "Offering"). Each Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one common share of the Company (the "Warrant Shares") at a price of $0.15 at any time until November 17, 2013.

As compensation for the services rendered by the Agents in connection with the Offering, the Agents received a cash fee in the aggregate amount of $136,500 and an aggregate of 1,365,000 finder's warrants of the Company (the "Finder Warrants") with a grant date fair value of $73,898 (Note 10(b)), with each Finder Warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.10 at any time until November 17, 2013. The Company also incurred additional share issue costs of $15,845 related to this private placement.

Individuals related to an officer and director of the Company subscribed for 200,000 Units for gross proceeds of $20,000 and directors and officers of the Company subscribed for 530,000 Units for gross proceeds of $53,000.

On March 8, 2012, the Company closed a "bought deal" private placement financing of 35,053,300 units of the Company (the "2012-Units") at a price of $0.30 per 2012-Unit for aggregate gross proceeds of $10,515,990. Each 2012-Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "2012-Warrant"). Each 2012-Warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.50 until March 8, 2014.

As compensation for services, the underwriters received a cash commission in the aggregate amount of $718,620 and an aggregate of 2,395,400 non-transferable broker warrants of the Company (the "Broker Warrants"), with each Broker Warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.30 at any time until March 8, 2014. The net proceeds of the financing will be used by the Company to advance the exploration and development of the Company's exploration and evaluation assets in the Dominican Republic and for general corporate purposes. All securities issued under or in connection with the financing were subject to a hold period in Canada until July 9, 2012.

Directors of the Company purchased 833,300 2012-Units for gross proceeds of $249,990 pursuant to this financing.

On September 13, 2012, the Company closed a "bought deal" private placement financing of 11,200,000 common shares of the Company at a price of $0.45 per share for aggregate gross proceeds of $5,040,000.

Expressed in Canadian dollars unless otherwise stated.

As compensation for services, the underwriters received a cash commission in the aggregate amount of $302,400 and an aggregate of 672,000 non-transferable broker warrants of the Company (the "Broker Warrants-II"), with each Broker Warrant-II entitling the holder thereof to purchase one common share of the Company at a price of $0.45 at any time until September 13,. 2014. The net proceeds of the financing will be used by the Company to advance the exploration and development of the Company's exploration and evaluation assets in the Dominican Republic and for general corporate purposes. All securities issued under or in connection with the financing were subject to a hold period in Canada until January 14, 2013.

Directors of the Company purchased 110,000 shares for gross proceeds of $49,500 pursuant to this financing.

(b) Reserve for warrants

A summary of share purchase warrants outstanding and changes during the periods indicated is presented below:

	Year ended December 31, 2012			Year ended December 31, 2011		
	Number	**Weighted average exercise price**	**Weighted average grant date fair value**	Number	Weighted average exercise price	Weighted average grant date fair value
Balance, beginning of year	**13,765,000**	**$ 0.15**	**$ 419,198**	35,633,550	$ 0.30	$ 2,017,547
Expired – transferred to deficit	**–**	**–**	**–**	(35,633,550)	0.30	(2,017,547)
Issued – Warrants	**17,526,650**	**0.50**	**1,565,378**	12,400,000	0.15	345,300
Issued – Broker Warrants	**3,067,400**	**0.33**	**419,418**	–	–	–
Issued – Finder Warrants	**–**	**–**	**–**	1,365,000	0.10	73,898
Exercised	**(1,975,000)**	**0.15**	**(54,998)**	–	–	–
Balance, end of year	**32,384,050**	**$ 0.35**	**$ 2,348,996**	13,765,000	$ 0.15	$ 419,198

As a result of the $2,480,000 private placement in December 2011, the Company issued 12,400,000 Warrants to purchase common shares of the Company at a price of $0.15 per share, and 1,365,000 Finder Warrants to purchase common shares of the Company at a price of $0.10, until November 17, 2013. The fair value of these warrants issued in this private placement was estimated at the date of grant using the Black-Scholes option pricing model with the following assumptions:

	Warrants	Finder Warrants
Expected life	2 years	2 years
Expected volatility	97%	97%
Risk-free rate	0.9%	0.9%
Expected annual dividend	Nil	Nil
Grant date fair value	$ 0.028	$ 0.054

As a result of the 35,053,300 unit private placement in March 2012, the Company issued 17,526,650 2012-Warrants to purchase common shares of the Company at a price of $0.50 per share, and 2,395,400 Broker Warrants to purchase common shares of the Company at a price of $0.30, until March 8, 2014. The fair value of these warrants issued in this private placement was estimated at the date of grant using the Black-Scholes option pricing model with the following assumptions:

Expressed in Canadian dollars unless otherwise stated.

	2012-Warrants	Broker Warrants
Expected life	2 years	2 years
Expected volatility	105%	105%
Risk-free rate	1.2%	1.2%
Expected annual dividend	Nil	Nil
Grant date fair value	$ 0.097	$ 0.127

As a result of the 11,200,000 share private placement in September 2012, the Company issued 672,000 Broker Warrants-II to purchase common shares of the Company at a price of $0.45 per share until September 13, 2014. The fair value of these warrants issued in this private placement was estimated at the date of grant using the Black-Scholes option pricing model with the following assumptions:

	Broker Warrants-II
Expected life	2 years
Expected volatility	112%
Risk-free rate	1.1%
Expected annual dividend	Nil
Grant date fair value	$ 0.244

As a result of the private placement in December 2009, the Company issued 31,397,500 warrants, and 4,236,050 broker warrants to purchase common shares of the Company at a price of $0.30 per share until December 1, 2011. The warrants expired unexercised in 2011 and the estimated fair value of $2,017,547 was transferred to deficit.

At December 31, the Company had warrants issued as follows:

	2012			2011			
Exercise Price	**Number of Warrants Outstanding**	**Weighted Average Remaining Contractual Life - Years**	**Number of Warrants Exercisable**	Number of Warrants Outstanding	Weighted Average Remaining Contractual Life - Years	Number of Warrants Exercisable	Expiry Date
$ 0.15	**10,425,000**	**0.9**	**10,425,000**	12,400,000	1.9	12,400,000	Nov.17, 2013
$ 0.10	**1,365,000**	**0.9**	**1,365.000**	1,365,000	1.9	1,365,000	Nov.17, 2013
$ 0.50	**17,526,650**	**1.2**	**17,526,650**	–	–	–	Mar.8, 2014
$ 0.30	**2,395,400**	**1.2**	**2,395,400**	–	–	–	Mar.8, 2014
$ 0.45	**672,000**	**1.7**	**672,000**	–	–	–	Sep.13, 2014
$ 0.35	**32,384,050**	**1.1**	**32,384,050**	13,765.000	1.9	13,765.000	

(c) Reserve for share-based payment

A summary of share-based payment reserve activity during the periods indicated is presented below:

	Year ended December 31, 2012	Year ended December 31, 2011
Balance, beginning of year	**$ 1,850,326**	$ 2,401,983
Expired – transferred to deficit	**(51,723)**	(797,016)
Issued/vested – employee stock options	**1,259,185**	245,359
Exercised – employee stock options transferred to share capital	**(59,035)**	–
Balance, end of year	**$ 2,998,753**	$ 1,850,326

11. Share - Based Payment – Employee Stock Option Plan

The Company has a stock option plan (the “Plan”), the purpose of which is to attract, retain and motivate management, staff and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and benefit from its growth. The maximum number of options to be issued under the Plan shall not exceed 10% of the total number of common shares issued and outstanding. The options are non-transferable and may be granted for a term not exceeding five years. The exercise price of the options shall be determined by the board of directors on the basis of the market price of the common shares, subject to all applicable regulatory requirements.

Expressed in Canadian dollars unless otherwise stated.

A summary of the Plan activity during the periods indicated is presented below:

	Year ended December 31, 2012		Year ended December 31, 2011	
	Number	**Weighted average exercise price**	Number	Weighted average exercise price
Outstanding, beginning of year	**12,970,000**	**$ 0.20**	11,720,000	$ 0.32
Granted	**5,175,000**	**$ 0.33**	4,300,000	0.11
Expired	**(275,000)**	**$ 0.30**	(3,050,000)	0.55
Exercised	**(500,000)**	**$ 0.17**	–	–
Outstanding, end of year	**17,370,000**	**$ 0.23**	12,970,000	$ 0.20

As at December 31, the Company had stock options issued to directors, officers, employees and consultants of the Company as follows:

	2012			2011			
Exercise Price	**Number of Options Outstanding**	**Weighted Average Remaining Contractual Life - Years**	**Number of Options Exercisable**	Number of Options Outstanding	Weighted Average Remaining Contractual Life - Years	Number of Options Exercisable	Expiry Date
$ 0.25	**2,545,000**	**0.7**	**2,545,000**	2,595,000	1.7	2,595,000	Sep.4, 2013
$ 0.26	**3,525,000**	**2.1**	**3,525,000**	3,675,000	3.1	3,675,000	Jan.21, 2015
$ 0.24	**500,000**	**2.8**	**500,000**	500,000	3.8	500,000	Oct.14, 2015
$ 0.18	**1,900,000**	**2.9**	**1,900,000**	1,900,000	3.9	1,550,000	Dec.1, 2015
$ 0.11	**4,000,000**	**3.9**	**4,000,000**	4,300,000	4.9	3,800,000	Nov.17, 2016
$ 0.32	**75,000**	**4.0**	**56,250**	–	–	–	Jan.19, 2017
$ 0.30	**100,000**	**4.2**	**100,000**	–	–	–	Mar.8, 2017
$ 0.30	**500,000**	**4.3**	**250,000**	–	–	–	May 1, 2017
$ 0.33	**4,225,000**	**4.5**	**4,062,500**	–	–	–	Jun.26, 2017
$ 0.23	**17,370,000**	**3.0**	**16,938,750**	12,970,000	3.5	12,120,000	

As at December 31, 2012, there are 4,886,324 options available for grant (2011 – 4,413,494). During the year ended December 31, 2012, share-based compensation expense of $1,249,185 was recorded (2011 – $245,359). The weighted average exercise price of stock options exercisable as at December 31, 2012 is $0.23 (2011 – $0.20).

During the year ended December 31, 2012, the Company granted 5,175,000 stock options to officers, directors and consultants. The options vested immediately except for 375,000 that vest after one year and 150,000 that vest evenly throughout the year. The grant date fair value of the options granted in 2012 was estimated based on the Black-Scholes option pricing model, using the assumptions below.

Grant date	January 19	March 8	May 1	June 26
Number of stock options granted	75,000	375,000	500,000	4,225,000
Exercise price	$ 0.32	$ 0.30	$ 0.30	$ 0.33
Vesting-immediate	–	375,000	–	3,900,000
-25% per quarter	75,000	–	–	75,000
-50% immediate, 50% after 1 year	–	–	500,000	250,000
Expected life	3.9 years	5 years	3.8 years	3.2 years
Expected volatility	105%	105%	145%	130%
Risk-free rate	1.2%	1.5%	1.5%	1.1%
Expected annual dividends	$ nil	$ nil	$ nil	$ nil
Expected forfeitures	nil	Nil	nil	Nil
Grant date fair value	$ 0.23	$ 0.19	$ 0.25	$ 0.25

Expressed in Canadian dollars unless otherwise stated.

During the year ended December 31, 2011, the Company granted 4,300,000 stock options to officers, directors and consultants at an exercise price of $0.11 for 5 years. The options vested immediately except for 500,000 that vest after one year. The grant date fair value of the options granted in 2011 was estimated based on the Black-Scholes option pricing model, using the assumptions below.

	2011	
Grant date	November 17	November 17
Number of stock options granted	3,800,000	500,000
Exercise price	$ 0.11	$ 0.11
Expected life	3.2 years	4.2 years
Expected volatility	95%	95%
Risk-free rate	1.1%	1.2%
Expected annual dividends	$ nil	$ nil
Expected forfeitures	nil	nil
Grant date fair value	$ 0.063	$ 0.071

12. Net (Loss) Income per Share

For the year ended December 31, 2012, the outstanding stock options and warrants were not included in the computation of the diluted net loss per share because the effect was anti-dilutive.

Year ended December 31,	**2012**	2011
(Loss) income attributable to shareholders	**$ (3,107,234)**	$ 683,625
Weighted average number of shares-basis	**206,832,084**	151,461,239
Basic (loss) income per share	**$ (0.02)**	$ 0.00
Incremental shares on assumed exercise of options and warrants	**–**	81,152
Weighted average number of shares-diluted	**206,832,084**	151,542,391
Diluted (loss) income per share	**$ (0.02)**	$ 0.00

13. Compensation

The compensation expense of the Company for the years ended December 31, 2012 and 2011 was as follows.

	2012	2011
Salaries and non-wage costs	**$ 606,542**	$ 239,421
Directors' fees	**159,998**	143,333
Share-based compensation	**1,151,110**	245,359
Management services fees	**47,500**	429,750
	$ 1,965,150	$ 1,057,863

14. Related Party Transactions

The Company's related parties as defined by IAS 24, *Related Party Disclosures*, include the Company's subsidiaries (Note 1), the Board of Directors, close family members and enterprises which are controlled by these individuals and key management as well as certain persons performing similar functions.

Expressed in Canadian dollars unless otherwise stated.

The remuneration of directors and key management of the Company for the years ended December 31, 2012 and 2011 was as follows.

Year ended December 31,	**2012**	2011
Aggregate compensation	**$ 799,840**	$ 352,000
Share-based compensation	**1,001,954**	245,359
	$ 1,801,794	$ 597,359

Included in the accounts for the years ended December 31, 2012 and 2011 are payments made to officers, directors and corporations under the control or significant influence of officers and directors of the Company as follows:

Year ended December 31,	**2012**	2011
Management services fees paid to corporations controlled by or under significant influence of officers and directors of the Company	**$ 47,500**	$ 429,750
Professional fees paid to an officer and director of the Company	**–**	20,000
Share issue expense and value of broker warrants paid to a brokerage firm where a director is also a managing director	**438,495**	–
Professional fees paid to a law firm where a director of the Company is also a partner	**1,789**	2,366
	$ 487,784	$ 452,116

These transactions were in the normal course of operations. See also Note 10(a) for related party unit subscriptions. See also Note 7 for property dispositions.

15. Supplemental Information Pertaining to Cash Flow

Year ended December 31,	**2012**	2011
Income taxes paid	**$ –**	$ –
Change in accrued exploration and evaluation assets	**185,545**	240,453
Amortization included in exploration and evaluation assets (*Note 6*)	**195,446**	111,960
Common shares issued for exploration property option *(Note 7)*	**–**	40,000
Stock-based compensation charged to exploration and evaluation assets	**108,075**	-
Broker / Finder Warrants issued *(Note 10(b))*	**419,418**	73,898

16. Financial Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

(a) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, other receivables, other financial assets and other investments.

Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss to be minimal.

Financial instruments included in other receivables consist of sales tax due from the Federal Government of Canada. Other receivables are in good standing as of December 31, 2012. Other financial assets include prepayments and deposits. Management believes that the credit risk concentration with respect to financial instruments included in other receivables and other financial assets is minimal.

(b) Liquidity risk

The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its capital, administrative, and exploration and evaluation expenditures. The Company ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

As at December 31, 2012, the Company has working capital of $7,916,973 (2011 – $2,094,832). The Company's ability to meet its financial obligations is dependent upon securing financing.

As of December 31, 2012, the Company has a cash balance of $8,265,454 (2011 – $2,540,945) to settle current accounts payable and accrued liabilities of $722,357 (2011 – $569,534). The Company's other current assets consist of other receivables of $122,552 (2011 – $66,333) and other financial assets and prepaids of $251,324 (2011 – $57,088).

See also Note 2 – Going Concern.

(c) Market risk

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

(d) Foreign exchange risk

The Company's financings are in Canadian dollars. Certain of the Company's transactions with its subsidiary, Unigold Dominicana, S.R.L. are incurred in foreign currencies and are therefore subject to gains or losses due to fluctuations in exchange rates. The Company is therefore subject to foreign exchange risk. As at December 31, 2012, the Company had cash balances of $107,476 (2011 – $49,726) in U.S. dollars. U.S. $ payables as at December 31, 2012 were U.S. $44,265 (2011 – U.S. $90,418).

Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have resulted in a significant fluctuation in income for the year ended December 31, 2012. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

(e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's current policy is to earn interest on bank balances which approximate rates available from investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2012, interest rate risk is minimal since the Company has no interest-bearing instruments.

Expressed in Canadian dollars unless otherwise stated.

A sensitivity analysis has determined that an interest rate fluctuation of 1% would not have resulted in significant fluctuation in the interest income during the year ended December 31, 2012.

(f) Fair value of financial assets and liabilities

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The book values of cash, other receivables, other financial assets, and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments.

The following is a summary of the Company's financial instruments as at December 31, 2012 and 2011:

As at	**December 31, 2012**		December 31, 2011	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Cash	**$ 8,265,454**	**$ 8,265,454**	$ 2,540,945	$ 2,540,945
Other receivables	**122,552**	**122,552**	66,333	66,333
Other financial assets	**251,324**	**251,324**	57,088	57,088
Accounts payable and accrued liabilities	**722,357**	**722,357**	569,534	569,534

17. Capital Risk Management

The Company considers its capital structure to consist of equity attributable to shareholders of the Company which at December 31, 2012 was $36,870,391 (2011 – $24,101,038). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration and operations activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing its existing credit facility or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets.

Management reviews its capital management approach on an ongoing basis. Subsequent to the year end, non-core exploration properties were sold (see Note 7). The Company and its subsidiaries are not subject to externally imposed capital requirements.

18. Commitments and Contingencies

(a) Legal proceedings
The Company and its entities are party to certain legal proceedings arising in the ordinary course of business. In the opinion of management, there are no current legal proceedings or other claims outstanding, which, on final disposition, could have a material adverse effect on the financial position of the Company.

(b) Environmental matters
The Company has operated in the mineral exploration industry in the Dominican Republic for many years. The enforcement of environmental regulation in the Dominican Republic is evolving and the enforcement posture of government authorities is continually being reconsidered. The Company periodically evaluates its obligations under environmental regulations.

Expressed in Canadian dollars unless otherwise stated.

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(c) Guarantees
The Company has no guarantees outstanding.

(d) Contingencies
The Company is a party to certain employment contracts. These contracts contain clauses requiring that $578,000 be paid on termination resulting from a change of control of the Company, $535,000 be paid on termination for other than cause and employees may earn bonuses of up to $207,000. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these consolidated financial statements.

(e) Operating contractual obligations
Minimum contractual payments over the next five years are estimated as follows:

Year	Total	2013	2014	2015	2016	2017
Office lease	$ 150,000	$ 50,000	$ 50,000	$ 50,000	$ –	$ –
Services	1,116,000	1,100,000	7,000	3,000	3,000	3,000
	$ 1,266,000	1,150,000	$ 57,000	$ 53,000	$ 3,000	$ 3,000

The Company has entered into leases for office premises. The lease has an average life of three years (December 31, 2011 – four years) with renewal terms at the option of the lessee at lease payments based on market prices at the time of renewal. There are no restrictions placed upon the lessee by entering into these leases. Payments recognized as an expense were as follows:

Year ended December 31,	**2012**	2011
Lease payments	**$ 47,077**	$ 42,386

Non-cancellable operating lease commitments:

As at	**December 31, 2012**	December 31, 2011
Within one year	**$ 50,000**	$ 49,000
After one year but not more than five years	**100,000**	150,000
More than five years	**–**	–

19. Segmented Information

The Company's only activity is mineral exploration and evaluation. All of the Company's land, vehicles, field equipment, and camp and buildings (see Note 6) are physically located in the Dominican Republic. All of the Company's exploration and evaluation activities referred to in Note 7 relate to properties in the Dominican Republic.

Expressed in Canadian dollars unless otherwise stated.

	As at and for the year ended December 31, 2012		
	Canada	**Dominican Republic**	**Total**
Assets	**$ 9,052,804**	**$ 28,542,775**	**$ 37,595,579**
Liabilities	**429,804**	**292,553**	**722,357**
Amortization	**(7,282)**	**–**	**(7,282)**
Investment income	**52,919**	**61**	**52,980**
Financing expense	**–**	**–**	**–**
Other income (expenses)	**(3,131,613)**	**(21,319)**	**(3,152,932)**

	As at and for the year ended December 31, 2011		
	Canada	Dominican Republic	Total
Assets	$ 2,577,246	$ 22,096,157	$ 24,673,403
Liabilities	421,289	148,245	569,534
Amortization	(7,514)	–	(7,514)
Investment income	46,637	16	46,653
Financing expense	(64,852)	–	(64,852)
Other income (expenses)	721,654	(12,316)	709,338

20. Tax Note

(a) Provision for Income Taxes

Major items causing the Company's income tax rate to differ from the combined Canadian federal and provincial statutory rate of approximately 26.5% (2011 – 28.25%) were as follows:

Years ended December 31,	**2012**	2011
(Loss) income before income taxes:	**$ (3,107,234)**	$ 683,625
Expected income tax (recovery)	**(823,000)**	193,000
Increase (decrease) resulting from:		
Share-based compensation	**305,000**	69,000
Share issue costs	**(474,000)**	(43,000)
Change in tax rates	**(567,000)**	(318,000)
Other	**592,000**	(49,000)
Change in deferred tax assets not recognized	**967,000**	148,000
	$ –	$ –

In 2012, the federal tax rate decreased from 16.5% to 15% and the provincial tax rate decreased from 11.75% to 11.5%.

(b) Deferred Income Tax Balances

Deferred tax assets have not been recognized in respect of the following temporary differences because it is not probable that future taxable profits will be available against which the Company and its subsidiaries can utilize the benefits.

Expressed in Canadian dollars unless otherwise stated.

Years ended December 31,	**2012**	2011
Equipment	**$ 699,000**	$ 514,000
Non-capital losses	**11,781,000**	9,313,000
Exploration and evaluation assets	**3,597,000**	3,855,000
Capital losses	**9,440,000**	9,440,000
Share issue costs	**1,694,000**	465,000
	$ 27,211,000	$ 23,587,000

The Company has approximately $888,000 (2011 – $888,000) and $1,795,000 (2011 – $1,795,000) of Canadian development expenses and Canadian exploration expenditures, respectively, and $28,466,000 (2011 – $22,723,000) of foreign exploration expenditures as at December 31, 2012 which, under certain circumstances, may be utilized to reduce taxable income of future years. As at December 31, 2012, the Company had available for deduction against future taxable income, non-capital losses in Canada of approximately $11,781,000 (2011 – $9,251,000) which expire as follows:

Year of Expiry	Amount
2014	$ 1,002,000
2015	618,000
2026	959,000
2027	1,309,000
2028	665,000
2029	1,399,000
2030	1,630,000
2031	1,731,000
2032	2,468,000
	$ 11,781,000

In the Dominican Republic, the Company's subsidiary is exempt from paying corporate taxes, sales taxes and import duties until 2024.

21. Subsequent Event

See Note 7 regarding property dispositions.

Corporate information

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Managing Director of Primary Capital
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Charles Page, MSc, P.Geo. (1)(2)(5)
Burlington, Ontario, Canada

(1) Audit Committee
(2) Compensation Committee
(3) Corporate Governance
and Nominating Committee
(4) Chairman
(5) Technical Committee

Officers

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President and Chief Executive Officer

John Green, MBA, CMA
Chief Financial Officer and
Corporate Secretary

Wes Hanson, P.Geo.
Chief Operating Officer and Technical Director

James Robinson, C.P.G.
Vice President Exploration

Stock Listing

TSX Venture Exchange, Tier 2 Company,
Trading Symbol: UGD
CUSIP: 141903

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Further information about the Company or copies of the Annual or Quarterly Reports and press releases are available from the Company's website at www.unigoldinc.com.

The Company's filings with Canadian securities regulatory authorities can be accessed on SEDAR at www.sedar.com.