

Unico Inc



OTC BB Trading Symbol: UCOI

www.unicominig.com

July 2007
Newsletter

Unico, Inc. Provides Additional Updates on Reconstruction Progress at the Deer Trail Mill and Processing Facility

Several times during the month of June 2007, Unico, Incorporated reported to its shareholders and the public markets additional updates on the progress of reconstruction work at the mill and processing facility at the Deer Trail Mine. The company is undertaking the reconstruction efforts at the mill so that revenues can be established from processing operations at the facility.



The Krebs Cyclone Installed

Photo galleries showing the progress of reconstruction were added to Unico's corporate website, www.unicominig.com, after each of the updates.

The first update reported that the Krebs Cyclone, used for the classification of ores processed through the ball mill, has been installed in the main mill building and is ready to be connected with piping to the constant density tank. The Krebs Cyclone is expected to increase efficiency of the grinding circuit. Its primary function will be to indicate whether the ore is too coarse and must be recycled back through the ball mill.

Also in the main mill building, all of the equipment on the upper floatation mezzanine had been installed. The electrical connections to the upper floatation mezzanine equipment were completed, which included the conditioning tanks, reagent pumps, lime slaker, air blower for the Gallagher float cells, and the Gallagher float cells.

Rubber belting and the weight belt scale were installed on the ball mill conveyors, and work began to install the DC motors and speed controllers. Several motors had also been connected in the new mill building.

In the new mill building, steel plating, safety railing and containment walls had been installed on the upper



Rubber Belting Installed on Ball Mill Conveyors

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About Unico, Incorporated

Unico, Inc. (OTC BB: UCOI) is a publicly traded natural resource company in the precious metals mining sector that is focused on the exploration, development and production of gold, silver, lead, zinc, and copper concentrates at its three mine properties: the Deer Trail Mine, the Bromide Basin Mine and the Silver Bell Mine. The Company has also announced agreements to acquire over 70 additional mining claims. For more information, please visit the Company's website, www.unicominig.com.

Recent News

6/28/2007

Unico Reports Further Reconstruction Work at the Mill and Processing Facility at the Deer Trail Mine and Additional Screening Plant Activity

6/26/2007

Unico Announces New Website Photo Gallery Showing Additional Updates on Electrical Substation That Will Supply Power to the Deer Trail Mine

6/25/2007

Unico Announces Easement Agreement With PacifiCorp and Additional Updates on Electrical Substation Work That Will Supply Power to the Deer Trail Mine

6/21/2007

Unico Announces New Photo Gallery Showing Additional Updates on Reconstruction Progress at the Deer Trail Mill and Processing Facility

6/19/2007

Unico Announces Additional Updates on Reconstruction Progress at the Mill and Processing Facility at the Deer Trail Mine

6/15/2007

Unico Announces New Photo Gallery Showing Progress of Reconstruction Work at the Mill and Processing Facility at the Deer Trail Mine

6/14/2007

Unico Receives Balance of the \$1.7 Million Financing Commitment to Exercise the Purchase Option on the Deer Trail Mine

6/13/2007

Unico Announces Progress of Additional Reconstruction Work at the Mill and Processing Facility at the Deer Trail Mine

6/11/2007

Unico Chairman Files Form 4 on Common Stock Share Purchase of Over 4 Million Shares

6/6/2007

Unico, Inc. Announces Initiation of Process to Complete Purchase of the Deer Trail Mine

Unico Announces Initiation of Process to Complete Purchase of Deer Trail Mine

32 Patented Mining Claims and 171 Unpatented Mining Claims Are Subject to the Purchase Agreement

Unico, Incorporated recently announced that the process of transferring ownership of the Deer Trail Mine from Crown Mines, LLC has been initiated and the company expects to complete the purchase of the property once the necessary agreements have been executed.

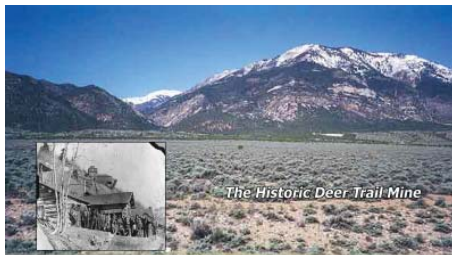
Legal representatives from Unico, Inc. and Crown Mines, LLC are working to complete several necessary documents related to the purchase, including a purchase agreement, a bill of sale and a quitclaim deed to effect the transfer of ownership of the Deer Trail Mine property.

The mining lease and option to purchase between Unico, Inc. and Crown Mines, LLC, dated December 12, 2001, was adjusted through a first modification of mining lease and option to purchase, dated May 31, 2004, a second modification of mining lease and option to purchase, dated April 21, 2006, a third modification of mining lease and option to purchase, dated November 1, 2006, and a fourth modified lease and option to purchase agreement in April 2007, which provided for a due date of May 31, 2007 for Unico, Inc. to exercise its purchase option.

Under the terms of the agreement, Deer Trail Mining Company, LLC has the right to acquire the mining claims located in Marysville, Utah, which consist of 32 patented mining claims and 171 unpatented mining claims, as well as mill sites, dumps and other transferable rights contained in the agreement.

The claims covered in the purchase agreement total approximately 3,275 acres, or 5.12 square miles, and include workings known as the Deer Trail Mine, the PTH Tunnel and the Carisa and Lucky Boy Mines.

The PTH Tunnel penetrates more than 10,000 feet, with a developed network of tunnels, shafts, stopes, and raises at the 3,400-foot-area and at the 8,000-foot-area, and was mined by prior owners for gold and silver. The initial Deer Trail claims date back to 1870.



"We are extremely pleased to have initiated this process to consummate the purchase of the Deer Trail Mine from Crown Mines, LLC and to secure this property as a long-term asset for the company," stated Mark A. Lopez, chief executive officer of Unico, Inc. "We plan to provide an update reporting the status of the purchase and the expected transfer of ownership of the property once the paperwork is completed and the transfer of title occurs.

The company is not only excited to reach this stage, but is also looking to finalize the transaction, so it can move forward with its future plans for the project. We appreciate the coordination of efforts taken from all sides to make this happen," Mr. Lopez said.

In a subsequent press release, Unico announced that a final date of July 12, 2007 has been set to complete the process of transferring ownership of the Deer Trail Mine in Marysville, Utah from Crown Mines, LLC to Deer Trail Mining Company, LLC. A formal agreement was made effective on June 29, 2007 to allow adequate time to consummate the closing.

Unico, Inc. Chairman Ray C. Brown Files Form 4 on Common Stock Purchase of Over 4 Million Shares

On June 8, 2007, Unico, Incorporated chairman Ray C. Brown filed a Form 4 Statement of Change in Beneficial Ownership of Securities with the Securities and Exchange Commission reporting the purchase of 4,156,463 shares of common stock.

This purchase, which was made on June 6, 2007 at a price of \$0.0016 per share, brings the total number of common shares that Mr. Brown owns to 16,227,474.

Mr. Brown made his purchase after Unico, Inc. announced that the process of transferring ownership of the Deer Trail Mine from Crown Mines, LLC to the company had been initiated. Mr. Brown, who served as chief executive officer of the company from 1983 to 2004, indicated that securing the Deer Trail Mine was an important factor in his stock purchase.

"Having served as chief executive officer of the company when it entered into the first lease and purchase option agreement with Crown Mines, LLC for the Deer Trail Mine, I was extremely pleased to see Unico secure the capital necessary to initiate the process of taking ownership of the property," stated Mr. Brown.

"I remain confident that the purchase of the Deer Trail Mine, along with the expected completion of the mill and processing facility at the Deer Trail Mine and additional mining activities planned at the property in the future, will result in the development of long-term value for shareholders," he added.

"As a result, I am pleased to be able to add to my common stock position in the company at this time," Mr. Brown said.

Forward-Looking Statements

This newsletter may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and such Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are subject to risks and uncertainties that could cause actual results to vary materially from those projected in the forward-looking statements. The company may experience significant fluctuations in operating results due to a number of economic, competitive and other factors. These factors could cause operation results to vary significantly from those in prior periods, and those projected in forward-looking statements. Information with respect to these factors, which could materially affect the company and its operations, are included on certain forms the company files with the Securities and Exchange Commission.

Additional Updates on Reconstruction Progress at the Deer Trail Mill and Processing Facility Are Released

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mezzanine. All of the area lighting on the upper mezzanine was in place and ready for the electrical connections. The main lighting in the new mill building was being installed.

The last remaining tank purchased from Questar Gas, the local natural gas provider, had been delivered and installed. Work on the support legs for the thickener bridge had been initiated as the thickener walls continued to be assembled. Preparations had begun for installation of the thickener bridge above the thickener tank, which the company expected to have completed shortly after this update was released.

The concrete ramp leading from the outside into the new mill building had been completed, and steel ramps leading down into the building from the end of the concrete ramp had been built.

Piping that will carry the process water into the new building had been installed, and major repairs to the upper water holding pond had been completed.



The Upper Water Holding Pond

The 1997 Western Star tandem axle semi tractor that was recently purchased by the company was delivered, and was being used to move equipment from one location at the Deer Trail Mine site to another. The movement of equipment to and from the screening plant area was an immediate focus for the new tractor truck, which was purchased to reduce wear and tear and prolong the working life of the heavier equipment.

An update released on June 19 reported that with construction of the support legs for the thickener bridge completed, the thickener bridge had been installed along with the thickener rake mechanism. The floor of the thickener was sealed and the waterproofing membrane had been installed. The company expected to have the rebar grids and cement forms in place shortly, and the concrete and the pump truck was scheduled for late the next week to pour the thickener cone.

Two Wilfley concentrating tables used in the mill's gravity separation circuit were having their tops refurbished and riffling replaced. Once this work was complete, they were to be reinstalled in the main mill building.



The Denver Duplex Mineral Jig

The Denver Duplex mineral jig, which is used to capture any free gold from the process slurry that is not recoverable in the floatation circuit, was cleaned and serviced and is scheduled to be installed in the next several days. The concentrate from the Denver jig will be sent to the Wilfley tables for further cleaning and then refining.

The final update during the month of June reported that with the recent installation of the thickener bridge and thickener rake mechanism in the new mill building, the first lift of the thickener walls was being completed. The concrete thickener cone had been poured, and after the concrete had cured, the company would begin installation of the second lift of steel plates. The main support



Pouring of the Concrete Thickener Tank Cone

that holds the thickener rakes was also scheduled for installation in the last week of June.

The wood structure that supports the two Wilfley concentrating tabletops had been replaced. Delivery of riffling and rubber sheeting for the concentrating tables was expected shortly and they had been placed in their permanent locations in the main mill building.

The Denver Mineral jig had its bearings inspected and is ready to be installed in line in the floatation circuit after the Krebs cyclone.

In addition to the progress of reconstruction work at the mill and processing facility, the company has continued screening plant operations at the Deer Trail Mine. The screening plant has continued screening material from the first targeted dump areas, and additional dumps areas at the Deer Trail Mine are being sampled and assayed to determine the most economical fraction for screening.



With the release of the final reconstruction update of the month, Unico chief executive officer Mark A. Lopez commented, "We continue to see progress in all facets of our ongoing operations at the Deer Trail Mine, and we are pleased to report this progress to our shareholders."

"The reconstruction work at the mill and processing facility at the Deer Trail Mine has been a major focus of our efforts, and we will continue to assist Rocky Mountain Power and Cache Valley Electric with the completion of the electrical substation that will supply power to the Deer Trail Mine. The ongoing screening operations are providing an available supply of feed material for the mill once processing operations are initiated at the facility."

There are expected to be continued updates on the completion phase of the mill and processing facility during the month of July as the company looks to begin processing operations at the Deer

Unico, Inc. Announces Easement Agreement With PacifiCorp and Additional Updates on Electrical Substation Work That Will Supply Power to the Deer Trail Mine

Unico, Incorporated has entered into an agreement to grant PacifiCorp (www.pacificorp.com), the electrical utility that operates in Utah as Rocky Mountain Power, an easement for a right of way to establish a connection between the existing substation adjacent to the Deer Trail Mine property and the new substation that will supply power to the Deer Trail Mine.

According to the terms of the agreement, the easement of approximately 40 feet in width and 27 feet in length is designated for the construction, reconstruction, operation, maintenance, repair, replacement, enlargement, and removal of electric power transmission, distribution and communication lines and all necessary accessories.



Air Brake Switch Installed on New Power Pole

Rocky Mountain Power arrived at the Deer Trail Mine site last week to begin the installation of the necessary components to support the power supply to the Deer Trail substation. There was a planned outage for the Deer Trail Mine, so Rocky Mountain Power could remove the existing pole that supplies power to site and replace it with a pole suitable to support the air brake switch. The air brake switch will be used to isolate the mill and mine site from the main power source, allowing Unico's wholly owned subsidiary, Deer Trail Mining Company, to continue building the substation with the power infrastructure in place.

Rocky Mountain Power installed a pole that will be used to support the power lines that tie directly to the Deer Trail Mine substation. All power wires are being installed and left coiled, so that when the necessary poles, cross arms and metering cabinet are installed by the company's electrical contractor Cache Valley Electric, the final connection can be made. Deer Trail Mining Company has contracted with Cache Valley Electric, one of the largest electrical contractors in the western United States, to prepare the site and assist with construction of the substation.



Installation of Power Poles by Rocky Mountain Power Crew

Cache Valley Electrical has ordered the metering cabinet and switchgear, which the company expects be delivered to the substation site in the near future. An additional crew from Cache Valley Electric is scheduled to arrive once the equipment is delivered to complete the installations.

A photo gallery showing recent work related to the new electrical substation at the Deer Trail Mine has been added to the Unico, Inc. website, www.unicominer.com.

"We are pleased to have the easement agreement with PacifiCorp in place, paving the way for the connection between the existing electrical substation and the new substation that will supply power

to the Deer Trail Mine site," said Mark A. Lopez, chief executive officer of Unico, Inc.

"With the initiation of work by Rocky Mountain Power to establish the connection, we look forward to delivery of the remaining components that will complete the substation and allow for a consistent and cost-effective supply of electricity for processing operation and mining activities at the Deer Trail Mine," he added.



Both New Power Poles and Main Transformer for Deer Trail Substation

Unico, Inc. Receives Balance of the \$1.7 Million Financing Commitment to Exercise the Purchase Option on the Deer Trail Mine

Unico, Incorporated has received the balance of the \$1.7 million financing commitment in the form of a private placement investment to be used for the purpose of exercising the lease buy-out option on the Deer Trail Mine in Marysvale, Utah.

The process of transferring ownership of the Deer Trail Mine from Crown Mines, LLC has been initiated and the company expects to make the final payment to complete the purchase of the property once the necessary agreements have been executed. Legal representatives from Unico, Inc. and Crown Mines, LLC are working to complete several necessary documents related to the purchase, including a purchase agreement, a bill of sale and a quitclaim deed to effect the transfer of ownership of the Deer Trail Mining Claims.

The mining lease and option to purchase between Unico, Inc. and Crown Mines, LLC, dated December 12, 2001, was adjusted through a first modification of mining lease and option to purchase, dated May 31, 2004, a second modification of mining lease and option to purchase, dated April 21, 2006, a third modification of mining lease and option to purchase, dated November 1, 2006, and a fourth modified lease and option to purchase agreement in April 2007, which provided for a due date of May 31, 2007 for Unico, Inc. to exercise its purchase option.

Unico's wholly owned subsidiary, Deer Trail Mining Company, LLC, is expected to acquire the mining claims, which consist of 32 patented mining claims and 171 unpatented mining claims, as well as mill sites, dumps and other transferable rights contained in the agreement.

"Unico has received the balance of the \$1.7 million financing commitment to exercise the purchase option of the Deer Trail Mine, which is an important step in securing the property as a long-term asset for the company," stated Mark A. Lopez, chief executive officer of Unico, Inc.

"With the process of transferring ownership of the property underway, we look forward to completing this transaction as we concurrently complete the final stages of reconstruction of the mill and processing facility at the Deer Trail Mine," he added.