



**A1 Consolidated Gold Ltd**

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26 November 2015

Dear Shareholder

## **SHARE PURCHASE PLAN**

On behalf of the Board I am pleased to invite you to participate in the A1 Consolidated Gold Limited (A1 Consolidated) Share Purchase Plan (SPP).

The SPP is an opportunity for every shareholder to apply for up to \$15,000 worth of fully paid shares in the Company at an issue price of 2.4 cents per share capped at \$1 million with Directors reserving the right to top-up the amount raised in the event of oversubscriptions. The Board feels it is appropriate to give all shareholders this opportunity to increase their shareholding in A1 Consolidated in light of the recent Placement to sophisticated and professional investors at the same issue price. The SPP is partially underwritten by Patersons Securities Limited (Patersons).

This is also an opportunity for those shareholders with less than a marketable parcel of Shares (a holding with the value of less than \$500) to increase their shareholding to a marketable parcel. A1 Consolidated is now approximately 260 m away from the 1400 level stock works at the A1 Gold Mine. Funds raised from the SPP will be used to further develop the decline to access the 1400 level stock works. Shareholders are referred to the Company's investor presentation update lodged with ASX which can be found on the Company's website or at [asx.com.au](http://asx.com.au).

### **Participation in this offer is optional**

The offer to participate under the Plan is non-renounceable. Participation in the Plan is entirely optional and is subject to the terms and conditions specified in this letter.

Where a member is expressly noted on the register as a trustee or nominee on account of another person (**Beneficiary**) the Beneficiary will be deemed to be the eligible shareholder and any relevant acceptance of the offer and issue of the Shares will be taken to be made by or to the Beneficiary.

The Offer of Shares under the Plan is made in accordance with ASIC Class Order 09/425 and therefore does not require a prospectus for the purposes of Chapter 6D of the Corporations Act.

### **Offer Price**

The offer price of the Shares under the SPP is 2.4 cents. Under the SPP, all eligible shareholders will be able to purchase New Shares in the capital of A1 Consolidated at an issue price of 2.4 cents which is a 20% discount to the volume weighted average price of A1 Consolidated shares traded during the 10 ASX trading days up to and including the record date.

No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Shares under the SPP.

### **Total Number of Shares under the Plan**

In accordance with the ASX Listing Rules the total number of Shares that can be issued under the Plan is 137,531,880.

### **Use of Funds**

It is intended that the funds raised from the Plan (and any shortfall that is placed) will provide the Company with working capital to continue development of the 1400 Level Access Drive at the A1 Gold Mine.

### **How much can be invested?**

Eligible Shareholders may subscribe for a maximum of up to \$15,000 worth of Shares under the Plan and in the increments outlined in the table below.

### **How to Apply**

Eligible shareholders may apply for Shares to a value of any one of the following amounts:

<b>Offer A</b>	Total subscription amount of \$1,000 ( <b>minimum amount</b> )
<b>Offer B</b>	Total subscription amount of \$2,500
<b>Offer C</b>	Total subscription amount of \$5,000
<b>Offer D</b>	Total subscription amount of \$7,500
<b>Offer E</b>	Total subscription amount of \$10,000
<b>Offer F</b>	Total subscription amount of \$15,000 ( <b>maximum amount</b> )

### **Scale back**

The Company reserves absolute discretion regarding the final amount raised under the Plan (subject to the maximum permitted under the ASX Listing Rules) and if necessary the Directors may, in their absolute discretion, scale-back applications.

If there is a scale back, your application monies may be greater than the value of Shares issued to you under the Plan, in which case the excess application monies will be refunded to you, without interest.

### **Valuation of Shares**

On the date immediately prior to the date of this Offer, the closing price of Shares on ASX was 2.8 cents.

Shareholders should be aware that the value of the Shares will fluctuate with changes in the market price for the Shares, which may increase or decrease the number of Shares that a Shareholder may apply for under the Offer.

The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.

### **Issue of Shares**

Shares issued under the Plan will rank equally in all respects with other fully paid ordinary shares in A1 Consolidated on the date of issue. A1 Consolidated will at the appropriate time make application for the Shares issued under the Plan to be admitted to official quotation on ASX.

The issue and allotment of Shares will occur as soon as practicable following the closing date and not later than 10 business days following the closing date.

### **How to Participate**

If you would like to participate in the Offer, the following application and payment options are available:

- (a) Application Form and Accompanying Cheque

Eligible Shareholders wishing to pay by cheque must follow the instructions on the Application Form and complete the Application Form, provide a cheque that is payable to “**A1 Consolidated Gold Limited**” and crossed “**Not Negotiable**” and return the completed Application Form and cheque to:

Security Transfer Registrars Pty Ltd

PO Box 535

APPLECROSS WA 6953

to be received by the share registry no later than 5.00pm (WST) on the Closing Date under the Offer.

(b) Payment by BPAY®

Please refer to the attached Terms and Conditions for further details regarding payment options.

### Important Information

Details of the Plan are set out in the enclosed Plan Terms and Conditions. The Board urges you to read these Terms and Conditions carefully and in their entirety before deciding whether to participate in the Plan. If you are uncertain whether Shares are a suitable investment for you, you should consult your financial or other professional adviser.

**Completed application forms and full payment must be received by Security Transfer Registrars Pty Ltd no later than 5:00 pm Western Standard Time on 11 December 2015.**

### KEY DATES\*

<b>Thursday 19 November 2015</b>	<b>Record Date 5:00 pm (WST)</b> The date on which A1 Consolidated determined eligible shareholders
<b>Friday 20 November 2015</b>	<b>Announcement Date</b>
<b>Thursday 26 November 2015</b>	<b>Opening Date</b> The date on which the Plan opens
<b>Friday 11 December 2015</b>	<b>Closing Date</b> The date on which the Plan closes <b>Applications must be received by 5:00 pm (WST)</b>
<b>Tuesday 15 December 2015</b> (on or around)	<b>Despatch Date</b> The date on which holding statements are sent to participating shareholders for Allotment
<b>Wednesday 16 December 2015</b> (on or around)	<b>Share Trading Date</b> The date on which Shares allotted under the Plan commence trading on the ASX

\*A1 Consolidated has discretion to alter these Key Dates.

Should you have any questions or require further information regarding the Plan please contact Dennis Wilkins, Company Secretary, on 08 9389 2111.

Yours faithfully

**Dennis Wilkins**

Company Secretary

## **Terms and conditions of the Share Purchase Plan of A1 Consolidated Gold Limited**

### **Purpose**

The purpose of the A1 Consolidated Gold Limited Share Purchase Plan (**Plan**) is to offer shareholders of A1 Consolidated Gold Limited (**A1 Consolidated**) the opportunity to acquire additional fully paid ordinary shares in A1 Consolidated up to a maximum of \$15,000 (when combined with any shares issued under any share purchase plan in the 12 months preceding the date of the Plan), at an issue price of 2.4 cents (**Issue Price**). The Plan seeks to provide the Company with working capital to continue development of the 1400 Level Access Drive at the A1 Gold Mine.

### **Offer**

An Offer may, at the discretion of the Directors, be made under the Plan once a year. The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is \$15,000. The Directors may also determine in their discretion the minimum amount for participation, the multiple of Shares to be offered under the Plan and the period the Offer is available to Eligible Shareholders.

### **Shareholders who are eligible to participate**

Holders of Shares that are registered with an address in Australia or New Zealand at the relevant Record Date are eligible shareholders (**Eligible Shareholders**) and may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

If you hold Shares on behalf of persons who reside outside Australia or New Zealand, or are in the United States, you are not an Eligible Shareholder and are not entitled to participate in the Plan.

Details of how custodians, trustees and beneficiaries are treated under the Plan are provided further below.

Participation in the Plan is optional and is subject to these terms and conditions (**Terms and Conditions**). Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any Shares offered under the Plan).

### **Foreign offer restrictions**

The Plan may not be released or distributed in any country other than Australia or New Zealand. The Plan does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

### **New Zealand**

The Shares offered under the Plan are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### How much can you invest?

Under ASIC Class Order 09/425, Eligible Shareholders may only acquire a maximum of \$15,000 worth of Shares under a share purchase plan in any 12 month period. This limitation applies even if you receive more than one Application Form, or if you hold Shares in more than one capacity.

Eligible Shareholders may only participate by applying for Shares for one of the following amounts:

<b>Offer A</b>	Total subscription amount of \$1,000 ( <b>minimum amount</b> )
<b>Offer B</b>	Total subscription amount of \$2,500
<b>Offer C</b>	Total subscription amount of \$5,000
<b>Offer D</b>	Total subscription amount of \$7,500
<b>Offer E</b>	Total subscription amount of \$10,000
<b>Offer F</b>	Total subscription amount of \$15,000 ( <b>maximum amount</b> )

**Note:** The Directors reserve the right to scale back the amount of Shares to be allotted. Accordingly the actual amount of Shares you receive under the Offer may vary in the event of oversubscription (excess money will be returned without interest).

The maximum investment any Eligible Shareholder may apply for will remain \$15,000 even if a Shareholder receives more than one Offer (whether in respect of a joint holding or because the Shareholder has more than one holding under a separate account).

### How do you apply?

If you would like to participate in the Offer, the following application and payment options are available:

(a) Application Form and Accompanying Cheque

Eligible Shareholders wishing to pay by cheque must follow the instructions on the Application Form and complete the Application Form, provide a cheque that is payable to **"A1 Consolidated Gold Limited"** and crossed **"Not Negotiable"** and return the completed Application Form and cheque to:

Security Transfer Registrars Pty Ltd  
PO Box 535  
APPLECROSS WA 6953

to be received by the share registry no later than 5.00pm (WST) on the Closing Date under the Offer.

(b) Payment by BPAY®

Eligible Shareholders wishing to pay by BPAY® must use the specific biller code and customer reference numbers detailed on their personalised Application Form. Any Eligible Shareholder that chooses to pay by BPAY® is deemed to represent to the Company that the amount of Shares subscribed for pursuant to the Plan, or any other arrangement similar to the Plan in the prior 12 months, does not exceed \$15,000 (including joint or any other beneficial interests).

If you choose to pay via BPAY® you are not required to submit your Application Form. Your payment will not be accepted after 5:00pm (WST) on the Closing Date and no Shares will be issued to you in respect of that application. If you have multiple holdings you will have multiple BPAY® customer reference numbers. To ensure you receive your Shares under the Offer in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any Shares that you wish to apply for in respect of that holding. If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY®. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed your limit.

Once an application under the Plan has been made or your BPAY® payment made, it cannot be revoked.

#### **Raising Amount and Scaleback**

The Company reserves absolute discretion regarding the final amount raised under the Plan (subject to the maximum permitted under the ASX Listing Rules) and if necessary the Directors may, in their absolute discretion, scale-back applications. Scale back for Shares held by a Custodian will be applied at the level of the underlying Beneficiaries.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

#### **Issue and Quotation of Shares**

Shares to be issued under the Plan will be issued as soon as reasonably practicable after the closing date specified by the Directors in the Offer.

Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHESS notification will be issued in respect of all Shares issued under the Plan.

The Company will, promptly after the issue of Shares under the Plan, make application for those Shares to be listed for quotation on the official list of ASX.

#### **Maximum number of Shares able to be issued**

The maximum number of new Shares that can be issued under the Plan in order to comply with the ASX Listing Rules requirements is 30% of the number of fully paid ordinary Shares in the Company currently on issue. As at the date of these Terms and Conditions, a maximum of 137,531,880 Shares is available to be issued under the Plan. The actual number of Shares to be issued pursuant to the Plan will depend on participation.

#### **Custodians, trustees and nominees**

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Class Order 09/425 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of new Shares for each beneficiary for whom you act as custodian provided you annexe to your Plan application form (**Application Form**) a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held Shares in the Company on behalf of one or more other persons who are resident in Australia or New Zealand (each a **Participating Beneficiary**) at 5:00pm (WST) on 18 November 2015 who have subsequently instructed you to apply for Shares under the Plan on their behalf;

- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- that a copy of the written offer document was given to each beneficiary; and
- where you hold Shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order 09/425 you are a 'custodian' if you are a registered holder that:

- holds an Australian financial services licence that allows you to perform custodian or depository services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the *Corporations Regulations 2001*;
- is a trustee of a self managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes; and
- is noted on the Company's register of members as holding the Shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact Security Transfer Registrars Pty Ltd on 9315 2333.

The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

#### **Issue of A1 Consolidated Shares**

New Shares to be issued under the Plan will be issued as soon as reasonably practical after the closing date specified by A1 Consolidated.

New Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in A1 Consolidated from the date of issue. The number of Shares issued to you will be rounded to the nearest whole number.

Shareholding statements will be issued in respect of all new Shares under the Plan. A1 Consolidated will promptly after the issue of new Shares under the Plan, make application for those new Shares to be admitted to quotation on ASX.

### **Cost of Participation**

No brokerage, commission or other transaction costs will be payable by participants in respect of the application for, and issue of, new Shares under the Plan. A1 Consolidated may at its cost, hire consultants to help facilitate and explain the offer to Eligible Shareholders.

### **Application and Notices**

At the discretion of the Directors, A1 Consolidated will send Eligible Shareholders an offer, accompanied by an acceptance form, inviting them to subscribe for new Shares under the Plan.

Notices and statements to participants may be given by A1 Consolidated in any manner prescribed by its Constitution.

### **Refund of Application Moneys**

In the event that your application amount is greater than the value of the Shares issued to you under the Plan (being the number of Shares actually issued multiplied by the issue price) then the difference will be refunded to you. No interest will be paid on any application money returned to you.

### **Modification and termination of the Plan**

A1 Consolidated may modify or terminate the Plan at any time.

A1 Consolidated will notify the ASX of any modification to, or termination of the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of the ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, A1 Consolidated may issue to any person fewer new Shares than the person applied for under the Plan if the Issue of the new Shares applied for would contravene any applicable law or the Listing Rules of ASX.

### **Dispute Resolution**

A1 Consolidated may settle in any manner it thinks fit any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan whether generally in relation to any participant or application of new Shares and the decision of A1 Consolidated will be conclusive and binding on all shareholders and other persons to whom that determination relates.

A1 Consolidated reserves the right to waive strict compliances with any provision of these terms and conditions. The powers of A1 Consolidated under these conditions may be exercised by the Directors of A1 Consolidated or any delegate of A1 Consolidated.

### **Governing Law**

The Terms and Conditions and the Offer under the Plan are governed by the laws of Western Australia.

### **Disclaimer**

Before you apply for Shares under the Plan, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the Plan (taking into account your own financial situation, needs and objectives). The Company and its officers make no recommendation about whether or not you should apply for Shares under the Plan and nothing these Terms and Conditions (including the Application Form) or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the Plan.