



A1 Consolidated Gold

ASX Release – 27th March 2015

Maiden Gold Pour

A1 Consolidated Gold Ltd
ABN 50 149 308 921

ASX:AYC

Investment Highlights:

Advanced project on granted mining lease – fully operational mine site including underground development & infrastructure

Mineral Resources in accordance with the JORC Code (2012)

Indicated – 250,000 t @ 5.1 g/t for 41,200 oz Au

Inferred – 1,170,000t @ 6.4 g/t for 240,000 oz Au

Board of Directors:

Chairman
Dale Rogers

Managing Director
Dennis Clark

Non-Executive Director
Dennis Wilkins

Company Secretary
Dennis Wilkins

Capital Structure:

276,683,539 Ordinary Shares
143,383,293 Listed Options
9,000,000 Unlisted Options

Contact:

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Highlights:

❖ Maiden Gold Pour

- Gold production commences at the Maldon treatment plant
- First gold doré bar poured and weighing 146.3 oz
- Processing of Alliance South Deposit crushed ore stockpile ongoing

❖ Alliance South Deposit: Narrow Vein Stopping

- First narrow vein stope on 1080 Level completed
- Rise mining and narrow vein stopping continuing on 1080 and 1100 Levels
- Blending and processing of stoped ore commenced

A1 Consolidated Gold Limited (ASX:AYC) (**A1 Consolidated Gold** or the **Company**) is pleased to announce the commencement of gold production at the Maldon treatment plant with the completion of the Company's maiden gold pour.

On 25 March 2015 A1 Consolidated Gold produced its first gold doré bar, weighing 146.3 oz (4.552 kilograms), from the processing of low-grade stockpiled ore at the Maldon treatment plant.

At the same time the Company has developed and mined its first narrow vein stope between the 1080 and 1100 levels of the Alliance South Deposit. This ore has been transported to the Maldon treatment plant for processing.

Development and stopping on the 1080 and 1100 levels of the Alliance South Deposit is continuing.

Managing Director, Mr Dennis Clark commented "this is a major milestone for our Company. In the two months since we took management control of the Maldon Gold Operation we have implemented our mill improvement program on time and on budget, we have developed the first narrow vein stope at the Alliance South Deposit, and now we have produced our first gold bar".

"With this achievement under our belt I'm looking forward to ongoing cash flow that will help fund the commencement of production mining at the A1 Gold Mine. This is our primary objective which, with our Updated Stage 1 Scoping Study projecting All in Sustaining Cost (C3) of \$849/oz, will establish A1 Consolidated Gold as a profitable junior gold producer".





On 29 December 2014 A1 Consolidated Gold announced to the ASX that the Company had executed a Share Sale Agreement with Octagonal Resources Limited (ASX:ORS) (**Octagonal**) to acquire Octagonal's Victorian assets, which include a fully permitted 150,000 tpa gold processing facility at Maldon.

During early February the two companies entered into a Management Agreement and Deed of Variation to the Share Sale Agreement, whereby A1 Consolidated Gold has taken management control of the Maldon Gold Operations whilst both companies work towards completion of the Share Sale Agreement (refer to ASX Announcement dated 9 February 2015).

Since taking control of the Maldon Gold Operation A1 Consolidated Gold has completed pre-operational maintenance on the Maldon Treatment Plant and commenced ore processing, whilst at the same time narrow vein mining between the 1080 and 1100 levels of the Alliance South Deposit.

Maiden Gold Pour

On 25 March 2015, and less than two months after taking management control of the Maldon Gold Operation, A1 Consolidated Gold completed its first gold pour at the Maldon treatment plant to produce a 146.3 ounce (4.552 kg) gold doré bar numbered AYC001 (Figure 1 & 2).

This inaugural gold pour follows the recently completed mill improvement program that upgraded and repaired several areas of the mill in anticipation of increased tonnage and gold production when first ore is delivered from the A1 Gold Mine. The primary area of work focussed on the grinding circuit where the mill trunnion and pinion bearings were replaced.

The Company has commenced ore processing using low-grade stockpiled ore at the Maldon treatment plant and is pleased to advise that the recommissioning of the mill has occurred without incident and that the mill is operating as designed and meeting forecast throughput rates.



Figure 1: Pouring Doré Gold Bar AYC001



Figure 2: MD Dennis Clark holding AYC001





Narrow Vein Stopping at Alliance South Deposit

Since taking management control of the Maldon Gold Operation the Company has commenced narrow vein underground mining at the Alliance South Deposit. Two airleg rises developed between the 1080 and 1100 level of the mine have allowed the first narrow vein 1080 Stope to be mined (Figure 3). This stope is between 1.0 metres and 1.5 metres wide and was developed on gold-bearing reef over its full distance. Strong reef remains at the southern end of the stope and will be developed as a second stope.

Three airleg rises are currently being developed above the 1100 level of the Alliance South Deposit, with stopping to commence shortly.

Processing of narrow vein stope ore will supplement the low-grade crushed ore stockpile currently being treated.

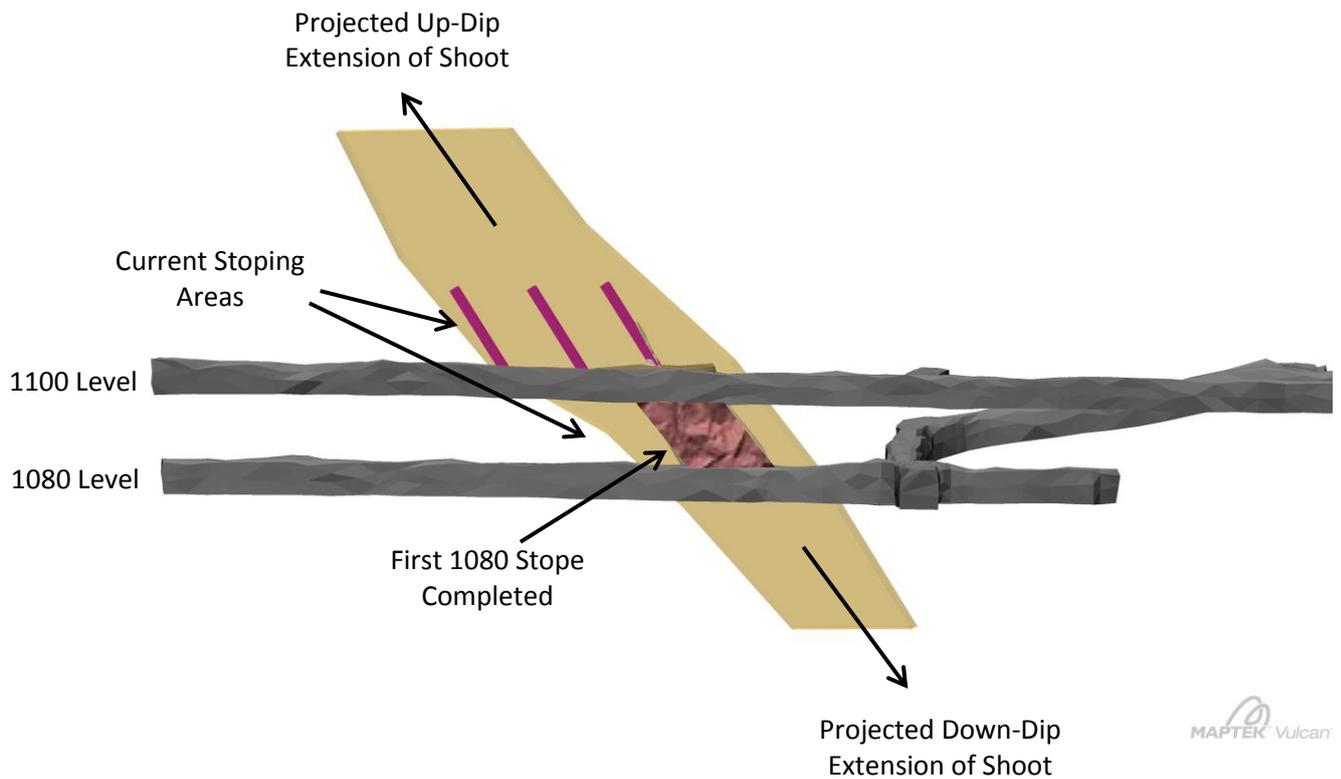


Figure 3. Alliance South Deposit Western Reef
Long section of the 1100 Level and 1080 Level Stopping Areas





About the Company

A1 Consolidated Gold Ltd is a junior gold exploration company focused on developing the A1 Gold Project in the Woods Point – Walhalla Goldfield located in north-eastern Victoria. The Company has a further mineral tenement to the north of the A1 Gold Mine for further exploration. A1 Consolidated Gold is currently undertaking underground development at the A1 Gold Mine. The mining design is for a bulk mineable block.

As announced on 29 August 2014, the Company has entered into an option agreement with Orion Gold NL (ASX:ORN) to acquire Orion Gold's Walhalla tenements.

As announced on 29 December 2014, the Company has executed a Share Sale Agreement with Octagonal Resources Limited (ASX:ORS) to acquire Octagonal's Victorian assets, which includes a fully permitted 150,000 tpa gold processing facility at Maldon.

Figure 4: Location of Projects



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