



A1 Consolidated Gold

ASX Release – 11th August 2015

High Grade Drill Results MIN5487 Eureka Mine Walhalla

A1 Consolidated Gold Ltd

ABN 50 149 308 921

ASX:AYC

Investment Highlights:

A1 Gold Mine :

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

Maldon Gold Operations :

Fully operational 150,000tpa gold processing facility
Union Hill Mine, including underground development and infrastructure

Board of Directors:

Chairman

Dale Rogers

Managing Director

Dennis Clark

Non-Executive Directors

Jamie Cullen
Anthony Gray

Company Secretary

Dennis Wilkins

Capital Structure:

446,356,265 Ordinary Shares
223,750,389 Listed Options
9,000,000 Unlisted Options
71,428,565 Convertible Notes

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A1 Consolidated Gold Limited (ASX: AYC) (**A1 Gold** or the **Company**) is pleased to report multiple high grade intersections from surface drilling at the Eureka Gold Mine situated near Walhalla in Victoria.

Highlights:

- ❖ **Multiple high grade intersections including 3.2 metres grading 10 g/t Au on the Western Adit level (drilled width)**
- ❖ **9 separate reefs intercepted**
- ❖ **Drilling confirms A1 Gold geological modelling**

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

During the option period, A1 Gold determined that mining licence MIN 5487, which contains the Eureka and Tubal Cain gold deposits, presents the best near-term mining opportunity within the Walhalla Goldfield and has now entered into a binding term sheet with Orion Gold NL to purchase that mining licence (see ASX announcement dated 11 August for further information).

The Company plans to develop and mine narrow-vein high-grade gold at the Eureka Deposit for processing at its 150,000tpa Maldon gold processing facility. This ore will supplement the stockwork ore from the A1 Gold Mine, near Woods Point, that is expected to commence production later this year and will complement the narrow-vein high-grade gold currently being mined at the A1 Gold Mine and Union Hill Mine at Maldon.

Managing Director Dennis Clark commented:

"Following a comprehensive review of the historic mining data and a detailed underground sampling program, we completed an initial diamond drill hole at the Eureka Mine to test for near-development gold and we are very pleased with the results".

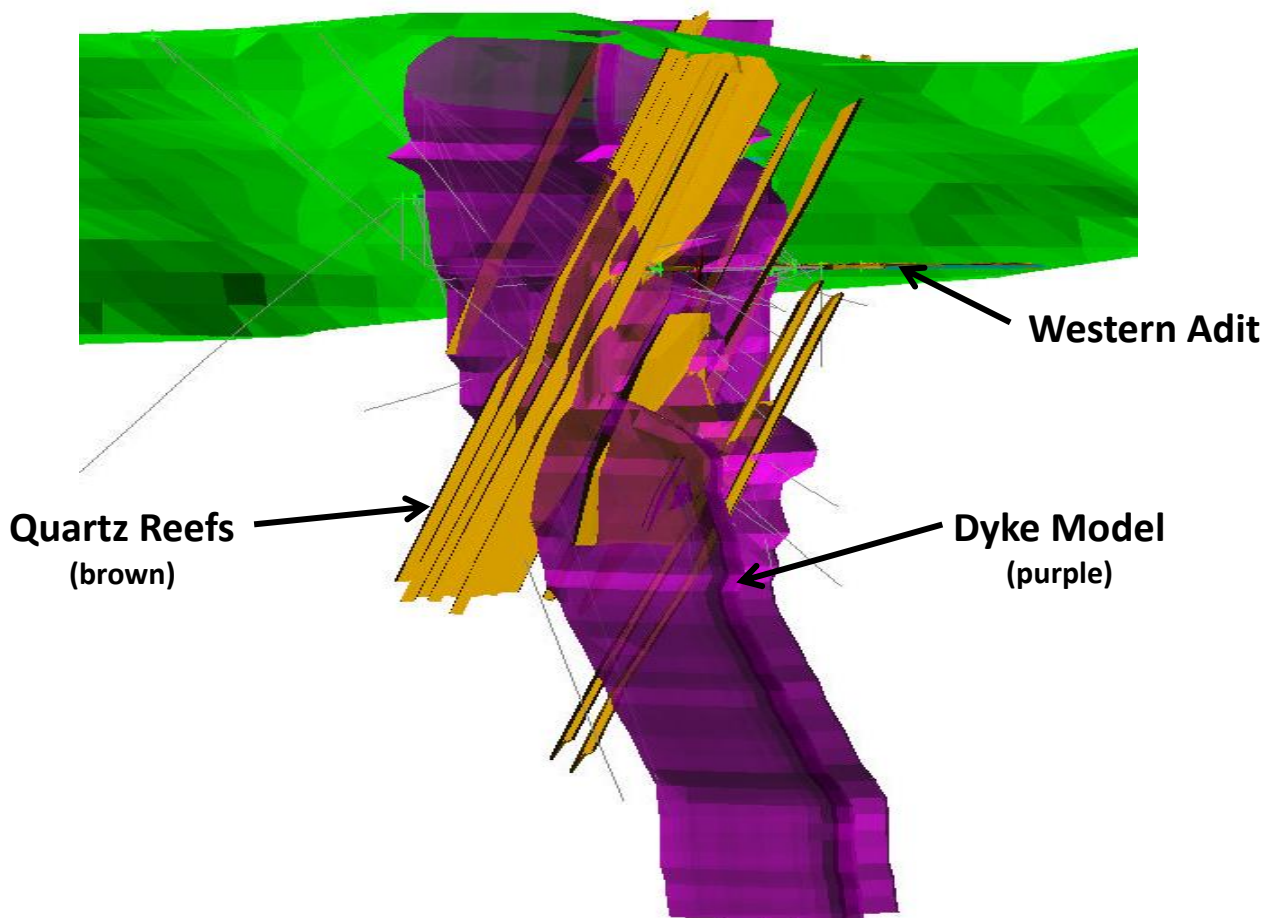
"The Eureka Gold Mine has similarities to the A1 Gold Mine in terms of geology, and we have used our experience from the A1 Mine to remodel the gold bearing reefs to identify a near term mining opportunity".





Eureka Gold Mine

The mine was worked from 1867 to 1915 to a depth of 130 metres with a recorded production of 70 kilograms of gold. The geological setting is described as a dyke hosted ladder reef system, similar in style to the A1 Gold Mine. The reefs have formed on high angle, east-dipping, reverse faults that are uncharacteristic of the field. Mineralisation is hosted within these reefs with free gold frequently observed, generally associated with sulphides including pyrite, arsenopyrite, galena and other soft sulphides.



(This figure is a screen capture and not to scale. It is provided for illustration purposes only.)

Figure 1: Isometric View of Quartz Reefs and Eureka Dyke Model





MIN 5487 Exploration

Exploration work completed by A1 Gold during the period of the Option Agreement on mining licence MIN 5487 concentrated on the Eureka Mine with the objective of identifying a near term mining opportunity. Part of this exploration program included accessing the Western Adit, sampling of the exposed underground reefs and reviewing all historic mining and drilling data. This review included 3D modelling of all the quartz reef structures identified in the mine area.

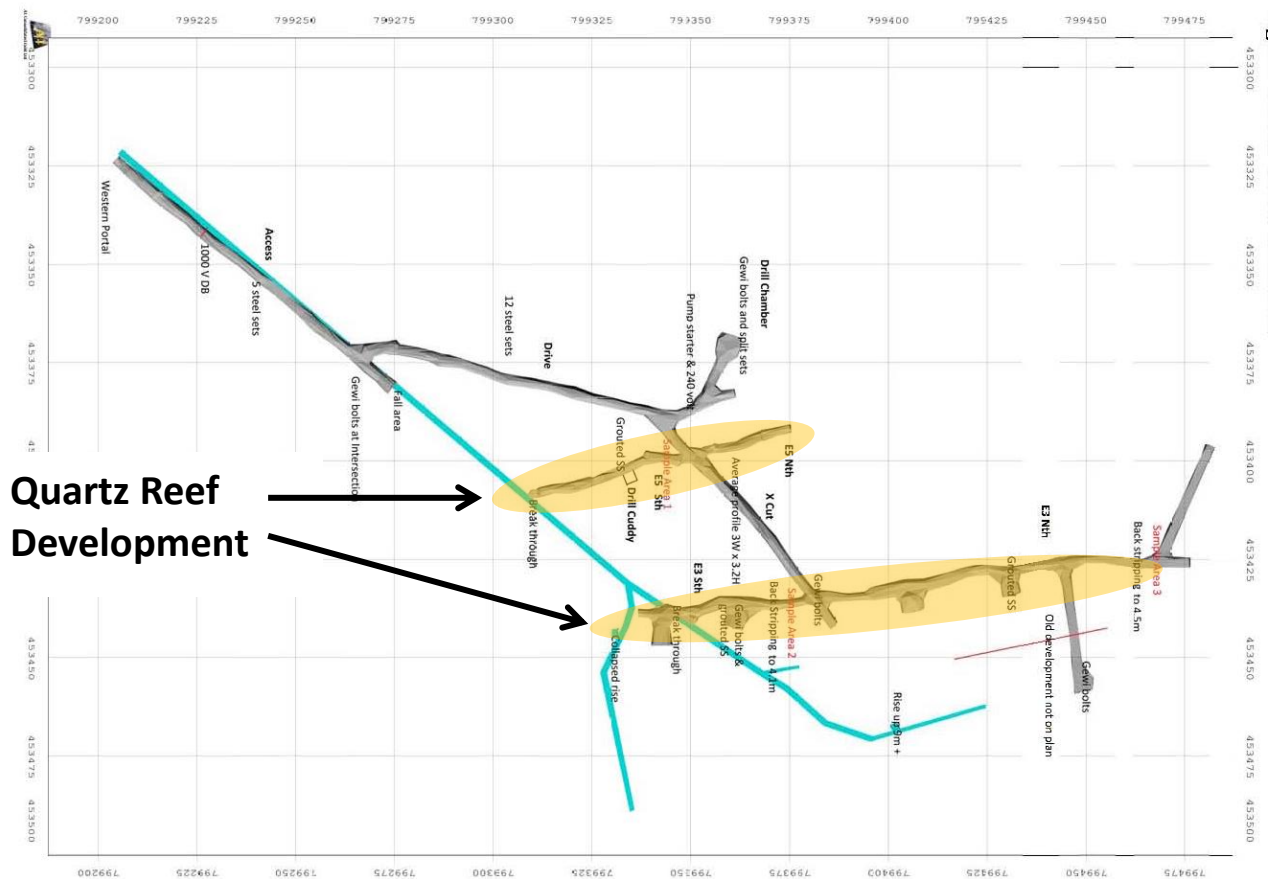


Figure 2: Plan View of Western Adit and Quartz Reefs



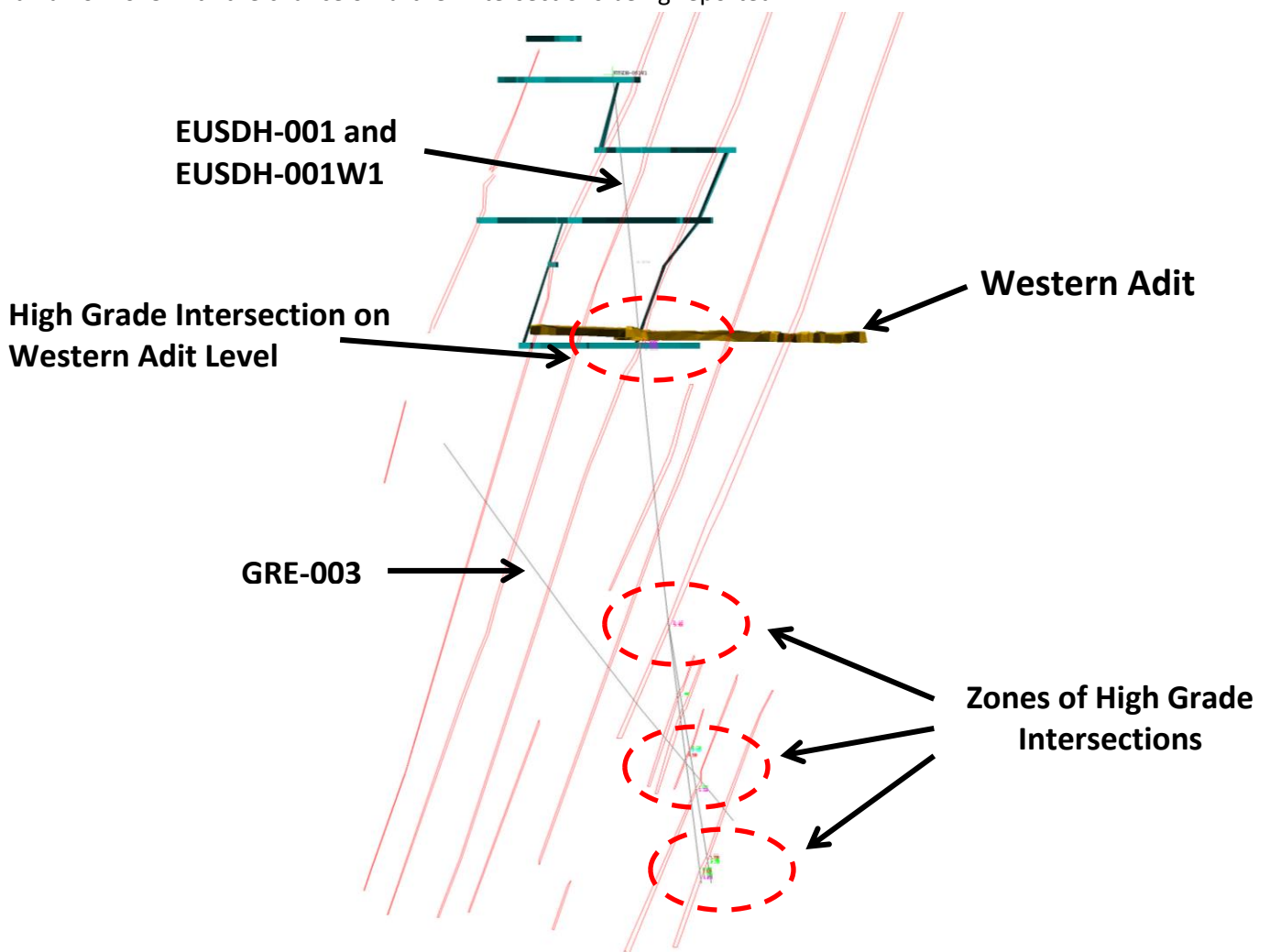


Diamond Drill Holes EUSDH-001 and EUSDH-001W1

Surface diamond holes EUSDH-001 and EUSDH-001W1 were drilled by A1 Gold and completed in late 2014. These holes were designed to test for gold-bearing quartz reef above the Western Adit Level, adjacent to the historic mine workings (Figure 3). These holes intersected mineralised quartz reef within the targeted zone, along with many other mineralised quartz reefs.

A total of 9 reefs were intersected in EUSDH-001 and 4 reefs in EUSDH-001W1 including the E3 reef in EUSDH-001 that returned 3.2 metres grading 10 g/t Au within the main target zone on the Western Adit Level.

Initial sampling of the drill holes has been completed. Additional sampling of these holes is to be completed in the second half of 2015 with the chance of further intersections being reported.



(This figure is a screen capture and not to scale. It is provided for illustration purposes only.)

Figure 3: Oblique Section View of EUSDH-001 and EUSDH-001W1 showing reef development





Drilling Results

Table 1: Significant Results from Recent Drill Program (+3g/t Au). Results reported as drilled width.

Hole ID	Easting	Northing	RL	DIP	Azimuth (MAG)	EOH (m)	From (m)	To (m)	Int. (m)	Au PPM	Average
EUSDH-001	453453.7	799334.7	481.2	-64.9	327.6	304.9	99.80	100.60	0.8	11.59	3.2m@10g/t
							100.60	101.40	0.80	5.03	
							101.40	102.20	0.80	11.63	
							102.20	103.00	0.80	11.62	
							255.50	256.00	0.50	4.39	0.5m@4.4g/t
							299.50	300.00	0.50	3.92	3m@2.9g/t
							300.00	301.00	1.00	1.54	
							301.00	301.90	0.90	1.55	
301.90	302.50	0.60	6.09								
EUSDH-001W1	453453.7	799334.7	481.2	-64.9	327.6	305.5	205.10	206.10	1.00	5.19	1.9m@5.1g/t
							206.10	206.70	0.60	6.03	
							206.70	207.00	0.30	3.05	
							253.90	254.60	0.70	30.86	0.7m@30.9g/t
							268.90	269.90	1.00	6.26	1.0m@6.3g/t
							294.90	295.65	0.75	3.79	0.75m@3.8g/t

NSA: No Significant Assays





About the Company

A1 Consolidated Gold Ltd is an emerging junior Victorian gold producer that is developing the A1 Gold Mine near Woods Point and the Union Hill Mine at Maldon to mine ore for processing at the Company's fully permitted 150,000 tpa Maldon gold processing facility.

Figure 4: Location of Projects





Competent Person Statements

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr David Sharp who is a member of The Australian Institute of Geoscientists. Mr Sharp is a full time employee of A1 Consolidated Gold Limited, and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Sharp has given his consent to the inclusion in the report of the matters based on this information in the form and context in which it appears. Information that relates to exploration and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Caution Regarding Forward Looking Information

This document contains forward looking statements concerning A1 Consolidated Gold Limited. Forward looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties, and other factors. Forward looking statements are inherently subject to business, economic, competitive, political, and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on A1 Gold's beliefs, opinions and estimates of A1 Gold's as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.



JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> All sampling results reported are from Diamond Drilling. Sample length varies from 0.3m to a maximum 1.0m. All core was halved using an Almonte Core Cutter with guides to ensure an exact split. With coarse gold common within the deposit, the top half of the core is sampled to reduce inherent sampling problems. The samples were dried, crushed and pulverised, then fire assayed for Au. Samples were also assayed for arsenic.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Drilling was completed by Star West Drilling contractors using an LM90 drill rig. The core diameter drilled was initially HQ (63.5mm) down to NQ2 (50mm) standard tube wireline. The core was orientated using an Islec orientation tool, a version of the Global Tech orientation tools.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Core loss is recorded both on the drilling plods and in the geological logging. Where ground is broken, 1.5m runs were used. Potential fault zones and ore intersection depths are noted on drilling proposals. Underground Mineralisation is predominately hosted in competent quartz structures, therefore sample recoveries are generally high. No significant sample loss has been recorded with a corresponding increase in Au.

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • All holes have been logged in full to include lithology, veining, mineralisation, alteration, RQD and sampling data. • All core has been photographed before sampling.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • All core submitted for sampling was half core. • All samples were submitted to the independent Gekko Industries Laboratory at Ballarat. Samples were crushed, pulverised and 50g fire assayed. This method is acceptable for this style of deposit. • Internal QAQC insertion of blanks and standards is routinely carried out. Random and select insertion is applied, ie blanks are inserted directly after samples containing visible gold. The laboratory has its own QAQC program which is reported with results and a monthly QAQC review. • Although coarse gold dictates a larger sample size, the sample sizes are considered appropriate for this style of deposit.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • The method of 50 gram Fire Assay Digest technique with an AAS finish is acceptable for this style of deposit and can be considered a near total digest. • Industry standards are followed for all sample batches, including the insertion of commercially available CRM's and blanks. The insertion rate is approximately 1 every 10 to 15 samples. QAQC results (Both A1 and internal laboratory QAQC) are reviewed by A1 geological staff upon receipt of the assay results. No issues were raised with the data being reported.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • The results have not been checked by an independent laboratory or institution at this stage. • All field data is recorded on an excel spreadsheet then uploaded into an Access Database with industry standard security and protocols in place. Front end validation is built into the spreadsheet to prevent spurious data entry. • There were no adjustments made to the Certified Assay Data provided by the laboratory.

Criteria	JORC Code explanation	Commentary
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • The drill hole collar was laid out by licensed surveyors. The hole collar remains to be picked up. The design is within 2m of the actual collar position. • Down hole surveying was undertaken at 15m, then every 30m after this using a Reflex single shot camera. • The grid system used is MGA_GDA94. • The topography model is of a high quality.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Given the high grade variability and coarse gold nature of the A1 Mine, the face chip and grab samples are sufficient for the reporting of exploration results only. • As discrete samples, the face chips and grab samples are insufficient to establish any degree of geological and grade continuity. • Sample compositing was not applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • A majority of the reef development at the Eureka deposit is steeply east dipping, indicating a slight bias on the dip. The strike is slightly off perpendicular to the apparent strike of the reef development also. • There is no significant bias introduced with the drilling angle.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Chain of custody is managed by A1 Consolidated Gold. Samples are transported to the laboratory by A1 Consolidated staff with the sample submission checked by laboratory staff upon delivery.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No audits or reviews have been conducted on the data contained in this release.

Section 2 Reporting of Exploration Results,

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Eureka Gold Mine is located wholly within MIN5487. This license is 100% owned by Orion Resources (ORN) with a Binding Term Sheet for the purchase by A1 Consolidated Gold (AYC) to purchase the tenement announced to the ASX 11 August 2015. The license is in good standing. The Eureka Gold Mine is located approximately 150km east of Melbourne, near the town of Walhalla.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Eureka Gold Mine has been recently explored by Gold Star Resources beginning with a surface exploration program, consisting of 25 holes totaling 6989m of drilling, followed by underground development combined with an underground drilling program from newly established drill cuddy's. The underground drill program consisted of 56 holes for a total of 2716m. The drilling data is of an acceptable standard with minor issues surrounding the classification of some lithological units. The existing interpretation was updated by A1 Consolidated Geologists and is adequate although requires further refinement.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The project area lies within the southern extent of the Woods Point – Walhalla Synclinorium structural domain of the Melbourne Zone, a northwest trending belt of tightly folded Early Devonian Walhalla Group sandy turbidites. The domain is bounded by the Enoch's Point and Howe's Creek Faults, both possible detachment-related splay structures that may have controlled the intrusion of the Woods Point Dyke Swarm and provided the conduits for gold bearing hydrothermal fluids. The Woods Point-Walhalla goldfield has produced in excess of 4 million ounces of gold. Mineralisation at the Eureka Gold Mine occurs as structurally controlled quartz ladder vein systems hosted by predominately within a dioritic dyke bulges with some mineralisation also occurring within sediments. The reef system at Eureka consists of high angle reverse faults that uncharacteristically for the field, dip to the east. Mineralisation within these reefs consists of free gold generally associated with sulphides including pyrite, arsenopyrite, galena and other related soft sulphides.

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • Refer to tables contained in report body.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Reported grades have not been cut. • Sample widths are relatively consistent across high and low grades. • No metal equivalents have been reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • The intersections reported cannot be regarded as true width due to the drilling angle being off perpendicular to the veining intersected. • Dip approximately 60 degrees to the perpendicular. Strike approximately 40 degrees to the perpendicular. • Down hole length intersection reported- clearly stated in results.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Refer to diagrams contained in report body.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • All results received have been reported. Some sterilisation sampling remains to be completed.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • No other substantive exploration data.

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Further drilling is not planned from the current drill location. Any further drilling is proposed to be conducted from existing underground development.