



A1 Consolidated Gold

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:

495,839,222 Ordinary Shares

237,639,276 Listed Options

9,000,000 Unlisted Options

24,000,000 Unlisted Options

71,428,565 Convertible Notes

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ASX Release – 01st March 2016

Mine Development Reaches Primary Production Target

Highlights:

- ❖ **1400 Stockwork Zone Intersected at the A1 Gold Mine**
- ❖ **Rapid Mine Development Completed within Forecast Time**
- ❖ **Ore Development Commenced on 1410 Level**
- ❖ **Production Mining on Schedule for March 2016**

A1 Consolidated Gold Limited (ASX:AYC) (**A1 Gold** or the **Company**) is pleased to advise that the Company's rapid development plan is progressing as forecast and that underground development at the A1 Gold Mine has intersected the 1400 Stockwork Zone, which is the Company's primary production target.

In January 2016, A1 Gold announced that it had appointed PYBAR as underground mining contractor to undertake contract mining at the A1 Gold Mine. In less than two months, PYBAR have safely and efficiently mobilised, commenced development and increased mine development rates with the most recent achievement being the intersection of the 1400 Stockwork Zone on time and within forecast.

Ore development of the 1410 Level has commenced and production mining is on schedule to be undertaken in March 2016.

Managing Director Dennis Clark commented:

"Our decision to appoint PYBAR as underground mining contractor to accelerate development at the A1 Gold Mine has been vindicated with the 1400 Stockwork Zone intersected on time and within forecast."

"The 1400 Stockwork Zone is our Company's primary production target."

"With gold production planned for the current quarter, we will be well-placed to take advantage of the high Australian dollar gold price."





1400 Stockwork Zone Access



Photo: 1400 Stockwork Zone
(Looking West)
Dimensions 5.0m x 5.0m

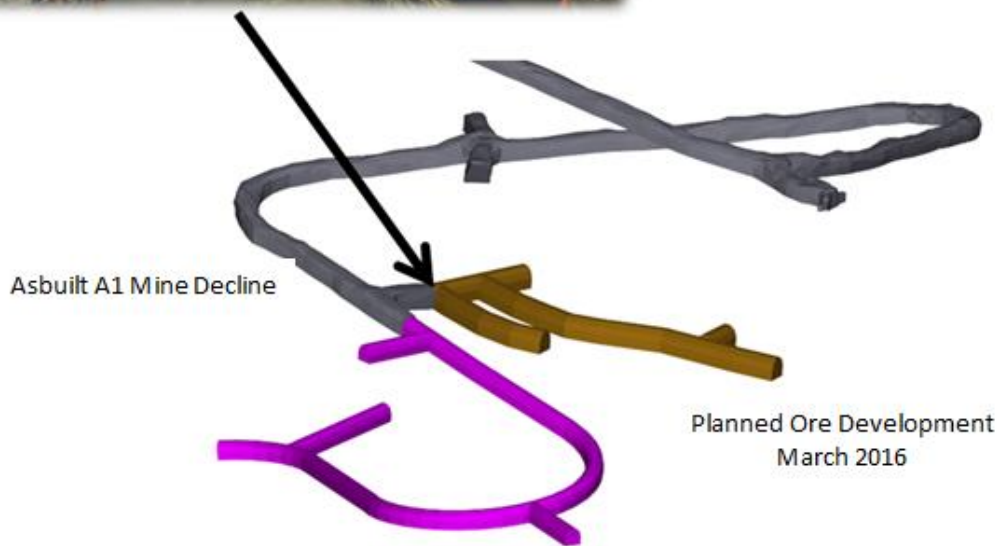


Figure 1. Isometric view of the A1 Mine Decline with Planned Ore Development
March 01st 2016






A1 Gold Mine Plan

In January 2016 PYBAR commenced as underground mining contractor at the A1 Gold Mine with the objective of rapidly accelerating Decline development to access the 1400 Stockwork Zone and commence production mining in Q1 2016.

The basic mine plan is summarised below:

- **Months 1 & 2**
Decline development and ore access drive;  **completed February 2016**
- **Month 3**
Production mining of 1400 Stockworks; **planned March 2016**
- **Ongoing**
Mining scheduled at 150,000 tonnes per annum
Upgrade and increase Mineral Resource with infill drilling and ore extensions
(6,000 metres diamond drilling per annum funded from cashflow)
Define Ore Reserves to support + 6 year mine life

The accelerated mine plan was implemented to take advantage of the current high Australian dollar gold price, which generates attractive returns, given the A1 Gold Mine Scoping Study completed in January 2015⁽²⁾ forecast 30,000 ounces per annum of gold production at a C3 cost of A\$849 per ounce.

During March 2016 the Company expects to complete 180 metres of ore development on the 1410 Level, which once complete will provide for the commencement of production mining using bulk tonnage underground mining techniques.

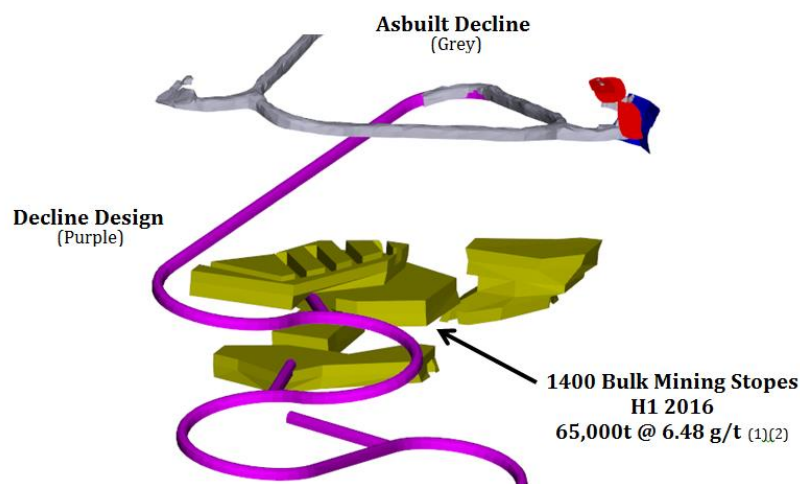


Figure 2. Isometric view of the A1 Mine Decline January 2016

- (1) September Quarterly ASX Announcement 30 Sept 2015
(2) Updated Scoping Study ASX Announcement 13 Jan 2015





About the Company

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

The Company is also developing the Union Hill Mine at Maldon and the Eureka and Tubal Cain deposits near Walhalla to provide high-grade ore to supplement the A1 Mine production.

Location of Projects



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.

