



# A1 Consolidated Gold

ASX Release – 3<sup>rd</sup> March 2015

## Ore Processing Commences at Maldon

### Highlights:

- ❖ **Ore Processing Commenced at Maldon Treatment Plant**
  - Wet commissioning of Maldon Treatment Plant complete
  - Processing of Alliance South crushed ore stockpile has commenced
- ❖ **Pre-Operational Mill Maintenance Completed On-Time & within Budget**
  - Mill trunnion and pinion bearings replaced
  - Full alignment of Mill drive- train undertaken
- ❖ **Airleg Stopping has Commenced at Alliance South Deposit**
  - First two airleg rises between 1080 & 1100 levels completed
  - Western Reef exposed in both rises

A1 Consolidated Gold Limited (ASX:AYC) (**A1 Consolidated Gold** or the **Company**) is pleased to announce that the Company has commenced ore processing activities at the Maldon Gold Operation.

Managing Director, Mr Dennis Clark commented “the commencement of ore processing at the Maldon Treatment Plant is a significant milestone for our Company and will bring us imminent cash flow”.

“Since listing on the ASX in June 2012, our primary objective has been to become a profitable and dividend paying gold producer. This is a major step towards achieving this objective”.

“I’m delighted to say that our mill improvement program has progressed on-time and within budget and we look forward to our first gold pour in three weeks’ time”.

“Air leg mining at the Alliance South Deposit is also progressing well. We have exposed the Western Reef structure in the rises which we’ve just started stopping from and will add tonnes and grade to the crushed ore stockpile currently being processing”.

“With the Updated Stage 1 Scoping Study projected All in Sustaining Cost (C3) of \$849/oz, the Company looks forward to moving into the production phase”.

**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 Executive Options

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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 developing two airleg rises between the 1080 and 1100 levels of the Alliance South Deposit and commencing stoping of the ore body.

### **Improvements to Maldon Treatment Plant**

Prior to re-commencing ore processing operations at the Maldon Treatment Plant, A1 Consolidated Gold has completed a mill improvement and maintenance program.

This program has focussed on repairs to the grinding circuit, with the main item of work being the replacement of the mill trunnion and pinion bearings. These repairs and maintenance have been completed on-time and within budget. The mill grinding circuit was wet commissioned last week and ore processing activities have today commenced to treat the crushed development ore from the 1080 level of the Union Hill Mine (Alliance South Deposit).

The Company expects to complete its first gold pour in approximately three weeks' time.



Figure 1. Operating Maldon Treatment Plant  
Monday 2<sup>nd</sup> March 2015







## Airleg Stopping at Alliance South Deposit

Since taking management control of the Maldon Gold Operation the Company has developed two airleg rises between the 1080 and 1100 levels of the Alliance South Deposit and commenced stoping. The position of the airleg rises are illustrated in Figure 2.

The Western Reef structure was exposed in both airleg rises between the levels. Stopping has commenced between the 1080 and 1100 levels and airleg rising has commenced above the 1100 level.

Processing of airleg stoped ore is expected to commence shortly and will supplement the crushed ore stockpile currently being processing.

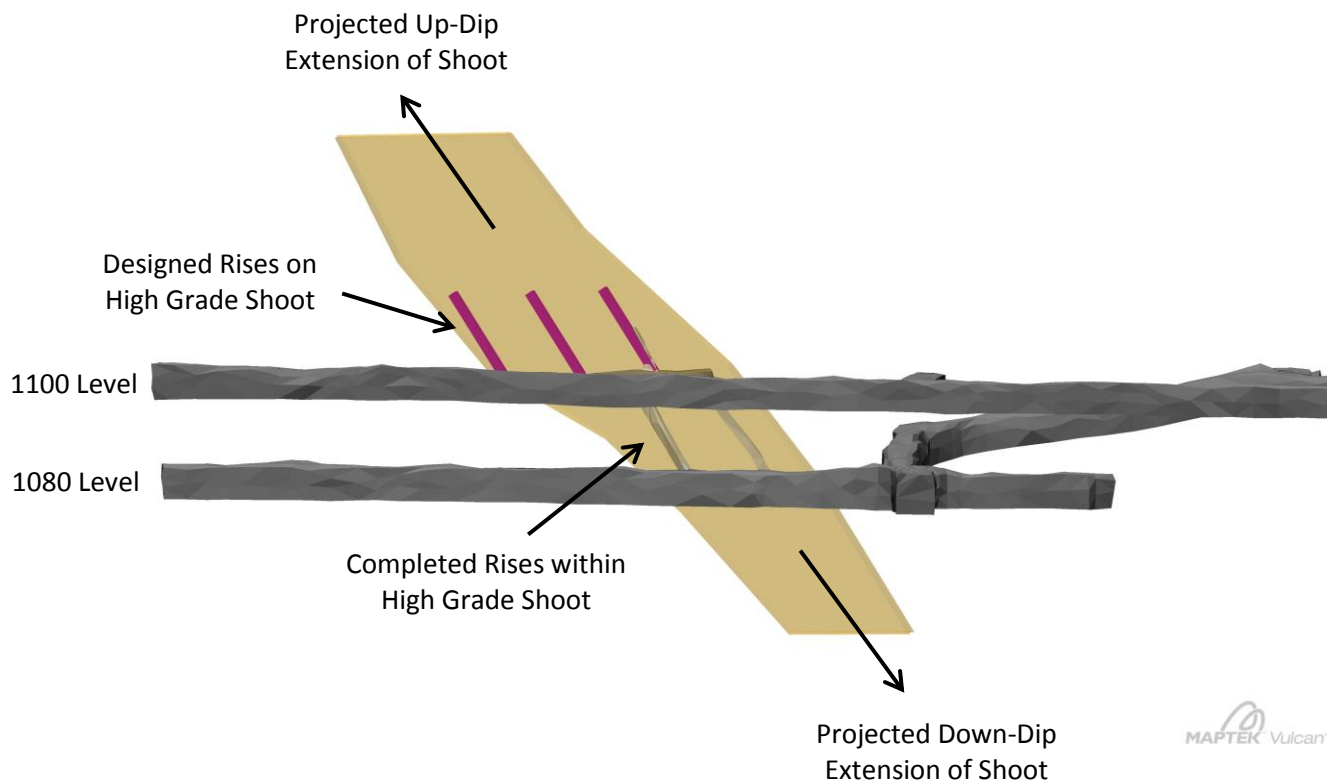


Figure 2. Western Reef: Screen Capture showing the position of airleg rises with respect to ore shoot intersected by level development





## 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 3: Location of Projects

