



A1 Consolidated Gold Ltd

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8 October 2014

Dear Shareholder

A1 Consolidated Gold Limited Renounceable Entitlement Offer

The Board seeks your support in a capital raising. The intended use for this capital raising is as detailed in section 1.4 of the Prospectus dated 2 October 2014 which incorporates the development works outlined in the Stage 1 Scoping Study, released to market on 5th September 2014.

On 23 September 2014, A1 Consolidated Gold Limited (**Company**) announced that the Company will be conducting a pro-rata renounceable entitlement offer to shareholders of approximately 154,598,081 new shares on the basis of 7 new shares for every 8 shares held at the record date at \$0.03 each (**New Shares**) to raise approximately \$4.63 million (before costs) (**Entitlement Offer**).

The Entitlement Offer is underwritten by Patersons Securities Limited (**Patersons**) to \$2.2m.

Eligible shareholders (other than Directors and related parties of the Company) may, in addition to taking up their entitlement to New Shares under the Entitlement Offer in full, apply for additional New Shares, subject to availability and the discretion of the Directors. Any additional New Shares not taken up by existing shareholders will comprise the shortfall which will be dealt with in consultation with the Underwriter (or sub-underwriters).

The Entitlement Offer is being made pursuant to a Prospectus lodged with ASIC and ASX on 2 October 2014 (**Prospectus**). The Prospectus contains further information about how to take up your entitlement under the Entitlement Offer. The Prospectus will be available on the Company's website at www.a1consolidated.com.au and on the ASX website and will be mailed to Shareholders after the Record Date.

Indicative Timetable

"Ex" Date and Rights trading commences	9 October 2014
Record Date (5:00pm WST) for determining Entitlements	13 October 2014
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders	16 October 2014
Opening Date of Entitlements Offer and Underwriter Option Offer	16 October 2014
Rights trading ends	20 October 2014
Closing Date for acceptances and receipt of application under the Entitlements Offer at 5.00pm (WST) and the Underwriter Option Offer	27 October 2014
Notify the ASX of Shortfall	30 October 2014
Allotment and issue of New Shares and despatch of holding statements for New Shares	3 November 2014
Date of quotation of New Shares and trading of New Shares is expected to commence	4 November 2014
Issue of Shortfall Shares to Underwriter (on or around)	4 November 2014
Issue of Underwriter Options to Underwriter (or nominees) (on or around)	4 November 2014



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The dates in the table above are indicative only and the Company reserves the right to vary them in consultation with the Underwriter and in accordance with the requirements of the ASX Listing Rules.

Use of Funds from Entitlement Offer

The funds will be used by the Company for working capital purposes and to assist with the further development of the A1 Gold Mine, loan repayments and payment of the costs of the Offer (including the underwriting fee) with any extra funds going towards exploration at the A1 Gold Mine and the Walhalla tenements.

Eligible Shareholders

The Entitlement Offer is made to eligible shareholders only. An eligible shareholder is a shareholder with a registered address in Australia or New Zealand at the Record Date. The Company has appointed Patersons as nominee to sell the ineligible shareholders' rights. Patersons will sell the ineligible shareholders' rights and distribute the proceeds of the sale net of expenses (in Australian dollars) to each of the ineligible shareholders in proportion to their shareholdings. . No action has been taken to register or qualify the New Shares or the Entitlements Offer or otherwise to permit an offering of the New Shares in any jurisdiction outside of Australia and New Zealand. It is the responsibility of any applicant under the Entitlement Offer to ensure compliance with any laws of a country relevant to their application.

Investor Briefing

I am committed to our Company and am planning a series of investor meetings over the next few weeks. The dates and venues for these meetings are yet to be confirmed and subject to shareholder demand. If you would like to attend one of the investor meetings, please reply to admin@a1consolidated.com .

For further information relating to the Entitlement Offer, please contact the Company Secretary on (08) 9389 2111.

Yours faithfully

Dennis Clark
Managing Director