

3 October 2014

Dear Option-holder

A1 Consolidated Gold Limited Renounceable Entitlement Offer

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**).

Exercise of Options

Under the terms of the options you currently hold, there is no entitlement to participate in the Entitlement Offer unless you exercise your options and you are entered onto the register as a shareholder on or before 5.00 pm (WST) on the Record Date, being 13 October 2014.

To exercise your options and participate in the Entitlement Offer (in respect of your options) you will need to deliver to the Company Secretary the following:

1. completed application form to exercise options specifying the number of options to be exercised (**Option Exercise Notice**);
2. your option certificate covering that number of options; and
3. payment for the exercise price for those options by way of a cheque made payable to "**A1 Consolidated Gold Limited**".

Each Share allotted as a result of the exercise of an option will rank equally with all other issued Shares of the Company.

Option Exercise Notices and payment for the exercise of the options must be received by no later than 5.00 p.m. (WST) on 13 October 2014.

If you do not wish to participate in the Entitlement Offer (in respect of your options), you do not need to take any action.

For further information relating to the Entitlement Offer and/or the exercise of the options you hold, please contact the Company Secretary on (08) 9389 2111.

Yours faithfully

Dennis Wilkins
Company Secretary