

A1 Consolidated Gold Ltd

# A1 Consolidated Gold Limited PRESENTATION Sydney RIU 2013



**A1 Consolidated Gold Ltd**

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## Competent Persons 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, which is relevant to the style of mineralisation and type of deposit under consideration, and to qualify as a Competent Person as defined in the 2004 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.

The information in this presentation that relates to Mineral Resources is extracted from the summary report entitled 'A1 Consolidated Gold, Mineral Resource Estimate' prepared by CSA Global Pty Ltd included in the Company's ASX announcement dated 11 February 2013 and is available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

# Overview



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3

## ❑ Advanced Project ready for Production

- Fully operational mine site including underground development & infrastructure
- Decline being developed (~100m per month)
- Toll treatment agreement with Octagonal Resources Limited (ASX:ORS) – 50,000 tpa (3 years)

## ❑ JORC (2004) total Mineral Resource of 281,000 oz Gold February 2013 (1.4Mt @ 6.2 g/t Gold)<sup>(1)</sup>

- Indicated 250,000 t @ 5.1 g/t Au for 41,200 Au
- Inferred 1,170,000 t @ 6.4 g/t Au for 240,000 Au
- Targeting 10 year mine life at 150,000 tpa
- Resource growth is expected

## ❑ Current Exploration: A1 Dyke Corridor

- Diamond Drilling success from underground
- Northern Extension intersected at circa 30m of down-hole width
- Dyke Intersected in Southern Extension Q1 2013

## ❑ Planned Production Growth

- Access to the 1400 Level will provide opportunity for greater tonnage treatment and production
- The mining design is for a bulk mineable ore body

<sup>(1)</sup> Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, operational cost, metal price, mining control, dilution or other relevant issues. There has been insufficient exploration at this date to define these Inferred Mineral Resources as an Indicated or Measured Mineral Resource, as there is insufficient close-spaced drill hole data to adequately define grade and geological continuity for this structurally complex deposit. It is uncertain if further exploration will result in upgrading the Inferred Mineral Resource to an Indicated or Measured Mineral Resource category or to Ore Reserves.

# Company Overview



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4

## Capital Structure

Listed	21 June 2012
ASX Code	AYC
Share price (10 <sup>th</sup> May 2013)	\$0.20
Shares on issue	138.2m
Options (unlisted)	28.67m
Market cap (@ \$0.20 per share)	\$27.6m
Cash (31 <sup>st</sup> March 2013)	\$2.68m

## Major Shareholders

Gaffney's Creek Gold Mine	24.1%
Heron Resources	18.1%
Board and Management	13.8%
Top 20	77%

## Major Projects

A1 Gold Mine (MIN5294) 100%

## Other Projects

Ten Mile Gold Field (EL5109) 100%

Star of the West (MIN4636) 100%



# Experienced Board and Management Team



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5

## Ashok Parekh

### Non-Executive Chairman

Chartered accountant who has operated an Accounting Practice for 25 years. Awarded the Centenary Medal in 2003 and recently awarded the Meritorious Service Award by the Institute of Chartered Accountants. Executive Chairman of MacPhersons Resources Ltd (ASX: MRP).



## Dennis Clark

### Managing Director

38 years' experience in underground mining, with extensive knowledge of mine development. Mr. Clark has been the driving force behind the re-development of the A1 Gold Mine and is intimately familiar with the mine workings and geology.



## Darren Russell-Croucher

### Director of Mining

Over 20 years' experience in the exploration, construction and development of gold projects. He has been involved in the management teams of gold projects in Victoria and Western Australia, taking the projects from the construction phase through to production.



## Glenn Wardle

### Executive Director



## Morrie Goodz

### Non-Executive Director



## Jeff Williams

### Non-Executive Director



## Emma Walczak

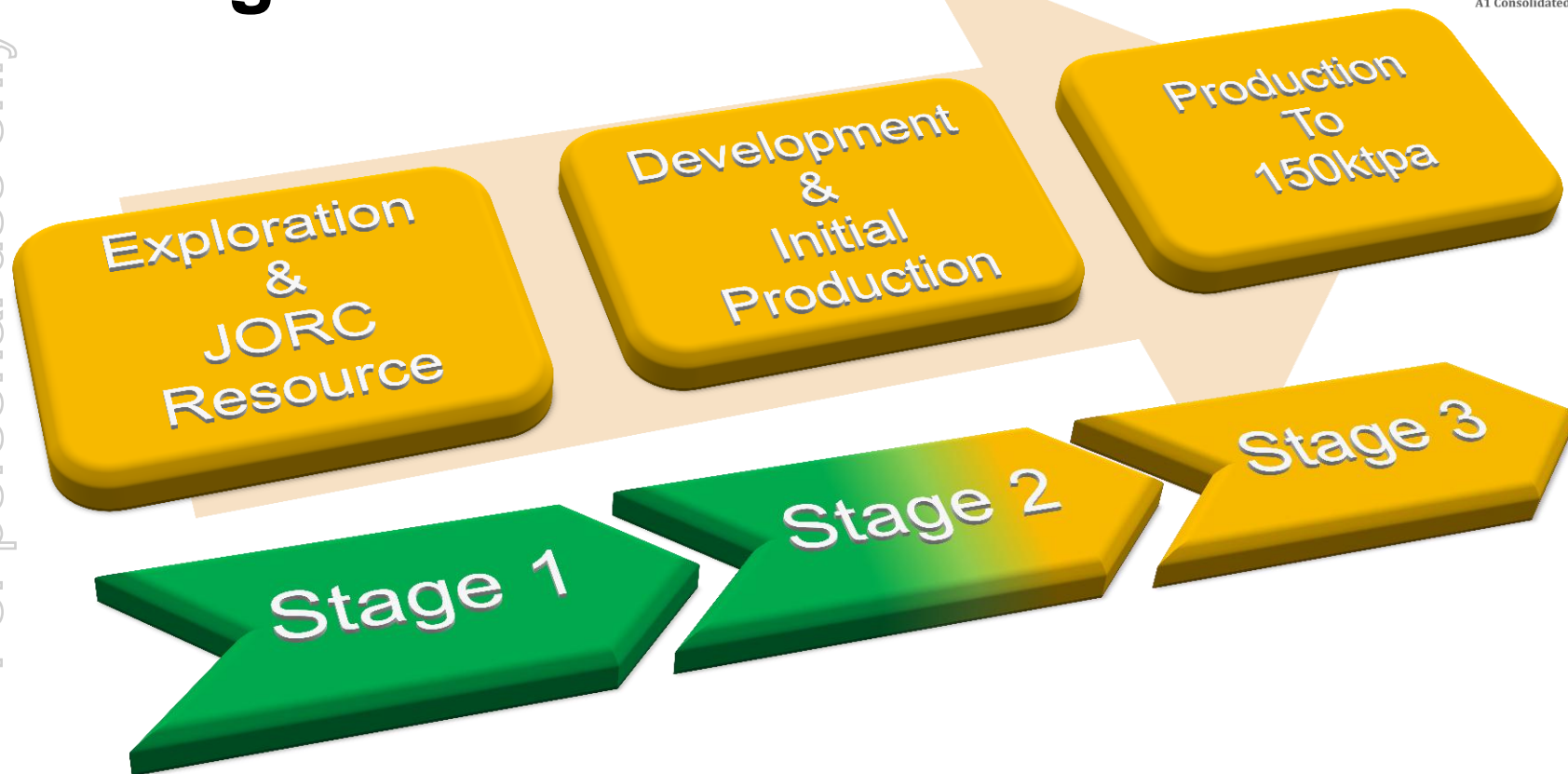
### Company Secretary

# 3 Stage Plan



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6



# Stage 1: Exploration & Resource



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7



Our plan through a combination of :-

- ☐ Underground Decline Development
- ☐ Ongoing Underground Drilling Program

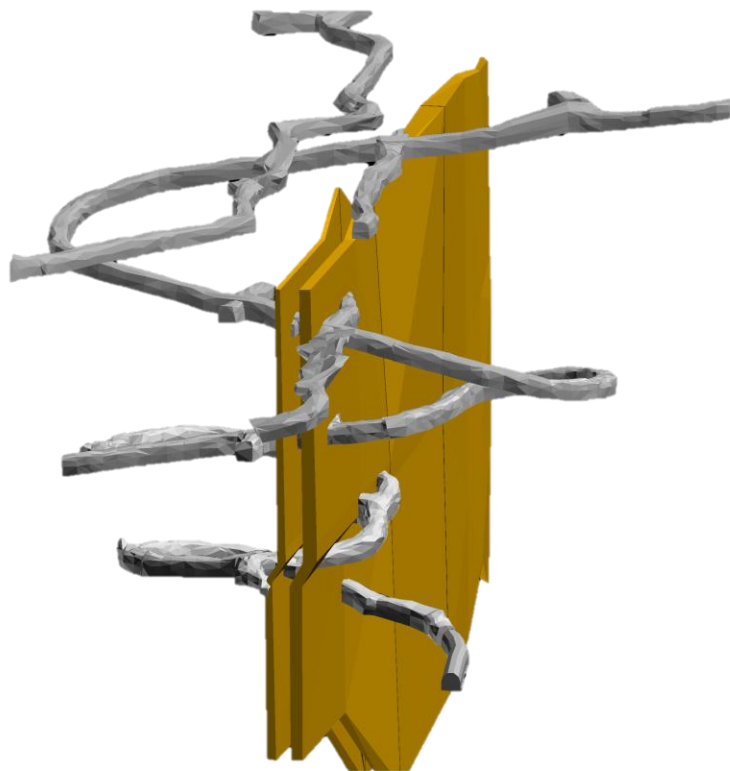
To define a JORC Mineral Resource

# Stage 1: Exploration & Resource



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8



- ❑ Underground Decline development to the 1400 Stockwork Zone designed to intersect the Dyke multiple times and for underground drill platforms
- ❑ Ongoing Underground Drill Program



# Stage 1: Exploration & Resource



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9

- ❑ JORC total Mineral Resource<sup>(1)</sup> of 1.4Mt @ 6.2 g/t for 281,000 oz Au
  - Indicated 250,000t @ 5.1 g/t Au
  - Inferred 1,170,000t @ 6.4 g/t Au
- ❑ Red Overlay is the Indicated Resource and Mustard Coloured area is Inferred
- ❑ Currently Underground Diamond Drilling to upgrade the Inferred Resource to a higher category

<sup>(1)</sup> Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, operational cost, metal price, mining control, dilution or other relevant issues. There has been insufficient exploration at this date to define these Inferred Mineral Resources as an Indicated or Measured Mineral Resource, as there is insufficient close-spaced drill hole data to adequately define grade and geological continuity for this structurally complex deposit. It is uncertain if further exploration will result in upgrading the Inferred Mineral Resource to an Indicated or Measured Mineral Resource category or to Ore Reserves.

# Stage 1: Exploration & Resource



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10

Exploration  
&  
JORC  
Resource

Stage 1

- ☐ Underground Decline Development
- ☐ Ongoing Underground drilling program
- ☐ JORC total Mineral Resource<sup>(1)</sup> of  
1.4Mt @ 6.2 g/t for 281,000 oz Au
  - Indicated 250,000t @ 5.1 g/t Au
  - Inferred 1,170,000t @ 6.4 g/t Au



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# Stage 2: Development & Production



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11

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Development  
&  
Initial  
Production

Stage 2

Our plan through a combination of :-

- ☐ Ongoing Underground Decline Development to the 1400 Stockwork Zone
- ☐ By commencing Production Mining

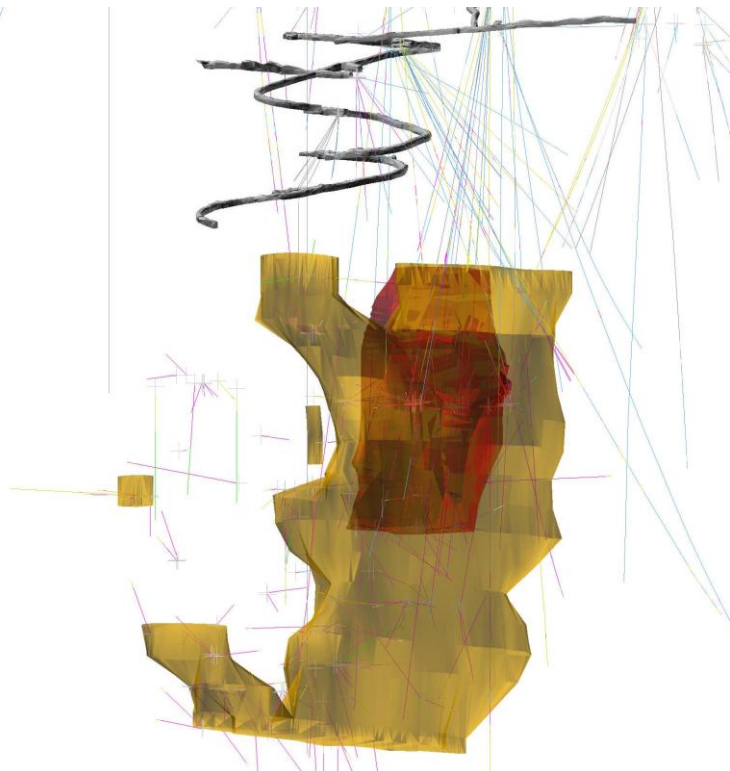
To achieve Initial Production and Cashflow

# Stage 2: Development & Production



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12



- ☐ Decline is scheduled to reach the 1400 Stockwork Zone in June 2013
- ☐ The Decline development is on time and on budget
- ☐ Has less than 150 Linear metres to go

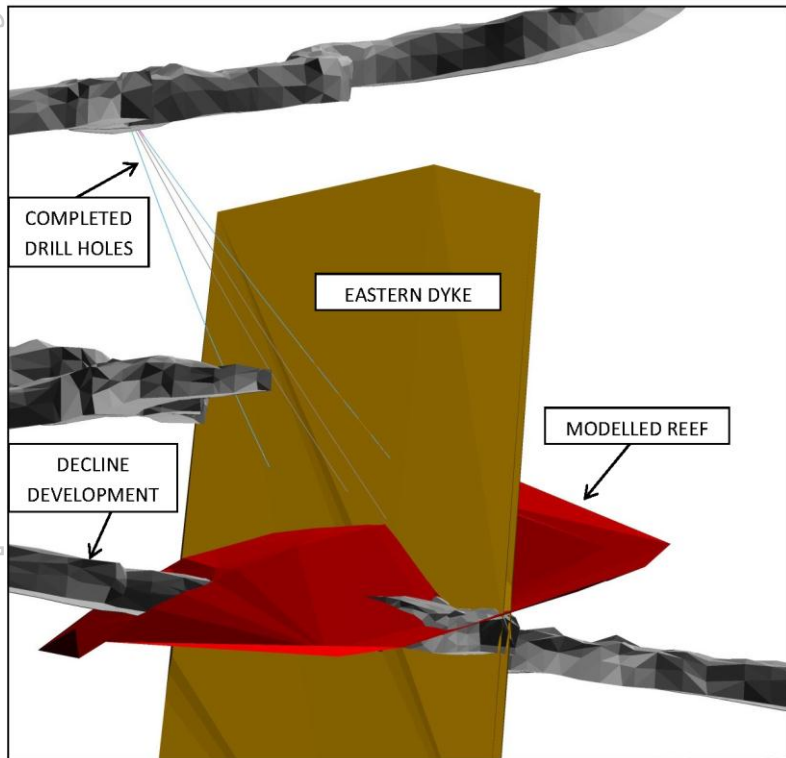
Isometric Screen Capture: Decline and Resource Block Model

# Stage 2: Development & Production



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13



Model of 1525 Reef and Drill Program

Two new discoveries totally outside the current JORC Resource:

- ❑ 1650 South Stope:  
Face samples averaging 49 g/t Au
- ❑ 1525 Reef:  
Face samples averaging 38 g/t Au
- ❑ 1525 Reef projection has been intersected 40.0m further to north along strike by Diamond Drilling

# Stage 2: Development & Production



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14



Coarse gold specimen from north wall of 1650 South Stope

- ❑ Production Mining has commenced at the 1650 South Stope with high grade face samples
- ❑ Transport of Ore to commence May 2013 for toll treatment at Octagonal Resources (ASX:ORS) Porcupine Flat treatment plant
- ❑ Processing is scheduled for June 2013

# Stage 2: Development & Production



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15

Development  
&  
Initial  
Production

Stage 2

- ☐ Underground Decline development to the 1400 Stockwork Zone Scheduled for June 2013
- ☐ Production mining has commenced
- ☐ Transport of Ore for Toll Treatment
- ☐ Processing scheduled for June 2013



**May  
2013**

**June  
2013**

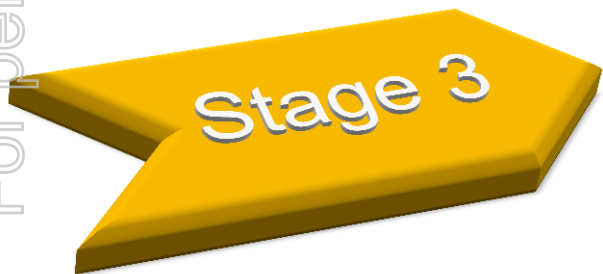
# Stage 3: Production to 150ktpa



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16

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Our plan through a combination of :-

- ❑ A Bulk Mining Design
- ❑ By Progressively Increasing the Mining Rate

To achieve a Production Mining rate of 150ktpa



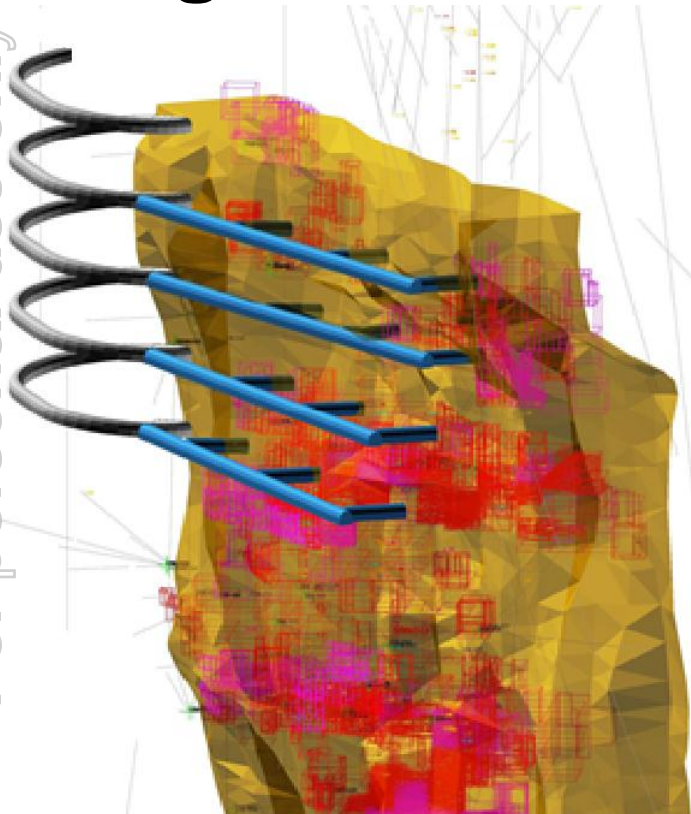
# Stage 3: Production to 150ktpa



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17

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- ☐ Decline is scheduled to reach the 1400 Stockwork Zone in June 2013
- ☐ The mining design is for a bulk mineable block
- ☐ Current JORC Mineral Resource  
Ten year mine life

Screen capture of proposed Mining Design

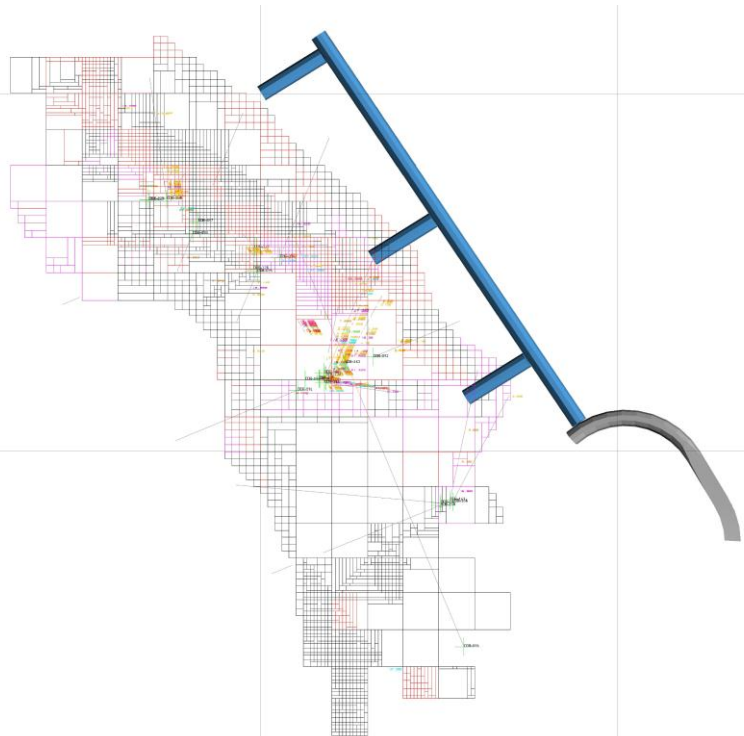
# Stage 3: Production to 150ktpa



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18

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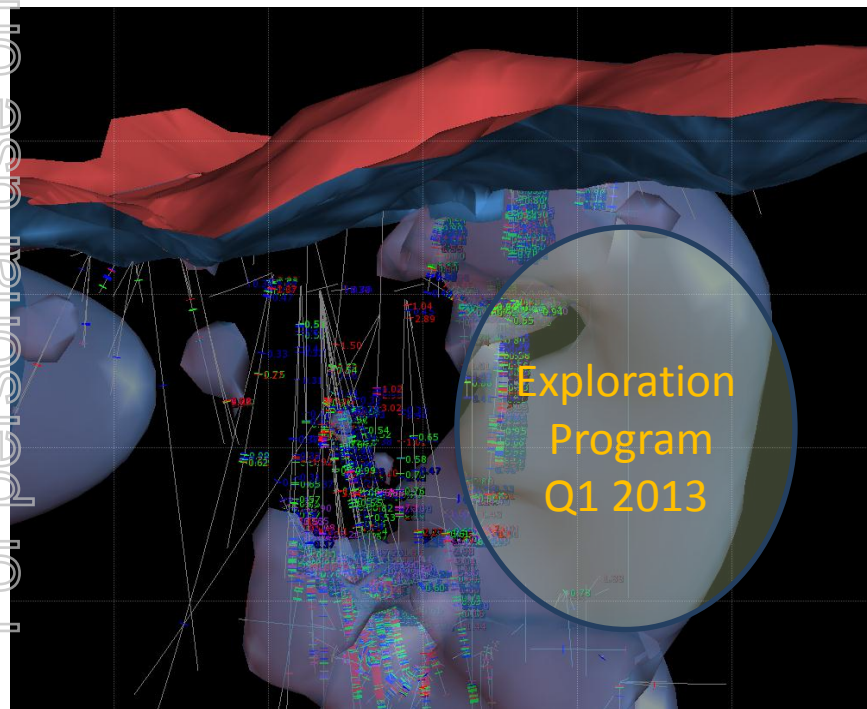
Plan view of proposed Mining Design

- ❑ 1400 Stockwork Zone Plan View
- ❑ The mining design is for a bulk mineable block
- ❑ At the 1400 level, the Resource Block is >150 metres along strike & >30 metres in width.



# Exploration Potential – Mine Life Extension

## A1 Gold Mine



Drawings are not to scale and are for illustration purposes only

- **Northern Extension**

JORC Exploration Target of approximately 4m to 6mt with a grade range of 3 – 11 g/t Au<sup>(1)</sup>

- **2008 Drilling confirms:**

- Dyke Corridor extends **>400m** north
- Mineralised Dyke still **~20m** wide
- Reef material at **9.7 g/t gold Au**

- **2012 Infill Drilling:**

- Mineralised Dyke **~30m** intersection

- **Southern Dyke Extension:**

- Surface Drilling Commenced February 2013
- Target area **400m** strike length

<sup>(1)</sup> References to exploration target size and target mineralisation in this report are conceptual in nature and should not be construed as indicating the existence of a JORC Code compliant mineral resource. There is insufficient information to establish whether further development and exploration will result in the determination of a mineral resource within the meaning of the JORC Code.

# Stage 3: Production to 150ktpa



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20

Production  
to  
150ktpa

Stage 3

- ☐ Design is for Bulk Mining
- ☐ By Progressively Increasing the Mining Rate

To achieve a Production Mining rate of 150ktpa

**H2  
2013**

**2014**

**2015**

# Summary



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21

## ☐ **Advanced Project ready for Production**

- Fully Operational Mine Site
- Infrastructure, Plant & Equipment fully owned

## ☐ **JORC Mineral Resource total of 1.4Mt @ 6.2 g/t Au for 281,000 oz<sup>(1)</sup>**

- Excellent start – targeting 10 year Mine Life at 150,000 tpa

## ☐ **Production Growth Potential**

- Access to the 1400 Stockwork Zone will provide access to greater tonnage

## ☐ **Near mine exploration targets**

- Multiple near mine drill ready targets

## ☐ **Development is Funded to Production with \$2.68 million cash**

## ☐ **Highly experienced Board and Management with a commitment to keeping costs low**

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# Thankyou

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