



# A1 Consolidated Gold

**ASX Release – 21<sup>st</sup> March 2013**

## **Gravity Circuit – Progress Update**

**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 (2004)

Indicated – 250,000 t @ 5.1 g/t for 41,200 oz Au

Inferred – 1,170,000 t @ 6.4 g/t for 240,000 oz Au

Developing decline at approx 100 metres per month –

### **Board of Directors:**

#### **Chairman**

Ashok Parekh

#### **Managing Director**

Dennis Clark

#### **Technical Director**

Darren Croucher

#### **Executive Director**

Glenn Wardle

#### **Non-Executive Directors**

Morrie Goodz

Jeff Williams

#### **Joint Company Secretary**

Emma Walczak

Dennis Wilkins

### **Capital Structure:**

138,208,921 ordinary shares

28,666,667 unlisted options

### **Contact:**

Emma Walczak

Dennis Wilkins

Tel: +61 8 9389 2111

### **Highlights:**

- ❖ **Construction of Gravity Circuit on schedule**
- ❖ **Independent Metallurgical testing indicates high gravity recovery rates**
- ❖ **180,000 tonnes per annum capacity**
- ❖ **Stress testing to commence end of March**

As previously announced, A1 Consolidated Gold Limited delivered an initial test bulk ore sample to Octagonal Resources Limited's (ASX:ORS) Maldon Plant for processing. This test bulk sample demonstrated that the ore from the A1 Gold Mine required a gravity circuit in order to maximise treatment and recovery.

A1 Consolidated Gold Limited (ASX:AYC) following metallurgical testwork with Gekko Systems, commenced sourcing of components and construction of a mobile gravity circuit to be placed at the Octagonal Resource Limited's (ASX:ORS) Maldon Plant.

The Company is pleased to announce this initiative is running on schedule and expects to be stress testing the gravity circuit during the last week of March. Following successful stress tests, commissioning of the mobile gravity circuit will commence the first week of April.

### **Managing Directors Comment**

Dennis Clark, "We are excited about commissioning our gravity circuit, which will provide for initial treatment of 4,000 tonnes per month. The independent metallurgical testing has indicated a high gravity recovery rate."

"The Company would like to thank Technical Director, Mr Darren Croucher for his dedication and commitment in the planning and construction of this plant."

A basic flowchart and photographs of the gravity circuit are provided as Figures 1 & 2.



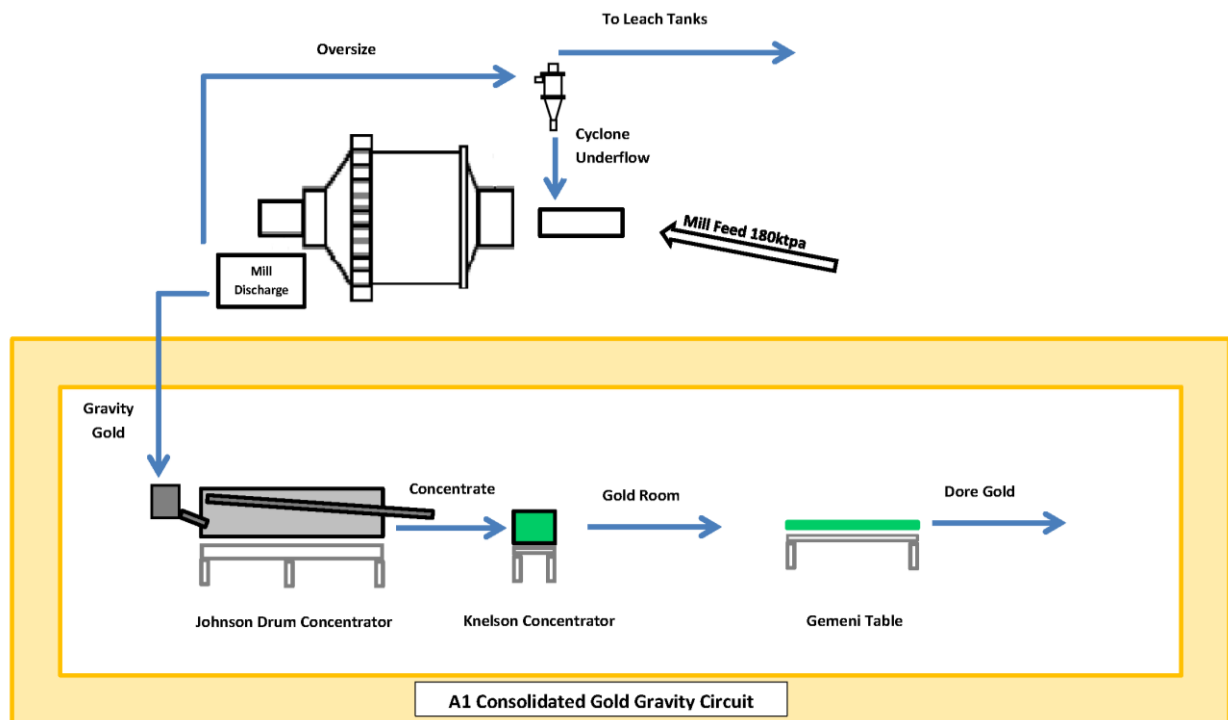


Figure 1: Line Drawing Flow sheet



Figure 2: Mobile Gravity Circuit

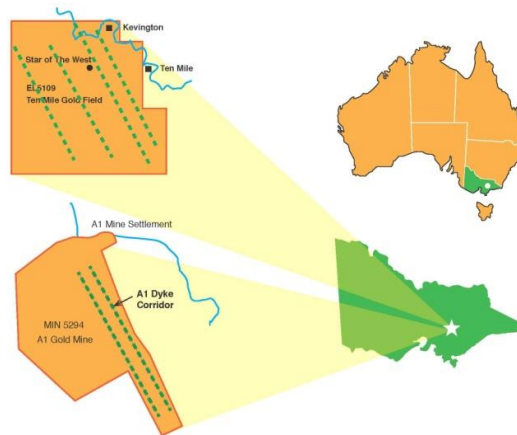






## About the Company

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 (Figure 2). The Company has also acquired two mineral tenements to the north of the A1 Gold Mine for further exploration. A1 Consolidated Gold is currently developing an underground decline to the 1400 Stockwork Zone and expects to reach this zone in June 2013. The mining design is for a bulk mineable block.



**Figure 3: Location of Tenements**

### Competent Persons Statement

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.

### Forward Looking Statements

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding gold prices, exploration costs, production costs and other operating results, growth prospects and the outlook of A1 Consolidated Gold Limited's operations contain or comprise certain forward looking statements regarding A1 Consolidated Gold Limited's exploration & development operations, economic performance and financial condition. Although A1 Consolidated Gold Limited believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, mine development and operating risks, delays in obtaining governmental approvals or financing or in the completion of development or construction activities, discrepancies between actual and estimated production, risks inherent in the ownership, exploration and operation of or investment in mining properties, fluctuations in gold prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. A1 Consolidated Gold Limited undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

