A1 Consolidated Gold
Mining & Development

A1 Consolidated Gold Limited Presentation

September 2014

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- The information in this Presentation that relates to production targets and forecast financial information derived from the production target is extracted from the Company's ASX announcement dated 5 September 2014 (**September Announcement**) and is available to view on the Company's website. The Company confirms that all the material assumptions underpinning the production target and forecast financial information derived from the production target referred to in the September Announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the information is presented has not been materially modified from the original September Announcement.
- The Scoping Study information referred to in this Presentation is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic production mining case at this stage or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target itself will be realised. This production target equates to 67% of the JORC Code 2012 compliant Mineral Resource Estimate between the 1420 RL and the 1310 RL and is made up of approximately 37% Indicated Mineral Resource and 63% Inferred Mineral Resource. During the critical first 2 years, 42% of production is from Indicated Mineral Resources.

Competent Persons Statements

- The information in this Presentation that relates to Exploration Results and Exploration Targets is based on, and fairly represents, 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 to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Sharp has given his consent to the inclusion in this Presentation of the matters based on this information in the form and context in which it appears.
- 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 2 May 2014 ("**May Announcement**") 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 May Announcement and that all material assumptions and technical parameters underpinning the estimates in the May 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 May Announcement.

Positioning as a Boutique Gold Producer

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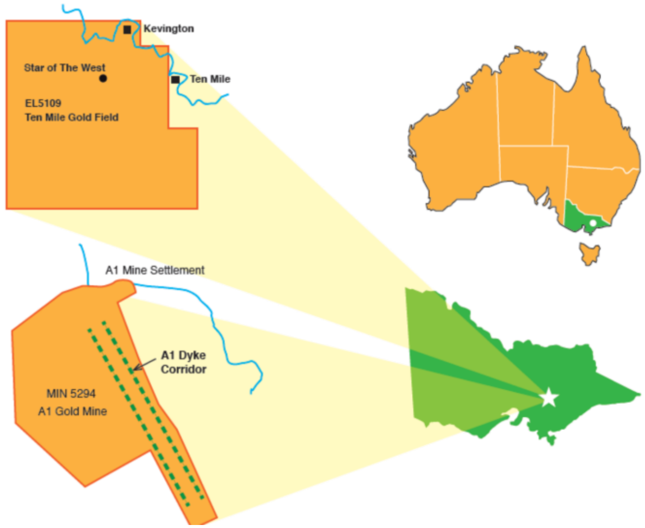
- The A1 Gold Mine (100% owned by A1) is located in the Victorian high country 120km north-east of Melbourne near Woods Point.
- First mined in the 1860s, the A1 Gold Mine has produced some 440,000 oz at an average grade of 27g/t (with further oz from alluvial workings) with last production in 1992.
- Since listing A1 has proceeded with its decline development which whilst occurring generally to budget expectations, has taken longer than anticipated due largely to funding mishaps that have visited the Company.
- A1 has reassessed its production options and A1 now has a plan to be in production within 6 months by securing circa $3.8m of funding.
- A1's Stage 1 Scoping Study (ASX announcement 5 September 2014) highlights:
  - Production target of 378,000t @ 6.52g/t Au over 3 years;
  - Producing 25,000 oz Au in year 2/3;
  - NPV $23.2m;
  - Projected pre-tax net cash $30.7m; and
  - Pre-production Capex $2.9m.



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- Once in production A1 will continue drilling at circa 6000m pa to aim to transition a portion of the Inferred Resource into Indicated Resource, seeking to add a minimum of 3 years to the mine life in Stage 2.
- A1's exploration upside was increased further by securing the option to purchase the nearby Walhalla tenements (ASX announcement 29 August 2014).

Historical Context

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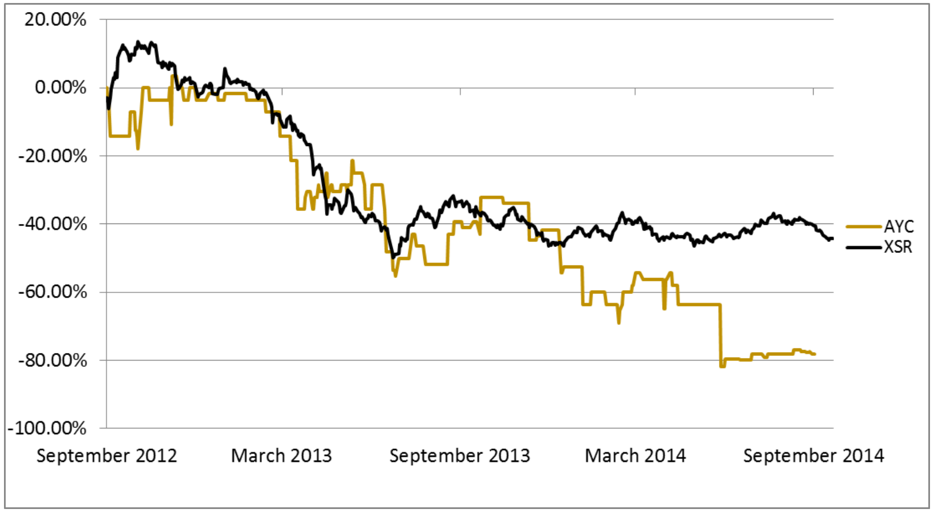
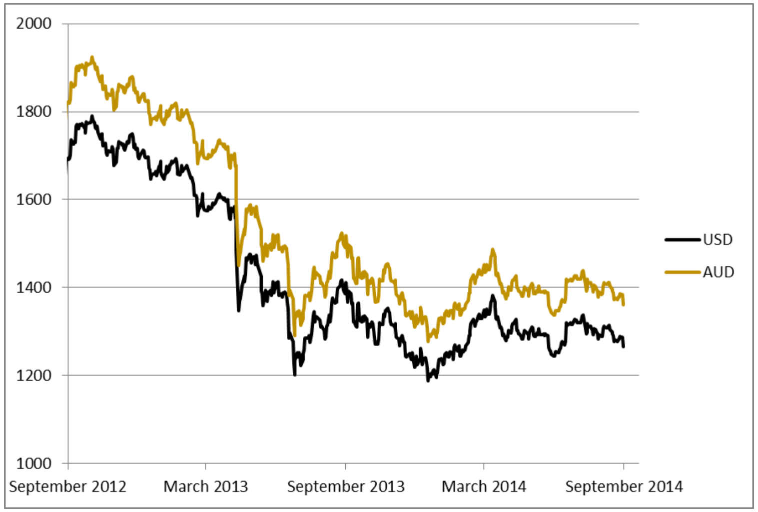
- Dennis Clark, the Managing Director of A1, has worked on the A1 Gold Mine variously for 10 years.
- A1 raised $7.4m of seed in 2011 and $8.1m at 30cps in its IPO in 2012, to capitalise the Company at $41.5m.
- In 2013 A1 settled $3.0m of a placement at circa 12.0cps and settled $0.8m of a rights issue at 11.6cps.
- Since listing the gold price and the small resources sector have had a particularly difficult time.
- A1's share price has been impacted upon by its lack of liquidity and the difficulties in delivering a production outcome which has been exacerbated by the funding mishaps (ASX Announcement 17 June 2014).

Relative Performance of AYC and XSR



Spot Gold Price USD / Spot Gold Price AUD

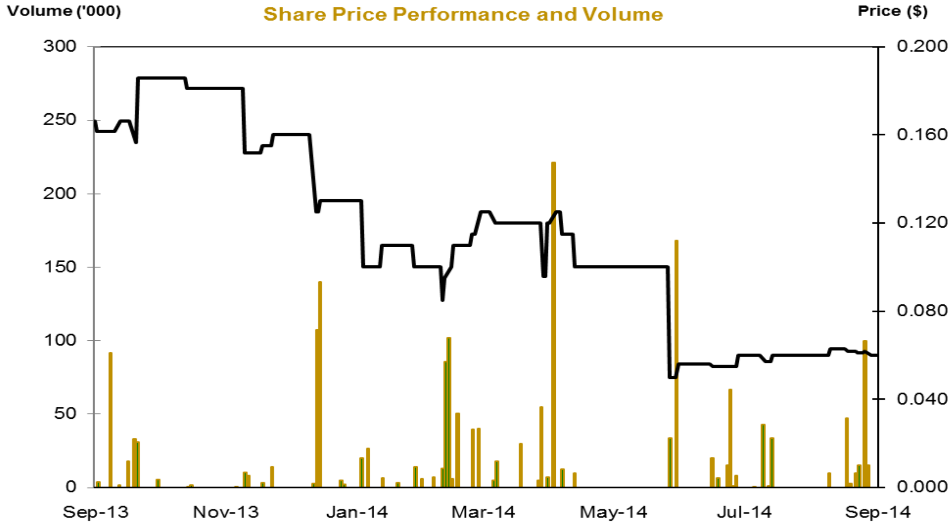


* Based on exchange rate of AUD/USD 0.93

Corporate Overview

A1 Consolidated Gold Ltd

Capital Structure	
ASX code	AYC
Last sale	6.0c
High / low (12 month)	19¢ / 5¢
Ordinary shares	176.7m
Unlisted Dec'14 options exercisable at 40¢ and 42¢	28.7m
Market cap (undiluted) at 6¢ per share	$10.6m
Liquidity rolling 12 month	$190,000



Shareholder Structure	
Gaffneys Creek Gold Mine	18.9%
Heron Resources Ltd	14.8%
Lion Gold Australia PL	14.6%
Top 20 Shareholders	82%
Top 40 Shareholders	89%
Total Number of Shareholders	**449**
Directors Holdings	Circa 10%

A1 Board	
Dennis Clark Managing Director	40 years of experience in underground mining. Driving force behind re-development of A1 gold mine, intimately familiar with the mine.
Ashok Parekh Chairman	Chartered Accountant with his own practice for 26 years, significant experience with managing gold companies and proving advice to mining companies. Recently awarded the Meritorious Service Award by the Institute of Chartered Accountants.
Morrie Goodz Non Executive Director	Mining geologist and a Fellow of the Australasian Institute of Mining and Metallurgy. 35 years of experience in the mining industry.

Stage 1 Mining Plan

Stage 1 Scoping Study ASX Announcement 5 September	
When	1H'15 – 1H'18
Stage 1 Mine Life	3 years
NPV	$23.2m
Pre-production Capex	$2.9m
Projected Pre-tax Net Cash	$30.7m
All-in Sustaining Cost	$860/oz
IRR	62%
Payback Period	12 months
Production Target	378,000t @ 6.52g/t Au (67% of A1's JORC 2012 Mineral Resource estimate between 1420 RL and 1310 RL)
Mining Rate	150,000 tpa
Annual Production	25,000 oz from year 2
Mill Recovery	80%
Type	Open stoping
Access	120m decline to complete
Toll Treatment	Offsite for year 1 only
Labour at full production	28 people
Gold Price	AUD$1300 oz

The Scoping Study information is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic production mining case at this stage or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target itself will be realised. This production target equates to 67% of the JORC Code 2012 compliant Mineral Resource Estimate between the 1420 RL and the 1310 RL and is made up of approximately 37% Indicated Mineral Resource and 63% Inferred Mineral Resource. During the critical first 2 years, 42% of production is from Indicated Mineral Resources.

Resource Definition and Distribution

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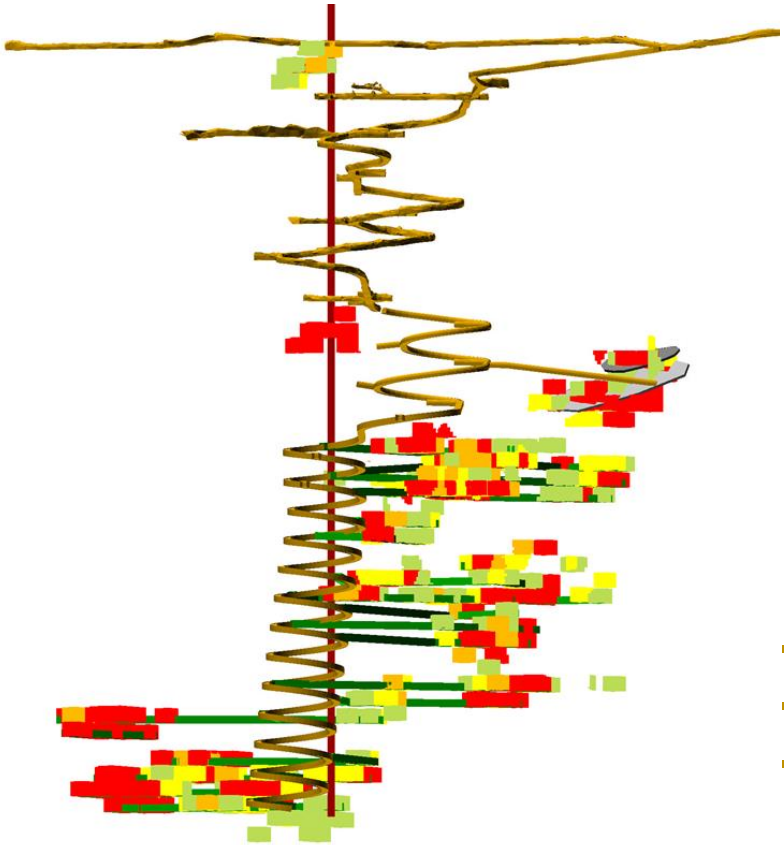

JORC (2012) Resource 281,200 Oz Au

(Appendix 2)

Grade Distribution

- 7 - 15 g/t Gold
- 6 - 7 g/t Gold
- 5 - 6 g/t Gold
- 4 - 5 g/t Gold

- JORC (2012) Resource (see Appendix 2).
- The resource is open along strike and depth.
- The A1 Dyke is known to extend for at least 400 metres at the 1400 RL and is open ended in strike and depth.

Low-Cost, Low-Capex Production Solution

- Mining infrastructure in place:
  - 100% owned fleet – expected to service the mine through to the end of Stage 1 (with production drilling to be carried out by a drilling contractor);
  - The mine has a 100 megalitre license from underground;
  - A permanent surface water entitlement for an additional 25 megalitres has been budgeted for but not yet purchased, with water planned to be sourced from Murray Gouldburn Water via a nearby creek;
  - Ore to be processed offsite at Ballarat by Balmaine Gold Pty Ltd for the first year of production and thereafter onsite with A1's own 150,000 tpa gravity mill (to be constructed);
  - Access state grid power; and
  - Established site services.

Gravity Circuit to produce 25,000oz pa

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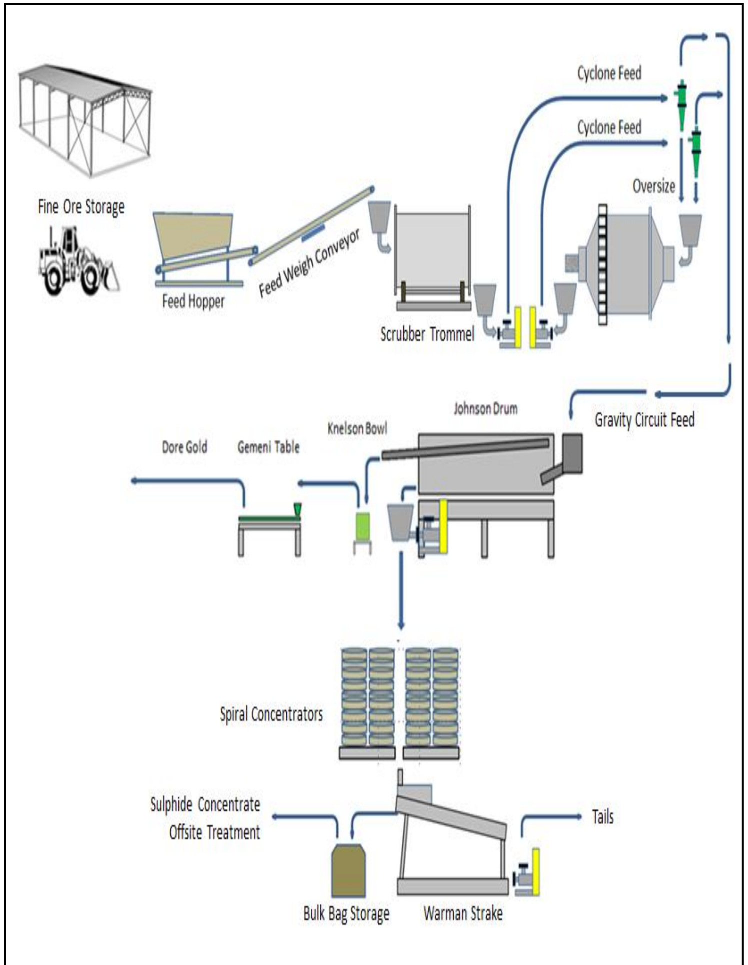
Used from year 2 of production 150,000 pa Circuit



Key Components identified

Item	Cost	Comment
Mill Feed Loader	$63,000	Sourced Availability
Fine Ore Storage	$26,000	Quote
Feed Hopper	$30,000	To be constructed to suit site
Feed Weigh Conveyor	$37,000	Sourced Availability
Scrubber Trommel	$6,000	Sourced Availability
Ball Mill	$70,000	Quote
Spiral Concentrators	$8,000	Sourced Availability
Warman Strake Belt	$10,000	Quote
Discharge Pump	-	Owned by A1
Gravity circuit	$3000	Owned by A1, delivery cost only
Feed Pump	-	Owned by A1
Tailings Discharge Pump	$12,000	Sourced Availability

For details of full estimated plant construction costs of $980,000, see ASX announcement dated 5 September 2014.

Stage 1 Scoping Study – Financial Summary

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Cost Item	Year 1 ($,000)	Year 2 ($,000)	Year 3 ($,000)	Year 4 ($,000)
Mine Development	2,810	2,229	88	-
Labour	2,481	3,078	3,078	770
Administration	108	108	108	27
Geology	124	124	124	31
*Exploration Drilling	264	324	324	-
Stoping	1,239	3,371	4,149	442
Capital Equipment	-	500	500	-
Corporate	726	726	726	182
Total Mining Costs	7,754	10,462	8,855	1,451
Plant Construction	1,000	-	-	-
Ore Transport	3,020	1,217	1,208	117
Milling	3,563	7,604	7,551	734
Total Costs	15,338	19,282	17,615	2,303
Revenue	14,819	31,491	32,237	3,884
Cumulative Cash Flow	**2,381**	**14,591**	**29,213**	**30,794**

ASX Announcement 5 September 2014

*A1 intends to expand its drilling to 6000m pa at a cost of $1.2m per year.

Upgrading Mineral Resource at the A1 Gold Mine

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- A1 will be conducting replicate diamond drilling at the A1 Gold Mine aiming to upgrade a portion of the remaining Inferred Resources (outside the production target) to Indicated Resources, while they proceed with production.

- A1 will target Inferred Resources with lack of continuous sampling, where replication of results is expected to allow the resource to be upgraded.

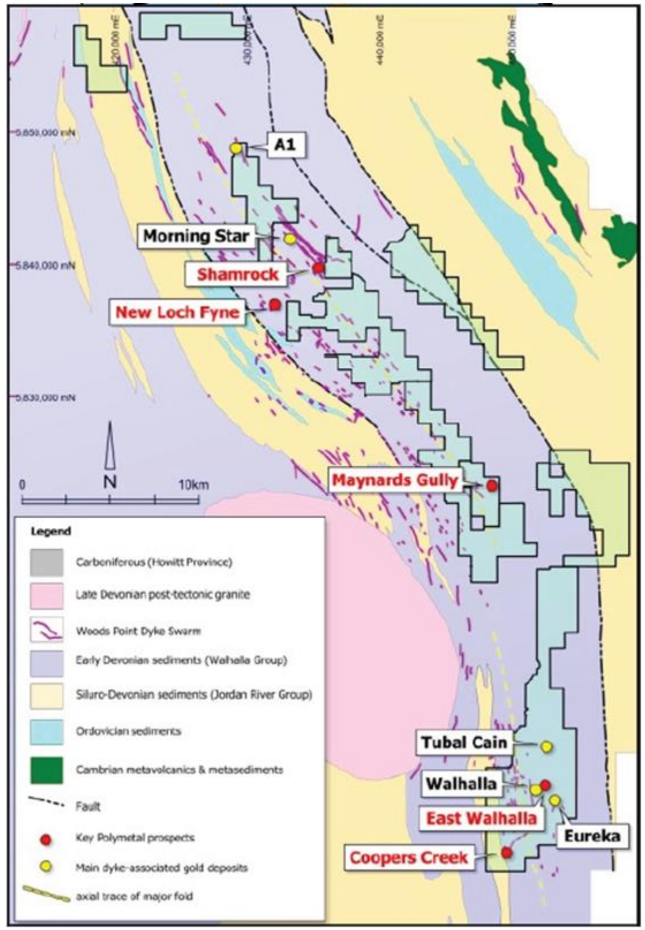
- 2 rigs will operate full time for this purpose.

- 6000m a year will be drilled, for a total cost of circa $1.2m per year (to be funded primarily from operational cash flows).

- It is anticipated that this exploration drilling will lead to a Stage 2 Scoping Study, to allow continuous mining beyond Stage 1.

Walhalla Tenements

- On 29 August A1 announced they have entered into an option agreement with Orion Gold NL, for an initial fee of $10,000, to acquire Orion's Walhalla Tenements.
- This agreement significantly increases A1's exploration upside.
- The tenements include a current mining license.
- The tenements cover circa 80km of nearly continuous strike.
- The Walhalla-Woods Point Dyke Corridor has historical production exceeding 4.0m oz Au.
- In 3 months A1 has the option to pay an additional $40,000 to keep the option open until the expiry date of 31 July 2015.
- A1 may exercise the option by paying the exercise fee of $500,000 cash and $500,000 worth of fully paid A1 shares, prior to the expiry date.
- During the option period A1 will carry out extensive due diligence - drilling and examining the geological modelling and data.
- A1 will focus drilling on the Eureka deposit with a view to defining a high grade block and upgrading the resource from Inferred to Indicated. The Eureka deposit has previously produced 70kg of gold.
- This drilling is planned to commence as soon as the capital raising is concluded.



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Proposed Rights Issue

- A1 is seeking to raise a minimum of $2.2m and up to $4.6m, with a target of $3.8m.
- 7:8 renounceable rights issue at 3.0¢ per share, to issue up to 155m shares.
- A1 has 3 months after close of the Rights Issue to place any shortfall, to achieve the target raise.
- A bonus issue of Loyalty Options on the basis of 1 option for every 3 shares then held, exercisable at 3¢ with an expiry date of 30 November 2019. Record date anticipated to be late November.
- A1's current market cap is $10.6m at 6¢ per share.
- An NPV of $23.2m implies a valuation upon completion of 7.0cps (ie. full $4.6m raised, undiluted for options).
- Implied theoretical ex rights price ("TERP") on a $4.6m raising is 4.6¢, and 5.1¢ at the minimum.
- At the issue price of 3.0¢ per share, A1 has an implied market cap of $9.9m post issue upon the completion of a $4.6m raising, and $7.5m post issue upon the minimum.
- Issue price assuming the maximum is raised represents a:
  - 57.1% discount to the NPV per share of 7.0¢
  - 50.0% discount to the last sale of 6.0¢
  - 34.8% discount to the TERP of 4.6¢
- A1 intends to retain Patersons to assist with a funding solution to the extent to which the total received falls short of the target, possibly utilising a convertible note style structure.

Use of Funds ($m)

	Min	Target	Max
Mine Development	1.2	1.7	1.7
Production Mining	-	0.1	0.1
Transport and Treatment	-	0.2	0.2
A1 Mine Exploration	-	0.1	0.1
Walhalla Exploration	-	0.5	0.5
Loan Repayment	0.5	0.5	0.5
Working Capital / Issue Costs	0.5	0.7	1.5
Total	**2.2**	**3.8**	**4.6**

Indicative Capital Structure

- The indicative capital structure of A1 could fall between the following:

Description	Min $2.2m		Max $4.6	
	Shares	Listed Options ex @ 3¢ expiry 30 Nov '19	Shares	Listed Options ex @ 3¢ expiry 30 Nov '19
Existing Shares	176,683,522	-	176,683,522	
Underwritten Rights Issue (7:8)	73,333,334	-	154,598,081	
Underwriter Options		24,444,445**		51,532,693**
Loyalty Options	-	83,338,952		110,427,201
Total	**250,016,856**	**107,783,397***	**331,281,604**	**161,959,894***

Note: A1 also has 28.7m unlisted options with various exercises prices expiring 31 December 2014.

*If the Listed Options are exercised a further $3.2m on the minimum and $4.9m on the maximum could be raised.

**On the same terms as the Loyalty Options.

- The Listed Options Black-Scholes indicative valuation is:
  - 4.8¢ at the NPV (7.0¢), with 50% volatility and 2.5% interest rate;
  - 2.7¢ at TERP (4.6¢), with 50% volatility and 2.5% interest rate; and
  - 1.4¢ at the issue price (3¢), with 50% volatility and 2.5% interest rate.
- The Company intends to introduce an Executive Option Scheme comprising up to 33.1m options which will be subject to shareholder approval and vest equally upon delivery of three performance milestones:
  1. Completion of the decline to 1460 on time and to budget;
  2. Commencement of production on a sustained basis for 6 months in line with the development plan; and
  3. Delivery of a maiden profit and dividend of 0.5¢ per share.

Indicative Timetable

A1 Consolidated Gold Ltd

Event	
Lodge Prospectus with ASX and ASIC	Wednesday 24 September 2014
Ex-Date – Rights Trading Begins	Tuesday 30 September 2014
Record Date	Thursday 2 October 2014
Rights Trading Ends	Friday 10 October 2014
Closing Date	Friday 17 October 2014
Allotment of New Securities	Friday 24 October 2014
Lodgement of Prospectus for Loyalty Option Offer	Friday 14 November 2014
Placement of Rights Issue Shortfall Ends	Monday 19 January 2015

Investment Highlights

A1 Consolidated Gold Ltd

- Confronted by a funding shortfall on the cusp of completing its decline, A1 has refocused on what is required to become a boutique gold producer.
- Utilising existing mine assets, a modest capital spend and a nearby toll treatment facility for 1 year, A1 aims to move to production within 6 months and ramp up to a steady state 25,000 oz pa production rate at the lower end of the cost curve.
- The delivery of the production solution – on time, on budget – at current gold prices provides a framework for a rerating of the company share price towards its NPV of 7.0cps post rights issue.
- There is upside beyond the current mine plan:
  - Funded from operational cash flows, 6000m of diamond drilling per year at the A1 Gold Mine is expected to increase the Indicated Mineral Resource and materially extend the life of mine; and
  - The option to acquire the Walhalla tenements introduces further potential for upside, and will be the subject of extensive drilling.
- The additional exploration drilling is expected to lead to a Stage 2 Scoping Study, which could add an initial, further 3 years to mine life.
- Management owns circa 10% of the Company, are investing in the proposed rights issue and stand to benefit significantly from the focused delivery of the key milestones attached to the vesting of the Executive Option Scheme.

Appendix 1 - Key Risks

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- Delay in bringing the mine into production
  - Impact on working capital
- Variance to budget/cash flow model
  - Ability to secure the funds required to move into production
  - Increase in capital costs/operational costs
  - Ability to obtain further funding required by the Company to support its ongoing activities and operations
- Ability to achieve a commercial return if the Company discovers commercial quantities of minerals
- Gold price risk
- The necessary regulatory approvals such as the mine plan variation, are not granted, impose conditions or create delays.
- Further drilling required to upgrade the resource category at deeper levels
- Mining of a resource which is not a reserve
- Ground conditions
- Operational risks
- Speculative Investment

Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by A1 or by investors in A1. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of A1and the value of the shares offered as part of the proposed rights issue.
The offer of shares carries no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares. Potential investors should consider that the investment in A1 is speculative and should consult their professional advisers before deciding whether to apply for shares offered.

Appendix 2 – JORC (2012 Resource)

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Reported in accordance with The JORC Code (2012), the resource is classified as an **Indicated and Inferred Mineral Resource** **(1)** as follows:

Classification	Tonnes	Au g/t	Au Ounces
Indicated	250,000	5.1	41,200
Inferred	1,170,000	6.4	240,000
Total	**1,420,000**	**6.2**	**281,200**

(1) 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 Mineral Resources as a Measured Mineral Resource or an Ore Reserve. It is uncertain if further exploration will result in upgrading the Mineral Resources to a Measured Mineral Resource category or to an Ore Reserve.

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