



ASX Release – 27th July 2016

Renounceable Rights Issue to Raise \$3.3m

A1 Consolidated Gold Ltd

ABN 50 149 308 921

ASX:AYC

Investment Highlights:

A1 Gold Mine

Operating mine site including underground development and infrastructure

Mineral Resources in accordance with the JORC Code (2012)

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

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

Maldon Gold Operations

Operational 150,000tpa gold processing facility, Union Hill Mine, including underground development & infrastructure

Executive Chairman

Dale Rogers

Non-Executive Directors

Jamie Cullen
Anthony Gray

Company Secretary

Dennis Wilkins

Capital Structure:

552,689,252 Ordinary Shares
237,639,276 Listed Options
33,000,000 Unlisted Options
71,428,565 Convertible Notes

Contact:

Dennis Wilkins
Tel: +61 8 9389 2111
admin.mine@a1gold.com.au

A1 Consolidated Gold Limited (ASX: AYC) (**A1 Consolidated Gold** or the **Company**) is pleased to announce a renounceable rights issue to raise up to approximately \$3.3 million (before costs).

The rights issue, to eligible shareholders of the Company, will be offered on the basis of 1 new share for every 4 shares held on the record date at \$0.024 per new share (together with one free attaching new listed option AYCO for every 3 new shares subscribed for and issued). The rights issue is to be fully underwritten by Patersons Securities Limited subject to the execution of the final agreement.

Funds raised will be used to ensure that PYBAR, the mining contractor at the A1 Gold Mine, recommence mining with a clean slate, past director emoluments have been cleared and there is sufficient working capital to:

- recommence production with mechanised development and ore development;
- support the “flying squad” to optimise air leg operations to enhance production;
- complete improvements to the A1 Gold Mine’s services and networks; and
- continue the accelerated drilling campaigns seeking to add more confidence to the 6-12 month schedule.

Shareholders who hold shares in the Company at 5pm (WST) on the record date and have a registered address in Australia or New Zealand will be eligible to participate in the rights issue. Eligible shareholders will be sent a copy of the prospectus document and a personalised application form and will be offered a top up facility to participate in any shortfall that may arise from the rights issue.

All Directors of the Company are supporting the raising by participating as sub-underwriters to the rights issue. Further details will be set out in the prospectus which is expected to be lodged with ASIC and ASX on or around 1 August 2016.

Executive Chairman, Dale Rogers commented, “we have managed to produce significant high grade gold and revenues over the past months, during the drilling campaign, and work on improving the Mine’s services. Costs incurred in opening up the ore body and additional works resulted in a build-up of trade creditors in April which have now been cleared. What was and is important to the Directors is that we mine ore with appropriate grades. Our mining contractor, PYBAR, has waited patiently and now, with a robust plan to mine front of us, we are ready to recommence development and mining so as to become a profitable gold producer on a sustained basis.”



The proposed timetable for the rights issue is set out below. The timetable is indicative only and the Company reserves the right to vary the dates including the right to extend the closing date or to withdraw the rights issue (subject to the Corporations Act and the ASX Listing Rules).

Event	Date
Announcement of rights issue	27 July 2016
Lodgement date (Prospectus and Appendix 3B)	1 August 2016
Notice sent to option holders	No later than 1 August 2016
Notice sent to shareholders	No later than 2 August 2016
“Ex” date (rights trading commences on ASX)	3 August 2016
Record date	4 August 2016
Opening date & dispatch of Prospectus to shareholders)	9 August 2016
Rights trading ends	15 August 2016
Last day to extend offer closing date	17 August 2016
Closing date	22 August 2016
Notify ASX of shortfall	25 August 2016
Issue of new shares and new options	29 August 2016
New shares and new options commence trading	30 August 2016

For further information:

Dennis Wilkins
Company Secretary
Tel: +61 8 9389 2111

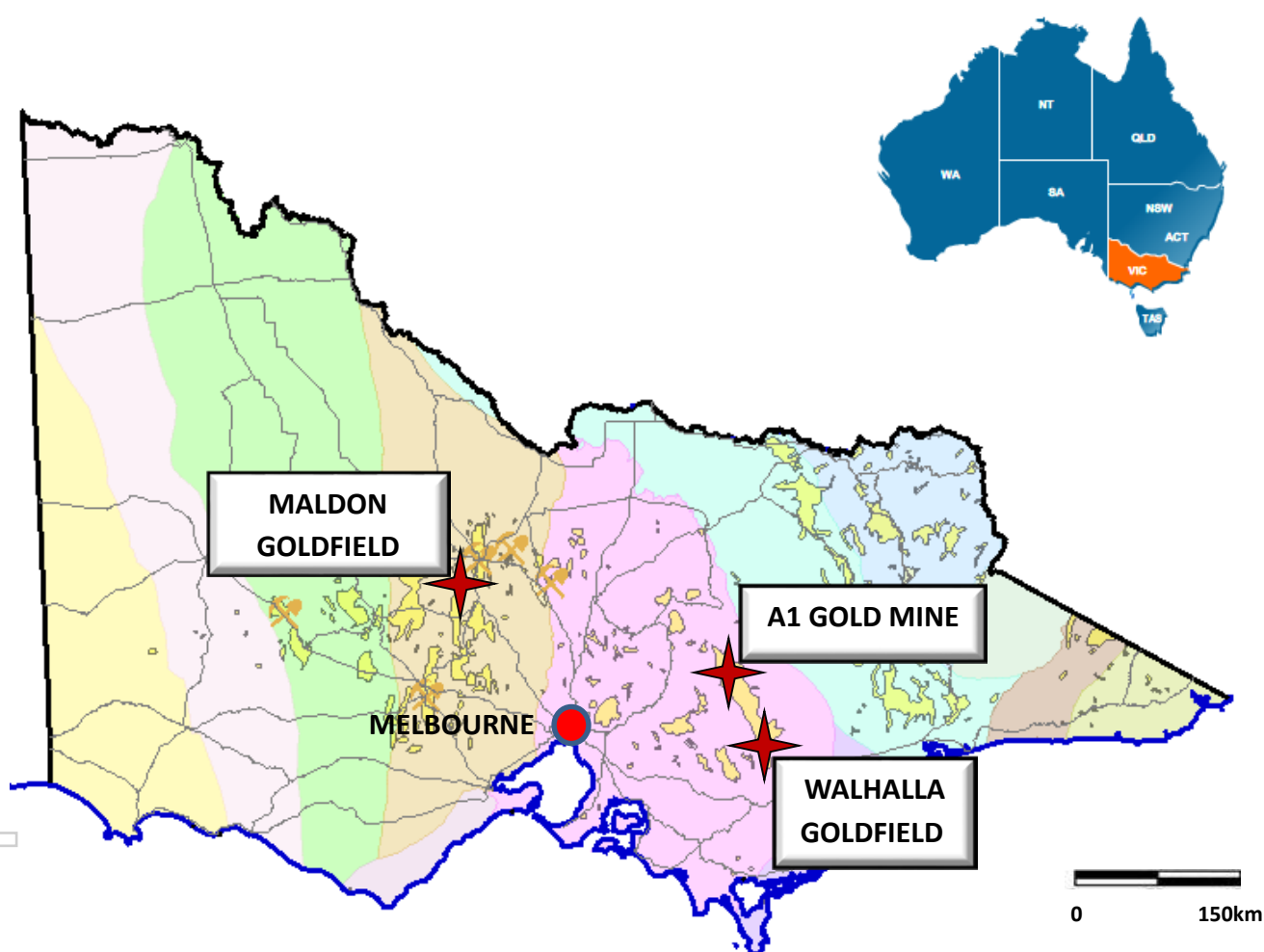


About the Company

A1 Consolidated Gold Limited is an emerging junior Victorian gold producer that is developing and producing from the A1 Gold Mine near Woods Point, Victoria. Ore mined from the A1 Gold Mine is trucked to the Company's fully permitted and operations processing facility at Porcupine Flat, near Maldon.

The Company also owns the Union Hill Mine at Maldon and the Eureka and Tubal Cain deposits near Walhalla. Both of these locations are being assessed with the aim of adding to the expected production profile from the A1 Gold Mine in the medium term.

Location of Projects





Caution Regarding Forward Looking Information

This document contains forward looking statements concerning A1 Consolidated Gold Limited. Forward looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties, and other factors. Forward looking statements are inherently subject to business, economic, competitive, political, and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company's as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.