



A1 Consolidated Gold

ASX Release – 17th June 2014

Corporate 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 (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

Board of Directors:

Chairman

Ashok Parekh

Managing Director

Dennis Clark

Non-Executive Director

Morrie Goodz

Company Secretary

Dennis Wilkins

Capital Structure:

176,597,322 ordinary shares

28,666,667 unlisted options

Contact:

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A1 Consolidated Gold Limited (ASX:AYC) advises the Company's shareholders of the following:

• Standby Line of Credit:

A Line of Credit has been agreed to be supplied by the Company's Directors. The Line of Credit is unsecured and may be drawn down in multiple tranches. There are no fees or interest payable on this Line of Credit.

This Line of Credit demonstrates the high level of confidence the Directors have in the Company's A1 Gold Project.

Any funds drawn down under this Line of Credit will be primarily used to continue the development of the A1 Gold Mine whilst alternative funding is secured.

• LionGold Placement:

Shareholders will recall LionGold Australia Pty Ltd (a wholly owned subsidiary of LionGold Corp Ltd (SGX A78) agreed to subscribe for shares in A1 Consolidated Gold Limited (**Placement Agreement**).

The placement of shares to LionGold was to proceed in two tranches. Tranche 1 was fully completed late last year, however LionGold's obligations under Tranche 2 are only partially completed, with AUD \$1million still outstanding.

Despite repeated requests from A1, and undertakings by LionGold, their obligations to A1 Consolidated Gold Limited remain uncompleted to date.

• Underwritten Rights Issue:

The Company entered into an agreement with FSS Advisory in relation to the underwriting of an entitlements issue to shareholders (**Underwriting Agreement**). The Underwriting Agreement obliged FSS Advisory as underwriter to subscribe for any shortfall that resulted from shareholders not taking up their entitlement under the issue. The shortfall amount of AUD \$891,258 is outstanding as of today's date. The Company has today received a request from the Underwriter to extend the Underwriting Agreement to 30th June 2014, with the assurance that FSS Advisory will endeavour to complete the agreement as soon as possible.

Dennis Clark

Managing Director

