

A1 Consolidated Gold

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A1 Consolidated Gold has \$2M investment from Munderoo Resources

A1 Consolidated Gold (ASX:AYC) has signed up Australian resources house Munderoo Resources Pty Ltd as a cornerstone investor providing \$2 million out of the recent \$2.5 million convertible note placement.

Munderoo will also provide support as the A1 Mine in northeastern Victoria moves towards cash flow in the second half of this year with the appointment of Dr John Clout as a technical advisor.

Once cash flow is achieved, he will assist in maximising the potential of the A1 Mine.

The additional technical knowledge will provide the resources to develop the company's strategic thinking around the existing Maldon mineral interest to be acquired as a result of the Octagonal transaction.

The Union Hill Mine has the potential to be a significant source of additional gold production supplementing the production scheduled from the A1 Mine.

Proceeds from the convertible notes, which have an issue price of \$0.035, accrue interest at a rate of 12.5% pa and mature 3 years from the date of issue, will be used to accelerate development of the decline at the A1 Gold Mine towards the planned initial two stopes.

This will feed ore into the Maldon Treatment Plant within three months.

A1 Mine

Under an updated Stage 1 Scoping Study, the A1 Mine is estimated to have All in Sustaining Cost of A\$849 per ounce gold and will mine at an annual rate of 150,000 tonnes per annum at 6.52 grams per tonne gold, or 30,000 ounces of gold.

This has a mine life of 3 years with a production target of 378,000 tonnes, or 67% of the JORC2012 Resource estimate.

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Share Information

Code: AYC

Listing: ASX

Sector: Gold & silver

Website: www.a1consolidated.com.au

Company Synopsis:

A1 Consolidated Gold (ASX:AYC) is listed on the Australian Securities Exchange.

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