

**ASX RELEASE**

NEW CAPITAL AND BUSINESS ALLIANCE SIGNED WITH SOL HOLDINGS

A1 announces that it has exchanged a letter of understanding late yesterday with SOL Holdings Corporation (“SOL”) a Japanese company listed on the Tokyo stock exchange whereby SOL and A1 will develop the SuperSorghum business by means of an exclusive distribution agreement in favour of A1 for Australia. SOL has acknowledged that A1 is not in position to immediately pay the exclusivity fee.

Capital Investment

It is with much pleasure that I write to confirm that A1 intends to complete a series of documents that provide for a long term capital and business alliance with SOL.

Since SOL signed a memorandum of understanding with A1 in March 2014 (ASX Release dated 24 March 2014) SOL has made placements in A1 to a sum of A\$200,000 and A1 has issued ordinary shares to SOL for such sum (approved at the special general meeting of the shareholders of A1 on 26 August 2014).

Business Alliance

SOL has confirmed an offer of an exclusive distribution agreement for SuperSorghum in Australia by its subsidiary SOL Asia, to A1 for a term of 5 years for an exclusivity payment of A\$500,000. Until fulfilment of the approved capital funding or some alternate funding, this payment cannot be made by A1.

SOL has also confirmed it would like A1 to continue to pursue the opportunities it has sourced in Western Australia, Northern Territory and Queensland on the clear understanding that A1 will be granted the long term exclusive distribution rights to SuperSorghum.

SOL confirms its commitment to work with A1 for their mutual benefit in relation to the sale of SuperSorghum in Australia and other possible add value businesses using SuperSorghum. SOL has noted the advice of A1 in respect to the potential of the stock feed business in Australia using SuperSorghum and the indications that A1 has received from various parties to engage in joint ventures that share the benefits and risks of a venture. SOL has confirmed its interest to be a party with A1 in such ventures. SOL has also confirmed its commitment to assist A1 with arranging of the capital funding requirements of such ventures including new plant, stock yards and feed lots as required.

Exclusive Arrangement

SOL has confirmed that A1 has an exclusive period of 6 months to finalise the funding, distribution agreement, and business alliance agreement. SOL confirmed that throughout this exclusive negotiating period that A1 shall have the exclusive distribution rights to SuperSorghum in Australia.

SOL further confirmed that if the funding is not finalised within such period it shall grant such further time as SOL deems reasonable to finalise the agreements.

Conclusion

SOL has confirmed its commitment to A1 to building a long term relationship and to establishing a profitable and large SuperSorghum business in Australia.

A1 INVESTMENTS & RESOURCES LTD

Charlie Nakamura
Director