

ANNOUNCEMENT

16 June 2016

Share Purchase Plan EXTENDED



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Dear Shareholder,

*Citigold Corporation Limited ("Citigold") is pleased to extend the Share Purchase Plan (Share Plan) offer until **Monday 26th June 2017**.*

The extension gives shareholders time to consider the recent announcement.

Share Plan documents have previously been posted to all shareholders.

*If you require a copy of the documents, then please request by email to **shareplan@citigold.com** or phone **07 3839 4041** or fax to 07 3112 3991 or visit **www.citigold.com** under Announcements on home page.*

A summary of the announcement - On Friday 9th June 2017 Citigold announced entering into a "Gold Purchase Agreement" for the sale by Citigold of 100,000 ounces of gold in-situ to GLD International Inc ("GLD Inc").

A substantial benefit to Citigold is that the gold initially purchased in-situ, if it is to be converted and delivered as physical metal, will be paid for within 12 months, being 30 June 2018.

The GLD Inc transaction will accelerate prepaid gold sales revenue to that can be used to recommission our Charters Towers Gold Project at the earliest. Citigold will receive the cash revenue at least two years in advance of gold deliveries.

Over the period from now, up until 30 June 2018, the potential prepaid revenue to be received by Citigold could be up to A\$123 million (assuming an effective gold spot price of A\$1,650 per ounce, and an average of achieving 75% of the spot gold price and the maximum 100,000 ounces).

The prepaid gold sales revenue would provide the working capital for the growth of gold mining on Citigold's high-grade Charters Towers goldfield project growing into the targeted 220,000 ounces per year ultra low-cost gold producer.

GLD Inc has indicated they expect to commence gold purchases before 30th June 2017 or shortly thereafter.

Citigold is of the view this is an attractive deal for Citigold and shareholders.

Please read full copy of the 'Gold Purchase Agreement' announcement, see at www.citigold.com or request a copy by emailing shareplan@citigold.com.

The Share Plan will allow shareholders to increase their holding in the Company free of brokerage or commission.

Some key features of the Share Plan are:

At the discretion of each Shareholder, Shares can be applied for in lots of:

- ***\$1,000*** (111,112 shares),
- ***\$2,500*** (277,778 shares),
- ***\$5,000*** (555,556 shares),
- ***\$10,000*** (1,111,112 shares), or
- ***\$15,000*** (1,666,667 shares).

The Share Plan will allow shareholders to “top up” their shareholdings.

The funds raised from this plan are to be used towards advancing its Charters Towers Gold Project and general working capital.

*For further important information please read the documents previously sent including the full **Terms and Conditions and the Application Form**.*

*This offer **closes on Monday 26 June 2017**. The shares will be allotted on 28 June 2017 and notification will be sent to shareholders shortly after.*

Details of the Citigold’s current activities are set out in announcements made to the ASX. Information is also available at our web site www.citigold.com.

Participation in the Share Plan is entirely voluntary. If you do nothing you will retain your current shareholding.

I invite you to consider this opportunity to top up your shareholding. If you have any questions please contact Citigold on (07) 3839 4041.

Personally, as a long-term shareholder I will be taking up my full entitlement.

Thank you for your continued support.



Mark Lynch
Chairman
Citigold Corporation Limited

Cautionary Note: *This release may contain forward-looking statements that are based upon management’s expectations and beliefs in regards to future events. These statements are subject to risk and uncertainties that might be out of the control of Citigold Corporation Limited and may cause actual results to differ from the release. Citigold Corporation Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.*