

Quarterly Report

For the period ending 31 December 2020, dated 11 January 2021

HIGHLIGHTS

- 2020 Mineral Resource and Ore Reserves report released.
- Gold resources increase 27% to 14 million oz Inferred Mineral Resources and Probable Reserves remain unchanged.
- Ongoing Regional Exploration Sampling Program.
- Project funding negotiations continuing.
- Central area reefs, including the CO3 West, continues to be the main focus of mine design and engineering.
- Citigold raised \$1 million in capital.

GOLD RESOURCES INCREASE 27%

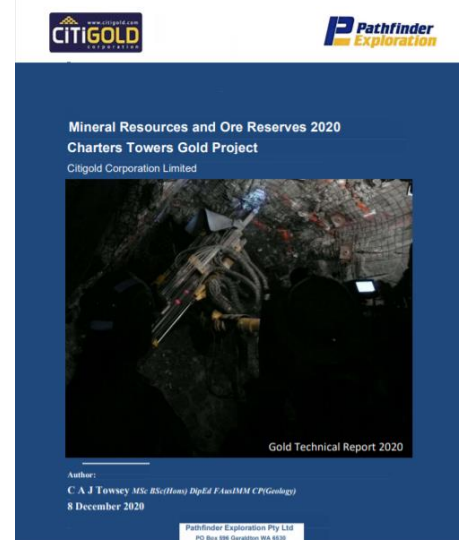
Mineral Resources and Ore Reserves

On 9 December 2020 Citigold announced the release of the technical report “Mineral Resources and Ore Reserves 2020” for the Charters Towers Gold Project (the Project).

This independent Technical Report has been prepared in accordance with the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (‘the JORC Code’).

The 189 pages Technical Report by the consultants is a comprehensive review and evaluation of the Projects geological gold deposit. The consultant’s findings replace previously released reports with the “Mineral Resources and Ore Reserves 2020 for the Charters Towers Gold Project” (Gold Technical Report 2020).

The gold Ore Reserves remain unchanged and Mineral Resources have increased by 27%.



The **Probable Ore Reserves** are:

620,000 ounces (19,000 kilograms) of gold (2,500,000 tonnes at 7.7 grams per tonne gold at a cut-off grade of 4 g/t Au), and

The **Inferred Mineral Resources** are:

14 million ounces of gold (32 million tonnes at 14 grams per tonne gold at a cut-off grade of 3 g/t Au).

Above, see ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020.

This Technical Report, dated 8 December 2020, follows the format of the Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects Technical Report for convenience, and for overseas investors familiar with the Canadian format. Citigold is not required to report under the Canadian jurisdiction.

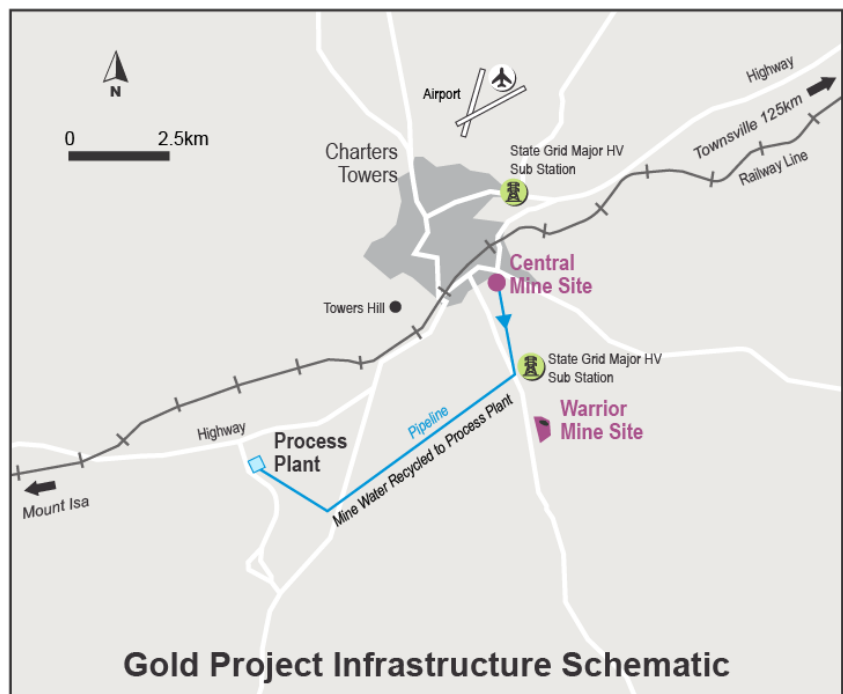
The full Gold Technical Report 2020 can be accessed by ASX or Citigold's [website](https://www.citigold.com).

OPERATIONS

Planned Resumption of Mining

During the Quarter the Company's technology driven 'ultra-low-cost mining' initiative manifested in selecting the site of the new Citigold processing plant. The plant will be located closer to the Central Mine, adjacent to the Company's previously mined 'Stockholm' open pit. The site has existing mining leases with sealed highway door to door.

The evolving new process plant design will focus on the 'pre-processing' of ore to remove the bulk of the granite 'dilution' that naturally occurs during the underground mining process.



The Company's existing water pipeline will be extended to the new processing site. Based on known mineral resources, the mine the Company is building is planned to produce for many years.

Central Mine Overview

One of the challenges faced in underground mining is moving large volumes of rock and processing it. By focusing on mining only the valuable ore, and then removing the bulk of the waste without milling or chemical treatment, the operation results in both cost-saving and protecting the environment.

Citigold's Production Ready Central Mine Site



The above satellite image shows Citigold's Central Mine site in excellent condition, the production-ready surface infrastructure well maintained and in place for the commencement of mining. Citigold's mining engineering consultants are expected to visit the Central Mine Site in the coming period to advance design work.

The Central Mine, located adjacent to 30 Nagle Street Charters Towers, is centred around the initially excavated 'Brilliant East Decline' that dives down at a 1:7 slope, underneath the City, to over 200 metres vertical depth in the strong granite country rock. Previous trial production mining the 'usual way' at Warrior (and in 1994-2000 at Central) identified the challenges to, and constraints on, 'ultra-low-cost mining'. While we have been in the project development financing stage, our efforts have been to develop an ultra-low-cost mining system.

The long-life mine will generate many benefits for the local community and the Company.

Just as Amazon and Tesla reimagined their 'industries' with new methodologies and tech, the Citi team has done similarly for its gold mine.

The Company and its mining engineering consultants, Prospector Enterprises, continued to update the mine design, with data for the Central Mine being reviewed and optimised because of improved technologies not previously available.

This search has been worldwide, meeting and discussing technology and 'what is possible', including with non-mining civil construction original equipment manufacturers and operators.

Commercial Production Ready



Above, See ASX announcement dated 14 December 2020, Corporate Presentation.

Central Mine Optimisation

In consultation with project designers, an innovative mining system has been put together that takes an efficient 'keyhole surgery' approach to our mining and thereby doing what needs to be done for the geometry of our ore system, that in itself is somewhat unique. Make small excavations, and just extract the valuable ore minimising dilution and processing less waste.

The previously reported planned use of two small declines, commencing circa 1,300 metres down the current single decline has, further advanced. The 'twins' require smaller blasts, excavate less rock than a single standard decline and therefore less rock to move. The declines will allow flexibility for ventilation, emergency egress, material and personnel movements in and out of the underground.

A further advantage of the 'twins' declines identified during the Quarter is that this approach may allow more efficient access to multiple areas of the underground reefs. This could allow the 'twins' to multiply production faces by accessing different and multiple areas of the mineralisation earlier than was possible under the old 'single' tunnel. The design possibilities will be further investigated.

A production sequencing advantage is that when the decline(s) are nearby or junction into the reef for gold production, then stope development and ore extraction can start.

- **Proven gold miner.**
- Highly sought-after, **production ready, large, high-grade gold deposit.**
- A\$200 million invested to **acquire, define, permit and trial mining.**
- Over **100,000 ozs of gold produced** in trial mining.
- Short-term and long-term gold-bearing structures already targeted.
- **Key infrastructure in place.** Ready for immediate start-up.
- **Mining titles and permits are granted.**
- Existing local community, housing, shops, schools, hospital in place.
- Powerful efficient technologies to ensure low operating costs.
- **De-risked Project / low risk of realisation.**



Ultra-low-cost = Competitive Advantage

See ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020.

Above, See ASX announcement dated 14 December 2020, Corporate Presentation.

Preliminary costs indicate the 'twin' smaller declines are within the existing budget.

The movement of ore and waste to the surface will be done by electric conveyor. This removes trucks and the associated diesel fumes from the underground, improving the air quality for the miners and reducing the cost of ventilation.

It is interesting that as we investigate 'greener' ways to mine, new cost reduction opportunities emerge.

To ensure harmony with the environment the mine will eventually be renewables powered. Potential sites were selected and the possibilities for 'captive' off-grid renewables were considered to be favourable. There are additional upfront capital costs, that need to be amortised, but then the 'energy' costs are essentially free. This is an evolving change from the earlier 'independent' development of these renewable assets.

Geology and Exploration

Geology

Citigold's previous test mining gave the opportunity to better understand the varying grades, varying mineralisation widths and varying ground conditions. Previous mining used conventional mechanised methods for reef mining.

The areas mined by predecessors, circa over 100 years ago, using their small tunnels and selective 'visual' grade control produced 6,600,000 ounces of recorded gold production at an in situ grade of 38g/t (See ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020).

Citigold's Inferred Mineral Resources grade average of 14 g/t gold, uses a 3 g/t economic cut off @ a gold price of A\$1,600/oz (See ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020). The mineralisation then and now is the same, but old-time hand mining indicatively used a 6 dwt (9 g/t) 'cut-off grade' for their higher cost unmechanised manual methods (See ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020).

Modern mechanised mining usually takes more total tonnes and overall more ounces of gold but at a lower ore grade than what was historically mined at 38 g/t (See ASX announcement dated 9 December 2020, Mineral Resources and Ore Reserves 2020).

Mineral resources and reserves are summarised below:

CATEGORY	TONNES	GRADE	CUT-OFF	CONTAINED GOLD OUNCES
Inferred Mineral Resources	32,000,000	14 g/t	3.0 g/t	14,000,000
Indicated Mineral Resources (includes Probable Ore Reserves)	3,200,000	7.7 g/t	4.0 g/t	780,000
Probable Ore Reserves (derived from and contained within Indicated Mineral Resource)	2,500,000	7.7 g/t	4.0 g/t	620,000

Above see: See ASX announcement dated 9 December 2020, Mineral Resources and Ore Reserves 2020.

Citigold's Mineral Resources and Ore Reserves for the overall Gold Project are reported in accordance with the Australasian JORC Reporting Code 2012.

Mineral Resources and Ore Reserves were updated during the Quarter (See ASX announcement dated 9 December 2020, Mineral Resources and Ore Reserves 2020). The critical assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. See full report:

<https://www.citigold.com/technical-reports/>

The old-time mining, set out in the original mine plan, now digitised into the Project databases and complemented with the analysis from Citigold's actual mining, produces a clear understanding of the geology and structural controls. Yet despite the varying grades and hard granite rock, old-timers hand-mined large areas of very high-grade gold.

The frequency of larger high-grade areas may follow somewhat of a 'repetition' or pattern with study continued during the quarter.

The Charters Towers mineralisation does have an excellent indicator of high-grade gold areas in the galena (lead) grades that accompany the gold



Example of 'visual' high-grade mineralisation encountered during mining operations at Warrior

mineralisation. These lead grades are a proxy for gold in exploration and development of in-ore access tunnels (drives) through to stoping ore extraction.

The gold is not visible in the mineralisation despite the high grades, being very fine-grained. The associated galena, pyrite and sphalerite (sulphides) are very visible and a proxy for the gold. The gold particles are not inside the sulphides, but along grain boundaries giving excellent gold recoveries (See ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020).

The initial defined mining area is the 'C03W' area (See ASX announcement dated 9 December 2020 Mineral Resources and Ore Reserves 2020).

The past 10 years of geophysics 'imaging' efforts were directed at the 'visible' sulphides. Despite our major efforts on the ground and worldwide search to 2016, expending millions of dollars, the technology could not do what the technical team needed to image the 'shapes' of the overall high-grade areas. The Company remains committed to using advanced geophysics customised to our mineralisation.

During the Quarter, discussions with some of the personnel from past trialled technologies were encouraging. Over very recent years they have advanced in the areas of detection, modelling and imaging. These 'geophysical' technology advances will be a part of the go-forward budgets, in combination with traditional diamond core drilling, to support a strong ramp-up in gold production once gold mining commences.

Exploration

In September 2020, Citigold commenced a new regional stream sediment sampling program across its four Exploration Permits (EPM) and three Mineral Development Licences (MDL) surrounding Charters Towers in North Queensland. The first assay results have started to be returned.

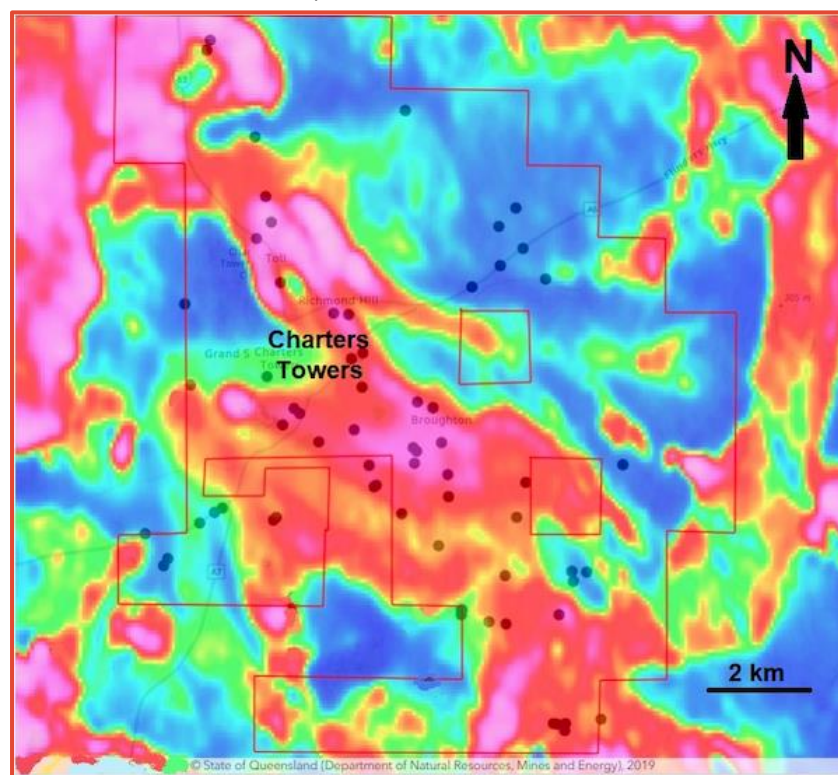


Figure 1. Map of the Charters Towers area showing the four Exploration Permits for Minerals (EPMs 15964, 15966, 18813 and 18465), and the three Mineral Development Licences (MDLs 118, 119 and 252, outlined in red) overlain on the aerial magnetics (Total Magnetic Intensity, Reduced to Pole). Stream sediment sample locations from the initial sampling program. Sample locations are shown as black circles.

At each site, three samples were taken – 3kg of -2mm sediment for analysis by Bulk Leach Extractable Gold (BLEG), a 2kg rock chip sample of float or outcrop and a 2kg sample of -2mm sediment for base metal analysis. Copper, lead, zinc and silver are known to be associated with the Charters Towers style of mineralization and these elements can be used as tracers for near-surface mineralization.

The BLEG method is an extremely sensitive gold detection technique that can detect gold values down to one part per billion, and can detect traces of gold in stream sediments up to 10 kilometres downstream of mineralization. Samples were taken at a density of approximately one sample per two square kilometres.

The first batch of 50 samples analysed for gold by the BLEG method have been returned from the commercial laboratory in Townsville. Statistical analysis was undertaken to determine the population distribution and to identify any samples regarded as anomalous. Samples above 150 parts per billion (ppb) BLEG were determined to be anomalous from log-probability analysis.

Of the 50 sample results returned to date, 17 are anomalous and these are tabled below. The first three samples were orientation samples adjacent to the Nagle Street Central Decline portal, an historical tailings storage area in Millchester Road and the old Venus Gold Battery, and these returned expected high values.

Sample No.	Latitude	Longitude	BLEG Gold ppb
1	- 20.0821	146.2769	6,033
2	- 20.0867	146.2942	2,449
3	- 20.0854	146.2904	784.5
23	- 20.0656	146.2737	619.9
27	- 20.0906	146.2577	519.9
25	- 20.0797	146.2539	470.6
4	- 20.0867	146.2942	456.2
5	- 20.0946	146.2963	421.2
26	- 20.0869	146.2605	371.5
11	- 20.0917	146.2752	345.3
7	- 20.1068	146.2979	260.5
9	- 20.0966	146.2902	219.7
22	- 20.0757	146.2743	188.6
12	- 20.1043	146.2804	181.3
13	- 20.1046	146.2799	175.5
6	- 20.1019	146.2978	175.0
10	- 20.1107	146.2865	170.5

Table 1. Stream sediment samples anomalous in Bulk Leach Extractable Gold

The remaining 14 anomalous samples are generally located to the south of Charters Towers. The remaining samples have been submitted for assay and the anomalous BLEG samples will be assessed together with the data from the base metal sampling and rock chip samples when these results are returned.

The stream sediment program, while still in its early stages, has highlighted areas of interest for further work and follow-up sampling. This will be undertaken in early 2021 after all assays are returned and following the end of the Wet Season.

The results from the soil geochemistry will assist our understanding of the style and structural controls of the gold mineralisation and assist identification areas of more intense future exploration programs. A field trip was also undertaken during the period to help identify accessibility to exploration areas.

Assessment and field reconnaissance of structural targets selected from satellite image interpretation continued during the Quarter focused on those structures coincident with magnetic and radiometric anomalies from available aerial surveys.



Inspecting Central Mine's lease pegs, environmental barrier and surrounding landscaping

During the Quarter, active exploration was undertaken through the broad regional exploration sampling program, but no new exploration drilling was undertaken.

Normal regulatory compliance reporting for exploration, mine and environmental continued during the recent Quarter.

The fullest exploration of the Charters Towers goldfield is continuing. Substantial exploration funds are in our overall go-forward budgets.

Mineral Processing

Planning work on the Citigold's new process plant at its 'Stockholm' mine site continued to advance with preliminary site layout and design for:

- Crushing circuit,
- Digital ore sorting,
- Gravity circuit,
- Water pipeline extension,
- Dry stack waste storage, and
- Small captive renewable energy system.

Citigold envisages its new process plant will be ultra-modern requiring significantly less surface footprint, renewable energy powered and very efficient compared to traditional process plants. Further investigation is currently continuing to be carried out.

Health, Safety, Community And Environment

There were no Lost Time Injuries, significant environmental, health or safety issues during the quarter.

Citigold is committed to creating and maintaining a safe environment, both in the workplace and in the local community.

Progressive rehabilitation and reclamation initiatives are incorporated into the Project's life of mine landforms and post-mining community uses.

CORPORATE

Corporate Presentation

Citigold's updated 'Path to high-grade gold production' corporate presentation was released on the ASX on 14 December 2020. A copy can be accessed from ASX or Citigold's [website](#).



Annual General Meeting

The Company's 2020 Annual General Meeting was held on Thursday 12 November 2020 with all resolutions passed.

The Board of Directors thank shareholders for their attendance and continued support of the Charters Towers Gold Project.

Non-Executive Director Resignation

Mr Arun Panchariya resigned as Director of the Company, effective 5 October 2020, due to his full-time commitments elsewhere. The Company sincerely thanks Mr Arun Panchariya for his valued contribution to the Company since 2013.

Financial Discussion

During the Quarter, the Company raised \$1 million in capital, confirming the support of investors and shareholders. Furthermore, the short-term loan facility was repaid.

With the production-ready Charters Towers Gold Project remaining in care and maintenance, the focus is on completing the major funding negotiations and moving to gold production and revenue thereafter.

The Company has in the past undertaken broad shareholder share purchase plans and share placements. The Company further has the ability to raise funds from the forward sale of gold in the ground and loan facilities as previously announced.

Appendix 5B Disclosures

During the period, the Company made payment of \$12,000 (capitalised), on exploration activities at its Charters Towers Gold Project, which includes regional soil sampling program, review of historical data and reviewing exploration technologies and preparation of study. Exploration payments totalling \$324,000 (expense) relate to previous exploration, tenement compliance, land management and mining lease rents. A further payment of \$3,700 relates to mine design, engineering, planning, optimisation, reviewing past mining data and process plant. The above activities were summarised in this quarterly report.

SUMMARY OF MINING TENEMENTS & AREAS OF INTEREST

Citigold reports that the Consolidated Entity has a 100% control of the following mineral titles at Charters Towers as at 31 December 2020 and there were no acquisitions or disposals during the Quarter:

Exploration Permit Minerals	EPM 15964	EPM 15966	EPM 18465	EPM 18813	EPMa 27287
Minerals Development Licenses		MDL 118	MDL 119	MDL 252	
Mining Leases	ML 1343	ML 1430	ML 1545	ML 10193	ML 10284
	ML 1344	ML 1472	ML 1585	ML 10196	ML 10335
	ML 1347	ML 1488	ML 10005	ML 10208	
	ML 1348	ML 1490	ML 10032	ML 10222	
	ML 1385	ML 1491	ML 10042	ML 10281	
	ML 1398	ML 1499	ML 10091	ML 10282	
	ML 1424	ML 1521	ML 10093	ML 10283	

CHARTERS TOWERS PROJECT OVERVIEW

Citigold is an Australian gold mining and exploration company, operating on the core high-grade Charters Towers goldfield in north-east Australia, 1,000 kilometres north of Brisbane, Queensland, and 130 kilometres south-west by sealed highway from the major coastal port of Townsville.

The Gold Project is one of Australia's largest high-grade pure gold deposits.

Corporate mission:

Our aim is to be a 300,000 plus ounces per annum ultra-low-cost gold producer in five years using state of the art technologies and efficiencies, all with the aim of returning substantial profits to shareholders in harmony with the local environment.

For further information contact:

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Authorised for release: by 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 subjected 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.

Competent Person Statement:

Competent Person Statement: The following statements apply in respect of the information in this report that relates to **Exploration Results, Mineral Resources and Ore Reserves:** The information is based on, and accurately reflects, information compiled by Mr Christopher Alan John Towsey, who is a Corporate Member and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Towsey is a Chartered Professional (Geology) and currently independent of Citigold Corporation Limited, having previously been a Director of the Company from 2014-June 2016. He has the relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined in the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Identified Mineral Resources and Ore Reserves 2012. Mr Towsey has consented in writing to the inclusion in this report of the matters based on the information in the form and context in which it appears. **For full details see Technical Report on the Mineral Resources and Reserves at www.citigold.com click Mining >Technical Reports >Mineral Resources and Ore Reserves 2020.**

+Rule 5.5

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

CITIGOLD CORPORATION LIMITED

ABN

30 060 397 177

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(324)	(587)
	(b) development	(73)	(110)
	(c) production	-	-
	(d) staff costs	(4)	(4)
	(e) administration and corporate costs	(137)	(314)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(7)	(15)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	30	46
1.9	Net cash from / (used in) operating activities	(515)	(984)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(12)	(17)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(12)	(17)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,000	1,345
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(50)	(50)
3.5	Proceeds from borrowings	8	255
3.6	Repayment of borrowings	(210)	(225)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	748	1,325

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	119	16
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(515)	(984)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(17)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	748	1,325

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	340	340

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	340	119
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	340	119

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	889	111
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end	889	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
A\$1 million secured loan facility obtained from PAL Group Pty Ltd ATF The I and F Trust at 12% per annum interest rate, maturity of 7 June 2021 and all other terms remains unchanged.			

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(515)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(12)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(527)
8.4	Cash and cash equivalents at quarter end (item 4.6)	340
8.5	Unused finance facilities available at quarter end (item 7.5)	889
8.6	Total available funding (item 8.4 + item 8.5)	1,229
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.33
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 11 January 2021

Authorised by: Mark Lynch, Chairman
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

JORC CHECKLIST

SECTION 1 SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	<p>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</p> <p>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</p> <p>Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<ul style="list-style-type: none"> The Charters Towers area has been sampled by a mixture of diamond (HQ and NQ2) and Reverse Circulation percussion ('RC') drill holes for the purpose of identifying the location of mineralised structures and for identifying potential for mineralisation on these structures and for down-hole ('DH') geophysics. HQ / NQ core is typically cut in half (50%) using a diamond saw (100% of core recovered) and half or in some instances ¼ (25%) of the core is submitted for analysis. Only HQ-size drill core is used for quarter core samples. RC drilling was sampled on 1m intervals or through sections where mineralisation was known to occur. RC results in pre-collars are not reported. Due to the "narrow vein" style of mineralisation found at Charters Towers, the maximum HQ / NQ sample interval is 1m & minimum sample interval 0.1m. Zones of mineralisation are defined by sericite, chlorite and epidote alteration of granite ("Formation") surrounding narrow, but high grade quartz veins containing sulphides, other gangue minerals and gold. Samples are taken from the mineralised zone and on either side of the mineralisation into unaltered granite. Sampling methods follow guidelines and methodologies established by Citigold throughout its mining and exploration history. These methods are described in detail in the 2020 Mineral Resources and Reserves Report which can be found on the company's website (http://www.citigold.com/mining/technical-reports)
Drilling techniques	<p>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</p>	<ul style="list-style-type: none"> Most diamond drilling has been 63.5mm diameter HQ core, although some NQ2 core (50.5mm diameter) has been drilled. RC pre-collars have been used for some drill holes where drilling was aimed at defining the location for the fracture. NQ2 drill core was typically used for the diamond tails on RC pre-collars. Downhole surveys have been taken at a minimum of every 50m down hole. 60mm PN12 PVC piping has been inserted into many holes to accommodate the DH geophysics tools and to maintain the internal integrity of the holes in case of further surveying requirements. In 2013-16, all drilling was completed under contract to Citigold. Core orientation is carried out on all drill holes CT9000 and above in order to constrain the geometry of load bearing fractures. Core orientation measurements are taken at 6m intervals by contracted drillers.
Drill sample recovery	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximise sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<ul style="list-style-type: none"> Core is recovered by wireline drilling, where core is collected inside a core barrel winched back to surface inside the drill rods. The core is marked up and measured by senior field assistants and geologists under the guidance of the senior geologist. Core recovered (CR) is compared with the meters drilled (MD, recorded by the drillers in their daily log-sheets) and a 'core recovery' percentage is calculated; CR/MD x 100 = % recovered. All data is recorded within the Citigold database where it is checked by senior geologists. Drilling is mostly within competent granites where core loss is minimal. However, in areas where high degrees of alteration and associated mineralisation occur, some core loss is expected and subsequently recorded. Accordingly, it is possible that some fine gold within clay could have been lost during drilling.
Logging	<p>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photo-graphy.</p> <p>The total length and percentage of the relevant intersections logged.</p>	<ul style="list-style-type: none"> 100% of core was logged. Samples were collected from intercepts where alteration or mineralisation were clearly seen. The nature of the ore-body is such that mineralisation or potentially mineralised structures are easily identified. Selected RC samples were geologically logged and sampled. The logging describes the dominant and minor rock types, colour, mineralisation, oxidation, degree of alteration, alteration type, vein type, core recovery, basic structure. Rock Quality Designation or RQD % has been noted in the core drill logs (also number of fractures per interval has been noted). Some magnetic susceptibility logging was undertaken for geophysical calibration.
Sub-sampling techniques and sample preparation	<p>If core, whether cut or sawn and whether quarter, half or all core taken.</p> <p>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<ul style="list-style-type: none"> Core is sawn in half and one half (50%) is submitted for analysis at NATA accredited laboratories in Townsville (Qld, Australia). Selected HQ core is cut for ¼ core (25%), usually to check on high-grade results, and submitted for analysis at NATA accredited labs in Townsville (Qld, Australia). The 25%-50% sampling of the HQ core is considered appropriate for the mineralisation type. NQ core is sampled for 50% only. Samples are couriered or hand delivered to NATA accredited laboratories where they are dried at 105°C; weighed; crushed to -6mm; and pulverised to 90% passing 75µm where a 200g sub-sample is taken. 5% of samples are dual sub-sampled (second split) for sizing and analytical quality control purposes. <p>Fire assay: 50g of sample is added to a combustion flux and fired at 1000°C; the resultant lead button is separated from the slag and muffed at 950°C to produce a gold/silver prill; the prill is digested in aqua regia and the liquid read on an AAS.</p> <p>ICP40Q: A0.2g sub-sample is digested using nitric/hydrochloric/perchloric/hydrofluoric acids; the diluted digestion product is then presented to a Perkin Elmer 7300 ICP AES for analysis.</p> <p>Quality Control: second splits (5% of total); 2 in 45 sample repeats; and 2 CRM standards for each rack of 50 samples are analysed in all methods.</p>

SECTION 1 SAMPLING TECHNIQUES AND DATA (CONT)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	<ul style="list-style-type: none"> • Citigold uses standards sourced from Gannett Holdings Pty Ltd, Perth, Australia. Certificate number 13U20C-22-04-13. • A blank sample and/or a standard sample and/or a duplicate sample are randomly inserted in approximately every 30 samples that are submitted. • NATA accredited laboratories in Townsville have their own rigorous 'in lab' QA/QC procedures and are accredited for precious metal and base metal analyses. • A complete discussion on assay techniques, sample sizes, assay variance and sample bias can be found in the Citi gold 2020 Mineral Resources and Ore Reserves report at: http://www.citigold.com/mining/technical-reports
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	<ul style="list-style-type: none"> • Selected samples are submitted to other labs, including Citigold's on-site lab to check for consistency, accuracy and as a second means of obtaining a comparison result. • Anomalous holes or unusually high grade samples are resubmitted for assay. • No twinned holes were completed by Citigold since 2014. Prior exploration has engaged diamond drilling or geophysics as a means of checking anomalous RC drilling and to confirm the precise depth of the mineralised structure. • All drill holes are logged into laptop computers and checked before entering into database. Criteria have been established so that erroneous or incorrect characters within a given field are rejected thereby reducing the potential for transfer error. All logs are reviewed by the senior geologist. • All samples logs are recorded onto paper and assigned a unique sample number once cut. The sample and other details are entered into the Citigold database. • All significant intercepts are checked against the remaining core, checked for corresponding base metal grades and assessed for geological consistency.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control.	<ul style="list-style-type: none"> • Citigold uses a combination of grids including a local mine grid and AMG AGD66 Zone 55 which closely approximates the local mine grid. • Drill hole collars are surveyed using a Leica Viva Real Time Kinematic (RTK) Differential GPS system with a fully integrated radio, allowing for data capture in 3 dimensions at an accuracy of +/-25mm over baselines within 5km radius of the base station. • All coordinates are provided in AMG AGD66 unless otherwise stated. • Citigold uses a geo-registered 50cm pixel satellite photograph acquired in September of 2013 as a secondary check on the spatial location of all surface points. • Down-hole surveys are obtained using either a Ranger or Camteq downhole survey instrument. Survey tools are checked in Citigold's base station (a precise DH camera alignment station) prior to drilling holes over 800m or approximately every 4-5 holes in other circumstances. DH geophysics are obtained from most drill holes at which time the holes are often re-surveyed with a Camteq Proshot acting as a secondary check of the original survey..
Data spacing and distribution	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	<ul style="list-style-type: none"> • Drill hole spacing and orientation is currently constrained by the requirements for DH geophysical surveying. Approximately 80m between points of intercept are planned, however; the nature of the structure may require alterations to the spatial pattern of holes. A full description of Citigold's Mineral Resources and Reserves with extrapolation & interpolation distances can be found in the 2020 Mineral Resources and Ore Reserves Report at: http://www.citigold.com/mining/technical-reports
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	<ul style="list-style-type: none"> • Drill holes are planned to intercept the mineralised structures (average 45 degree dip) at high angles. The presence of landholders and other features on the landscape prevent all holes from intercepting perpendicular to the structure. Typically, holes will be drilled in a fanning pattern with intercepts at no less than 60 degrees to the mineralised structure. True widths are determined only after the exact geometry of the structure is known from multiple drill holes. • Holes intercepting at angles of less than an estimated 60 degrees are reported as such. • Lode-parallel drill holes have been completed by Citigold, specifically designed for downhole and surface geophysics, and are not reported.
Sample security	The measures taken to ensure sample security.	<ul style="list-style-type: none"> • All drill core is stored within locked yard guarded by contracted security. • Samples are delivered by Citigold staff to NATA accredited laboratories and/or by registered courier. • Standards are retained within the office of the chief geologist and only released under strict control. <p>The chain of sample custody is managed and closely monitored by Citigold (management and senior staff).</p>
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	<ul style="list-style-type: none"> • A full Mineral Resources and Ore Reserves report was completed in May 2020, written in compliance with the then-current 2004 JORC Code. The report contains a comprehensive review and assessment of all sampling techniques and methodologies, sub-sampling techniques, data acquisition and storage, and reporting of results. Statements on QA and QC can be found on page 48 of the report. The report can be found on Citigold's website at: http://www.citigold.com/mining/technical-reports • Citigold's database has been audited by several independent consultants since 1998 and most recently by Snowden in 2011. <p>There have been no material changes to this report since 1 October 2020.</p>

SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	<ul style="list-style-type: none"> Citigold holds a number of different types of mineral tenements including Exploration Permit Minerals (EPM's), Mineral Development Licenses (MDL) and Mining Leases (ML's). Citigold currently holds five (5) EPM's, three (3) MDL's and thirty (30) ML's:- EPM15964, EPM15966, EPM18465, EPM18813 & EPMa27287 MDL118, MDL119, MDL252, ML1343, ML1344, ML1347, ML1348, ML1385, ML1398, ML1424, ML1430, ML1472, ML1488, ML1490, ML1491, ML1499, ML1521, ML1545, ML1585, ML10005, ML10032, ML10042, ML10091, ML10093, ML10193, ML10196, ML10208, ML10222, ML10281, ML10282, ML10283, ML10284, ML10335 Citigold holds current Environmental Authorities over the tenements, and has already produced over 100,000 ounces of gold. There are no known impediments to continuing operations in the area.
Exploration done by other parties	Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none"> Charters Towers is one of Australia's richest gold deposits that was discovered in 1871. A plethora of historical data from the Charters Towers area has been collected, collated and is included within the Citigold geological database. Previous exploration was summarised in the 2020 Mineral Resources and Reserves Report which can be found at: (http://www.citigold.com/mining/technical-reports). Citigold's drill hole database includes historical drilling including: <ul style="list-style-type: none"> 1993 - Mt Leyshon Gold Mines Ltd extensions to CRA diamond drill holes in the areas. 1991 - Diamond and RC drilling by PosGold in a joint venture with Charters Towers Mines NL that covered parts of the Central area areas. 1981-84 - Diamond-drilling by the Homestake/BHP joint venture in the Central area. 1975, 1981-82, and 1987 - Diamond and RC drilling in central by A.O.G., CRA and Orion respectively. Citigold retains all diamond core and a collection of core drilled by other companies is its on-site core-yard.
Geology	Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none"> Mineralisation at Charters Towers is referred to as "orogenic" style vein mesothermal gold deposit. See the 2020 Mineral Resources and Reserves Report which can be found at: http://www.citigold.com/mining/technical-reports The many reefs are hosted within a series of variably-oriented fractures in granite and granodioritic host rocks. Mineralisation does occur in adjacent metasedimentary rocks. The gold-bearing reefs at Charters Towers are typically 0.3 metres to 1.5 metres thick, comprising hydrothermal quartz reefs in granite, tonalite and granodiorite host rocks. There are some 80 major reefs in and around Charters Towers city. The majority of the ore mined in the past was concentrated within a set of fractures over 5 km long East-West, and 500 metres to 1600 metres down dip in a North-South direction. The mineralised reefs lie in two predominant directions dipping at moderate to shallow angles to the north (main production), and the cross-reefs, which dip to the ENE. The reefs are hydrothermal quartz-gold systems with a gangue of pyrite, galena, sphalerite, carbonate, chlorite and clays. The reefs occur within sericitic hydrothermal alteration, historically known as "Formation". The goldfield was first discovered in December 1871 and produced some 6.6 million ounces of gold from 6 million tons of ore from 1872 to 1920, with up to 40 companies operating many individual mining leases on the same ore bodies. There were 206 mining leases covering 127 mines working 80 lines of reef and 95 mills, cyaniding and chlorination plants. The field produced over 200,000 ounces per year for 20 consecutive years, and its largest production year was 1899 when it produced some 320,000 ounces.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case..	<ul style="list-style-type: none"> There are over 3,300 drill holes in the project area, and it is impracticable to list them all in this report. Drilling since 2004 has been tabulated on the Company's web site and significant results listed in the Quarterly reports. Summary information on and statistical analysis of the drilling is contained in the Company's 2020 Mineral Resources and Ore Reserves report at: http://www.citigold.com/mining/technical-reports
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	<ul style="list-style-type: none"> The intercepts reported on in any public release are described in sufficient detail, including gold maxima and subintervals, to allow the reader to make an assessment of the balance of high and low grades in the intercept. All sample interval lengths are presented as "Depth from" and "Depth to" and intercept length. Assay results for Ag, Pb and Au are presented as ppm (equivalent to grams of metal per tonne of rock, written as g/t). In addition, Au (gold) is presented as metal accumulations (grade x width), in metre-grams per tonne (m.g/t), particularly where intervals are less than one metre, to put the results into perspective as the minimum mining width is one metre. No aggregation of sections have been used. Metal equivalents are not used.

SECTION 2 REPORTING OF EXPLORATION RESULTS (CONT)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	<ul style="list-style-type: none"> All intercepts presented in tables in Quarterly Reports are reported as down-hole lengths unless stated as True Widths. Structures within Charters Towers are highly variable in width and can be variable in dip over short distances, however, every attempt is made to drill approximately perpendicular to the dip of the structure. The intercepts reported as intercept widths may not necessarily represent true widths in some cases. All tables clearly indicate "From" and "To" intervals.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	<ul style="list-style-type: none"> There are over 3,300 drill holes in the project area, and it is impracticable to list them all in this report. <p>Significant drill hole collar locations are shown on Figure 14-11, page 87, of the 2012 Mineral Resources and Ore Reserves Report (http://www.citigold.com/mining/technical-reports).</p>
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	<ul style="list-style-type: none"> Almost every drill hole completed on the property from 2004 to 2011 is available from the Citigold website (http://www.citigold.com/mining/exploration). Drilling was suspended during 2012 and resumed in 2013. There has been no drilling since 2016. Drill holes not included (regardless of intercepts and grade) are those that were drilled specifically for down-hole geophysics which were typically drilled parallel to the mineralised structure. All other drill holes have been reported, regardless of whether it has returned high or low grades. Higher grade drill holes (above 0.5m.g/t) are reported in Quarterly Reports.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	<ul style="list-style-type: none"> The Project has produced over 100,000 ounces of gold. Details such as bulk density, metallurgical characteristics, groundwater and geotechnical data are covered in the 2020 Mineral Resources and Ore Reserves Report which can be found at: http://www.citigold.com/mining/technical-reports. Bulk sampling and geophysical survey results are reported Quarterly as available
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	<ul style="list-style-type: none"> Futurework will concentrate on in-fill drilling between drill hole intercepts in the Central area to increase the data density required to convert Inferred Resources to Indicated.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used.	Databases were manually audited and checked on three occasions by external consultants since 1998 and most recently by Snowden in 2011. The SURPAC computer program has an automatic error checking procedure that checks for duplication and column errors.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	The <i>Competent Person</i> (under the JORC Code) responsible for this report, Mr Christopher Alan John Towsey MSc BSc(Hons), DipEd, FAusIMM, CPGeo, MMICA, has been associated with the Project since 1999 as a consultant geologist and employee. He joined the Company on full-time staff as General Manager Mining in July 2002, was promoted to Chief Operating Officer ('COO') in January 2004 and lived on-site at Charters Towers as COO and Site Senior Executive, managing the day-to-day operations of the underground mining operations of the Imperial Mine from October 2009 to January 2011. He has remained as a consultant geologist to the Company since January 2011. On 21 February 2014 he was appointed as a Non-Executive Director of Citigold Corporation Limited, and Executive Director from April 2015-June 2016. He last visited the site on 22 September 2014. He has been abreast of daily operations since 21 Feb 2014, including video links to the site. There have been no material changes to resources & reserves since 2020.
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	The geology is well known as the field has been mined since 1871 with some 180 km of underground drives and production of 6.6 million ounces of gold from 6 million tonnes of ore. The mineralisation is contained in fractures or shear zones (reefs) which have good geological continuity and predictability up to 2km along strike and down dip, but the reefs have an almost random distribution of ore grades within the reef. The reefs are widely spaced (usually >400m apart) and therefore drill intersections, especially with oriented drill-core, are usually clearly linkable to known reefs. The grade is known not to be continuous, making estimation of a Proved Reserve grade difficult without underground driving or bulk sampling. The statistical range derived from Ordinary and Indicator Kriging suggests a range of 6m to 8m (the distance an assay can be reliably projected away from the known point) but high grade areas have been found very close to sub-economic grade areas, meaning that a strike drive or potential stoping area often maintains an economic grade when averaged over say 200m. Drilling has also been found to underestimate the grade when compared to areas that have been mined and stoped. The variability in grade is compensated for by applying a mining factor, payable, to the resources – payable is the percentage of a nominated mineralised reef that can be economically mined based on previous production records. This variability is covered in the 2020 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Dimensions	The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	There are 25 mineralised bodies included in the Mineral Resource estimate. These are up to 2km along strike. Mineral resources are estimated to a maximum depth of 1200m down dip. The tops of bodies in the Resources are terminated at 50m below surface, as it is unlikely the top 50 m under the city can be safely mined without disturbing existing buildings and infrastructure such as rail lines and highways. Drilling has intersected mineralised structures down to 2000m depth. There are 30 significant drill intersections deeper than 1,000 metres, of which 27 are deeper than 1,100 metres and 18 deeper than 1,200 metres. The deepest significant intersection is 1,817.2 metres (0.4 grams per tonne Au), and the best gold grade deeper than 1,200 metres was 20.54 grams per tonne Au.
Estimation and modelling techniques	<p>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</p> <p>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</p> <p>The assumptions made regarding recovery of by-products.</p> <p>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</p> <p>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</p> <p>Any assumptions behind modelling of selective mining units.</p> <p>Any assumptions about correlation between variables.</p> <p>Description of how the geological interpretation was used to control the resource estimates.</p> <p>Discussion of basis for using or not using grade cutting or capping.</p> <p>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</p>	<p>Drilling has been separated into two main domains, the Central and Southern areas. For Inferred Mineral Resources, there was no cutting of high grades or exclusion of high-grade outliers, as log-probability plots indicated no anomalous populations. Indicated Mineral Resources used a Top Cut of 50 g/t.</p> <p>Lower cut-off of 1 metre-gram per tonne was used to define the reef outlines and 3 metre-grams per tonne used to define Indicated & Measured Resources. Reefs were modelled in SURPAC to produce 3D solids.</p> <p>Grades for Inferred Resources were based on the geometric mean applied over polygonal areas. Indicated Resources were based on arithmetic means of drill intersection accumulations (metre-grams per tonne) for the smaller polygons modelled for Indicated status.</p> <p>Validation by comparing recovered ounces from stopped areas with ounces defined ahead of mining has been satisfactory.</p>
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	All tonnages are estimated on dry weight as all material is below the base of oxidation. Moisture content becomes an issue only for mill feed after mining and does not affect in situ Resources.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	See the 2020 Mineral Resources and Ore Reserves Report. A lower cut-off grade of three grams of gold per tonne of mineralized material (grams per tonne Au) over a minimum sample true width of one metre (expressed as 3 metre-gram per tonne Au). No Top Cut was applied to Inferred Mineral Resources as there is no statistical basis to do so, as explained in Item 14 but an arbitrary Top Cut of 50 g/t was applied to Indicated Resources.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	<p>Two mining factors have been included (a minimum mining width of one metre, and a substantial discount of the tonnes (70%) based on known mine payability on the reefs).</p> <p>See the 2020 Mineral Resources and Ore Reserves Report.</p>
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	<p>Over 100,000 ounces of gold and 45,000 ounces of silver have been produced since 1998. From 2006 to 2012, the Company's Quarterly Reports to the Australian Securities Exchange listed the gold recovery from the plant. Recoveries were in the range of 95% to 98% recovery of gold entering the plant. A recovery of 98% has been used in the mining factors for estimating Ore Reserves and estimating mining and processing costs.</p> <p>See the 2020 Mineral Resources and Ore Reserves Report.</p>
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	The Project has been mining since 1994 with an accepted EMOS, granted mining leases and Environmental Authorities ('EA'). The Tailings Storage Facility was constructed in 1997 and is inspected annually by a qualified consultant engineer. The site normally does not release water from the site due to the high local evaporation rates, but has approval to release provided discharge waters are compliant with the conditions of the EA.
Bulk density	Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.	<p>The Project normally mines primary ore from underground.</p> <p>Oxidised ore was only mined in two trial open pits (Stockholm and Washington in 1997-2000). No oxidised material is included in Resources or Reserves.</p> <p>Extensive density measurements were carried out. A bulk density of 2.7 t/m³ was used. See Tonnage Estimates in the 2020 Mineral Resources Report for tables of density data.</p>
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Classification	The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit.	The confidence level is $\pm 30\%$ for the contained ounces in the Inferred Mineral Resource, because two mining factors have been included (a minimum mining width of one metre, and a substantial discount of the tonnes (50%) based on known mine payability on the reefs).
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	The last peer review of the Mineral Resources was by Snowden Associates in June 2012. Snowden concluded that the 2012 Technical Report is written in accordance with the 2004 JORC Code. In addition, Snowden considers that Citigold's approach to estimating Mineral Resources at Charters Towers are reasonable based on the nature of the mineralisation, the methodology adopted in preparing the estimate and the history of operations in the goldfield. There have been no material changes to Resources or Reserves since the 2012 report.
Discussion of relative accuracy/confidence	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The confidence level is $\pm 30\%$ for the contained ounces in the Inferred Mineral Resource, because two mining factors have been included (a minimum mining width of one metre, and a substantial discount of the tonnes (50%) based on known mine payability on the reefs).

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	The Indicated Mineral Resource is 3,200,000 tonnes at 7.7 grams per tonne, containing 780,000 ounces of gold. The Probable Ore Reserve is derived from, and not additional to, the Indicated Mineral Resource. There are 16 separate mineralised bodies in the Indicated Mineral Resource, and of these 16, fourteen met the criteria to be classified as ore bodies in the Probable Ore Reserve.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	The <i>Competent Person</i> (under the JORC Code) responsible for this report, Mr Christopher Alan John Towsey MSc BSc(Hons), DipEd, FAusIMM, CPGeo, MMICA, has been associated with the Project since 1999 as a consultant geologist and employee. He joined the Company on full-time staff as General Manager Mining in July 2002, was promoted to Chief Operating Officer ('COO') in January 2004 and lived on-site at Charters Towers as COO and Site Senior Executive, managing the day-to-day operations of the underground mining operations of the Imperial Mine from October 2009 to January 2011. He has remained as a consultant geologist to the Company since January 2011. On 21 February 2014 he was appointed as a Non-Executive Director of Citigold Corporation Limited, and Executive Director in April 2015-June 2016. He last visited the site on 22 September 2014. He has been abreast of daily operations since 21 Feb 2014, including video links to the site. There have been no material changes to resources & reserves since 2012.
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	The project has been mining since 1993 and has produced over 100,000 ounces of gold and 45,000 ounces of silver in trial mining from 1994 to 2016 which constitutes a full Feasibility Study, even though there is no single document with that title. Mining Leases have been granted, a two million tonne capacity tailings storage facility constructed and a processing plant built and operated since 1994. Actual mining costs have been obtained, together with purchased mining equipment and over \$350 million already invested. Material Modifying Factors and reconciliations have been tested under actual production conditions and validated.

SECTION 4 ESTIMATION AND REPORTING OF THE RESERVES

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	See the 2020 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports . A lower cut-off grade of three grams of gold per tonne of mineralized material (grams per tonne Au) over a minimum sample true width of one metre (expressed as 3 metre-gram per tonne Au). No Top Cut was applied to Inferred Resources as there is no statistical basis to do so, as explained in Item 14. For conversion of Indicated Mineral Resources to Probable Reserves, a lower cut-off grade of 4 g/t gold was used to allow for physical losses and dilution during mining. An arbitrary Top Cut of 50 grams per tonne Au was applied to high assays in Ore Reserve estimation to reduce any potential biasing effect of the high-grades. This is a conservative approach, as there is no statistical basis for cutting high grades, as discussed in the Inferred Mineral Resources section, and several of the Central ore bodies averaged recovered grades of over 50 grams per tonne for tens of years when mined previously.
Mining factors or assumptions	<p>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</p> <p>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</p> <p>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling.</p> <p>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</p> <p>The mining dilution factors used.</p> <p>The mining recovery factors used.</p> <p>Any minimum mining widths used.</p> <p>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</p> <p>The infrastructure requirements of the selected mining methods.</p>	<p>Mining method - Underground. Long-hole open stoping, 10m sub-levels</p> <p>Minimum mining width - 1 metre</p> <p>Dilution - 10%</p> <p>Gold losses - 5%</p> <p>Payability - Variable - 30% to 52%</p> <p>Pillars left - 0% due to payability factor</p> <p>US Gold Price - USD \$1,755</p> <p>Exchange Rate - 0.73</p> <p>AusGold Price - AUD \$2,404</p> <p>Driving cost - AUD \$3,000 per metre, 3.5m square</p> <p>Driving cost equivalent - 2.1 Ounces per metre, 3.5m square</p> <p>Mill recovery - 95% of mill feed</p> <p>All necessary infrastructure has already been built and some 100,000 ounces of gold already produced. For details of the Mining factors and assumptions, see Item 15 of the 2020 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports.</p>
Metallurgical factors or assumptions	<p>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</p> <p>Whether the metallurgical process is well-tested technology or novel in nature.</p> <p>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical dominating applied and the corresponding metallurgical recovery factors applied.</p> <p>Any assumptions or allowances made for deleterious elements.</p> <p>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole.</p> <p>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</p>	<p>Metallurgical characteristics are well-understood, having operated the processing plant for over 20 years from 1993 to 2016 and recovered over 100,000 ounces of gold and 45,000 ounces of silver. Actual mill recoveries varied from 95% to 98% of mill feed. Mill recovery used for future projections is 95% of mill feed. See the 2020 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports.</p>
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	<p>This risk is assessed as Low Risk. Waste rock is benign granodiorite and classed as Non-Acid Forming. The main ore sulphides are galena and sphalerite which are acid-consuming, and the weathering of feldspars in the host rock is also acid-consuming, forming a self-neutralising system. Tailings deposited are made alkaline with added lime, which prevents the dissolution of heavy metals or any acid formation.</p> <p>The Company has an approved <i>Environmental Management Overview Strategy</i> (EMOS) and Environmental Authority ('EA') in place and has been conducting mining and processing operation since 1993, and expects to be able to continue to do so. In addition a Plan of Operations, in compliance with the EMOS, has also been lodged with the DRNM. These operating documents are in compliance with Queensland's stringent Environmental Protection Act and Regulation.</p> <p>The Tailings Storage Facility has already been built and used since 1997. Adjacent land alongside has been acquired for any future expansion. Dry stacking of tailing above ground and pumping tailings back underground is being evaluated.</p>
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	Most of the infrastructure is in place, paid for and operational, having produced over 100,000 ounces of gold. Power is drawn from the State grid. The Project is mostly self-sufficient in water but could draw on local municipal supplies if necessary. There is major town in the Project area that supplies all accommodation, services, transport, emergency services and medical backup that may be required. There is a major port, international airport and city to the east, 1.5 hours drive by sealed highway, at Townsville with a population of 189,238 (30 June 2013). The major Mt Isa to Townsville rail line runs through the project area, as does the sealed Flinders Highway (east-west) and Gregory Developmental Road (north-south).

SECTION 4 ESTIMATION AND REPORTING OF THE RESERVES

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Costs	<p>The derivation of, or assumptions made, regarding projected capital costs in the study.</p> <p>The methodology used to estimate operating costs.</p> <p>Allowances made for the content of deleterious elements.</p> <p>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.</p> <p>The source of exchange rates used in the study.</p> <p>Derivation of transportation charges.</p> <p>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</p> <p>The allowances made for royalties payable, both Government and private.</p>	<p>Operating, transport, treatment, refining and capital costs are based on actual costs since 2006. A gold price of US\$1300, an exchange rate of 0.91 and an Australian dollar gold price of \$1430 were used, based on analysis of the supply and demand by the World Gold Council, and actual prices and exchange rates over the 5 years from 2006-2012. The deposit has low arsenic, selenium and mercury levels, and gold doré bars produced by the Company have met the refiner's specifications since 1994 without penalty.</p> <p>Royalties are currently at 5% of the gross revenue received from precious metal sales. This is set by the Queensland State Government and is subject to periodic change outside the Company's control. The Government has not announced any plans to change the gold royalty.</p> <p>Transport costs of the final product are minimal – the maximum projected output is 330,000 ounces per year weighing 10.3 tonnes, or 197 kg per week. Raw doré gold is air-freighted to the Perth Mint refinery in Perth, Western Australia. Actual cash cost for the September 2013 Quarter was A\$569, down from A\$588 the previous Quarter (June 2013).</p>
Revenue factors	<p>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</p> <p>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</p>	<p>These are covered in the 2020 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports. Future metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns are simply unknown. Assumptions have been made based on the best available actual data and trends estimated by professional bodies and investment groups.</p> <p>Exchange rate variations combined with the USD gold price over the last 3 years has maintained the AUD gold price above A\$1500 per ounce. Silver revenue is about 1.5% of the gold revenue and is immaterial to the Project, being less than the weekly variation in gold price, but the silver revenue covers the cost of secure transport, insurance and refining of the doré bars, with a small profit.</p>
Market assessment	<p>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</p> <p>A customer and competitor analysis along with the identification of likely market windows for the product.</p> <p>Price and volume forecasts and the basis for these forecasts.</p> <p>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</p>	<p>Refined gold and silver are directly exchangeable for cash. There are no sale contracts, hedging contracts, forward sales or royalty contracts currently in place that lock the Company into any fixed sales arrangements. The Company has an agreement to refine its doré bullion at the Perth Mint precious metals refinery in Western Australia at market refining prices. There is an opportunity, but no obligation, for the Perth Mint to sell the gold and silver on the Company's behalf if instructed by the Company. The Company retains full flexibility to choose if, when and where it sells its gold and silver, and whether or not to enter into hedging or royalty agreements. See the 2020 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports. Hedging is seen a prudent strategy by locking in a future sale price, removing the risk of an unknown sale price or exchange rate, provided that certain conditions are adhered to. Citigold believes it is not prudent to hedge more than 50% of projected annual production or more than 50% of the ore reserve, and because delivery is dependent on production, the buyer cannot bring forward the delivery date.</p>
Economic	<p>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</p> <p>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</p>	<p>NPV has not been calculated for this Report.</p>
Social	<p>The status of agreements with key stakeholders and matters leading to social licence to operate.</p>	<p>This risk is assessed as Low Risk. There are no known social or heritage matters that are seen as having the potential to stop the Project proceeding. Any proposed government changes to royalties, mining legislation, environmental protection or transport regulations would apply to the whole of either Queensland's or Australia's mining sector, and would therefore not proceed without timely discussion and time to implement.</p>
Other	<p>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</p> <p>Any identified material naturally occurring risks.</p> <p>The status of material legal agreements and marketing arrangements.</p> <p>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</p>	<p>The Company holds all the necessary land and permits it requires, all necessary infrastructure has been built and is operational. It has been mining since 1994 and has produced over 100,000 ounces of gold and 45,000 ounces of silver.</p> <p>There are no legal matters in hand that appear likely to interfere with expanding the Project.</p> <p>Refined gold and silver are directly exchangeable for cash and do not require specialist marketing.</p>
Classification	<p>The basis for the classification of the Ore Reserves into varying confidence categories.</p> <p>Whether the result appropriately reflects the Competent Person's view of the deposit.</p> <p>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</p>	<p>Probable Ore Reserves are derived from Indicated Mineral Resources, which in turn are based on drill and face sample data at intervals of 25 to 80 metres. The Probable Ore Reserves are derived from, contained within, and not additional to, the Indicated Mineral Resources. There are 16 separate mineralised bodies in the Indicated Mineral Resource, and of these 16, fourteen met the criteria to be classified as ore bodies in the Probable Ore Reserve.</p>
Audits or reviews	<p>The results of any audits or reviews of Ore Reserve estimates.</p>	<p>The last peer review of the Ore Reserves was by Snowden Associates in June 2012. Snowden concluded that the 2012 Technical Report is written in accordance with the 2004 JORC Code. In addition, Snowden considers that Citigold's approach to estimating Ore Reserves at Charters Towers are reasonable based on the nature of the mineralisation, the methodology adopted in preparing the estimate and the history of operations in the goldfield.</p>

SECTION 4 ESTIMATION AND REPORTING OF THE RESERVES

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Discussion of relative accuracy/confidence	<p>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</p> <p>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</p> <p>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</p> <p>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</p>	<p>The confidence level is ± 10 to 15% for the contained ounces in the Probable Ore Reserve.</p> <p>Assay duplicate precision has been audited and found to be within $\pm 10\%$ of the mean value, which is within acceptable limits for commercial assays. Selective re-assay of samples was undertaken following inspection of results where particularly high or anomalous assays were noted. Assay results were reviewed statistically, by cumulative frequency plots and histograms, and log normality of data sets was established for the mineralised zones. See the Company 2020 Mineral Resources and Ore Reserves Report, available on the Company's web site at http://www.citigold.com/mining/technical-reports, pages 45 to 64. The normal range of precision from commercial laboratories (as used by the Company) is 10% to 15% (Bumstead, 1984 – see the 2020 Report), meaning that repeat samples vary from the average of the samples by up to 10% to 15%. Given that this precision of the most accurate starting number, the laboratory assay, is already $\pm 10\%$ to 15%, it is not possible to estimate contained ounces or confidence limits to a higher accuracy.</p>

The following statements apply in respect of the information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves:

The information is based on, and accurately reflects, information compiled by Mr Christopher Alan John Towsey, who is a Corporate Member and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Towsey is currently a Chartered Professional (Geology) and currently independent of Citigold Corporation Limited, having previously been an Executive Director of the Company from April 2014 to June 2016. He has the relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined in the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Identified Mineral Resources and Ore Reserves 2012. Mr Towsey has consented in writing to the inclusion in this report of the matters based on the information in the form and context in which it appears.