Quarterly Report

For the period ending 30 June 2015

HIGHLIGHTS

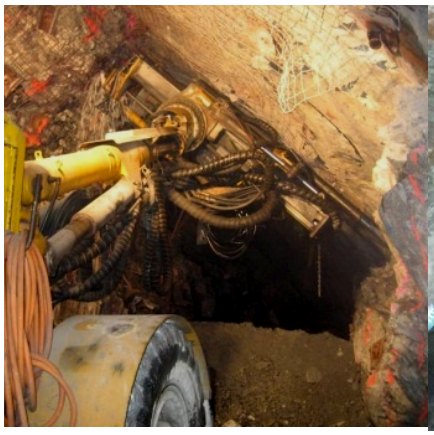
- Ongoing work continues to prove the profilic nature of the Charters Towers Central area and builds upon the solid foundation already in place for the initial phase of production targeting 50,000 ounces of gold per annum.
- The $72 million joint venture funding Agreement with KIG was extended (after quarter end) with completion now due 26 August 2015 and therefore the joint venture expected to be operational in September 2015.
- The Company signed a US$5 million Alliance, with the initial US$3 million drawdown of this funding received as scheduled and a further US$2 million received in May.
- The Company continues to review its business plans, schedules and strategies in readiness for production.
- Working with strategy management consultants, a very efficient and 'lean' organizational structure has been developed.
- Citigold welcomes new substantial shareholders.

OPERATIONS

Mine scheduling, manning levels and design planning were progressed during the Quarter preparatory to re-starting operations. Water levels were checked and interconnections via old workings were re-examined as part of the dewatering risk assessment and management program. The main dewatering borehole pump was removed and refurbished preparatory to commencing dewatering to levels below where the Decline extension is expected to intersect the King Shaft for ventilation and additional emergency egress ahead of proposed stoping.

No mining operations were undertaken during the Quarter.

The underground operations and processing plant are on care and maintenance until expansion funding is in hand.



Mine design, planning, scheduling and stope designs were discussed, together with structural steel inspection of the processing plant framework and refurbishment of the processing plant. Discussions were held with electrical contractors on inspection and testing ahead of reconnection of State grid power, solar generation, underground communications, automation, collision avoidance & proximity detection systems and personnel detection & tracking systems that will work underground.

Work continuing on refining the registration accuracy of the historical old underground mine workings digitized into our databases in the 1980's from plans in the government archives, and digitizing geology from historical geology maps including the addition of historical shafts to the regional shaft location database. This sophisticated and very large 3D model of the Charters Towers goldfield, incorporating nearly all known geological knowledge, is being handled by 3DMine software. All of 3DMine's software uses the most powerful 3D graphic engine in the world to visualize the modeling and mining process. Citigold's proprietory database on Charters Towers is unique in the world.

The mine site has also taken the opportunity to undertake a major scrap metal reduction program that was completed. This removed unwanted spares and other material for sale, and the laydown areas levelled and prepared for rehabilitation. This major tidy up of the large lay down areas removed all steelwork and other material not required for future operations.

A background noise monitoring survey commenced in the Central area.

Health, Safety and Environment

There were no injuries or safety/health incidents, and no reportable environmental incidents during the Quarter. Department of Environment and Heritage Protection officers were on site during the Quarter for routine compliance inspection and sampling.

DRILLING

Future drilling is aimed at improving the rank of Mineral Resources by closing up the drill spacing, and understanding aspects of the structural and grade distribution model to ensure that the most prospective areas for early high-grade mining are precisely located.

No drilling was undertaken during the Quarter.

A new drill proposal for the western Queen and Brilliant Cross reefs has been initiated, to commence when funding is in hand. Three diamond drill holes are proposed, each approximately 450m long to intersect the three structures; two east-dipping reefs (St George and C39 Brilliant Cross Reef) and one north dipping reef (Queen West C03W).

This drilling will assist in modelling the western extent of the C03W Queen West where it is anticipated to cross the planned extension of the Decline.

The drilling will also be used to define the limits and grade distribution on a newly interpreted and un-drilled target structure, the C39 Brilliant Cross Reef. A small section of the the C39 Brilliant Cross Reef was mined in the Kelly's Queen Block lease between 1910 and 1913. An average of 1 (one) ounce of gold to the tonne of rock treated was produced from this structure over the three years. Mining ceased due to the workings reaching the limits of the lease boundary, not because the ore was exhausted.

The same three drill holes will test the down-dip extension of the St George reef which, while mining ceased in low grade rock, had grades averaging 6 ounces of gold per tonne of rock treated.

Both the C39 and St George reef are currently not included in the Inferred Mineral Resource and any successful results will add to the inventory of accessible mineral resources and reserves for mining from the planned decline.

CORPORATE

US$5 million alliance

In the previus quarterly report the Company announced, as post date event, that it had signed a US$5 million alliance, with the initial US$3 million drawdown of this funding received in April 2015 and the balance US$2 million recieved in May.

The Alliance is with Fortune Gems and Jewellry DMCC ('Fortune') for the future refining of its Charters Towers gold dore' bars production for 5 years, with the US$5 million loan to Citigold being repayable in gold.

Fortune are gold traders with substantial Indian refining facility arrangements. India-based global finance advisors Herringer International Corp arranged this gold linked debt transaction.

Major development funding extension

After the end of the June quarter, Citigold extended the Agreement with Kingsford Investment Group Ltd ("KIG") under which KIG will invest $72 million into a joint venture (JV), to earn a 60% interest, to develop the Charters Towers gold field. Citigold will manage the project on behalf of the JV.

This extension means that the formation of the joint venture, that will not be effective until the above funding is received and Citigold contributes the mine assets, is now extended for settlement on 26 August 2015. The agreement had been earlier previously extended to 22 July 2015.

The planned incorporated joint venture to be formed between Citigold and KIG aims to aggressively expand the underground operations at Charters Towers moving back into low cost sustained gold production. The Central area of the goldfield will be the initial focus with the symbiotic Imperial (Southern) area being brought on stream once Central is cash flow positive. Central and Imperial are the two main access Declines into the one Charters Towers gold mine, with all the ore being processed in the existing centralized processing facility. The joint venture aims to turn this gold deposit into a large-scale gold mine with an initial annual production of 50,000 ounces of gold growing to over 300,000 ounces of gold per annum at completion of the

planned expansion.

Citigold has been working for a long time to obtain and progressively develop the goldfield therefore it considered the settlement extensions commercially reasonable in light of the proposed very long partnership with KIG going forward in a commercially cooperative relationship.

Research and Development Rebate

A Refund and Development Tax Offset refund of $490,000 approximately was received in the Quarter.

This assistance to our past extensive research work is important in advancing innovation in mining. Our innovation efforts and achievements will assist faster definition of high grade areas and the foundation for our automation plans. There is more work to be done and we have a clear plan.

Financial Highlights

During the Quarter the US$5 million loan from Fortune detailed above was received along with the Research and Development Tax Incentive payment of approximately $480,000, also detailed above. These funds were used for working capital, additional financial assurance cash bond with the Department of Energy and Mines and to repay a secured note.

The new management has a clear focus on continued savings in its efforts to reduce overheads. Working with strategy management consultants a very efficient and 'lean' organizational structure (especially at the corporate level) has been developed. To be an ultra low cost gold producer the lean and efficient approach will have to be an organizational mantra.

During the upcoming quarter the agreement with KIG is expected to complete and the joint venture begin. The agreed initial KIG payment is $72 million. The planned project expansion can then proceed after the formalities of the joint venture formation are completed.

Substantial Shareholders Update

Citigold is pleased to welcome two new substantial shareholders to the share register.

In June 2015 RGF Land Sdn Bhd (RGF) acquired the whole of Liongold Corp Limited's shareholding of 11.7% in Citigold.

Additionally, in July 2015, Mr Edward Lee transferred his shares held by Express-Link Management Ltd (ELM) into his own name. Mr Lee therefore became the substantial shareholder for the 8.85% holding.

We welcome RGF and Mr Lee to the share register and look forward to their positive contribution. Also we thank Liongold and ELM for their past positive contribution to the Company.

Strategic Review

Management consultants have been engaged to assist in project planning. The preparation includes meetings with potential mining contractors, consultant engineers, geologists, environmentalists and personnel hire companies ahead of recommencement of operations when funding is received. Mine design, planning and scheduling were discussed, together with

upgrading the processing plant. Additionally solar generation, underground communications, automation and a cutting edge mining system are being advanced as parts of the overall system.

The realistic goal is an ultra low cost per ounce gold mine.

For further information contact:
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Executive Chairman
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Or visit the Company's website – www.citigold.com

The following statements apply in respect of the information in this report that relates to Exploration Results: *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 and a member of the Australian Institute of Geoscientists. Mr Towsey is employed by Citigold as Chief Scientist and is an Executive Director of Citigold. He has the relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined in the 2012 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. 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.*

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*

For full details of resources and reserves see Technical Report on the Mineral Resources and Reserves at: www.citigold.com *- click Mining >Technical Reports >Mineral Resources and Reserves 2012*.

EXCHANGE LISTING

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AUDITOR

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APPENDIX 1

No new drilling was done in the Quarter or reported here. Below are the notes to accompany the discussion of exploration.

Section 1 Sampling Techniques And Data		
Criteria	**Explanation**	**Accompanying statement**
Sampling techniques	• *Nature and quality of sampling (eg 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• The Charters Towers area has been sampled by a mixture of diamond (HQ and NQ2) and 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 1/4 (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 are not reported here. • 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 surrounding narrow, but high grade quartz veins containing sulfides, 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 2012 Mineral Resources and Reserves Report which can be found on the company's website (www.citigold.com *click Mining >Technical Reports >Mineral Resources and Reserves 2012*).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Most diamond drilling has been 63.5mm diameter HQ core, although some NQ2 core 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. • Contractors used for drilling previously include Eagle Drilling, Dominion Drilling, WAR NQ and Weller Drilling. All drilling was completed under contract to Citigold. • Core orientation was only carried out on drilling taking place in the central area (CT9000).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* •*Measures taken to maximise sample recovery and ensure representative nature of the samples.* •*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.*	• 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 shift record) 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 granitic rock 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	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• 100% of core was logged. Samples were collected from intercepts where alteration or alteration and mineralisation were clearly seen. The nature of the orebody 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).
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core is sawn in half and one half (50%) is submitted for analysis at SGS labs in Townsville (QLD, Australia). • Selected core (as listed in associated tables) is cut for 1/4 core (25%) and submitted for analysis at SGS 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 to SGS where they are dried at 105C; weighed; crushed to – 6mm; and pulverised to 90% passing 75um where a 200 g sub-sample is taken. 5% of samples are dual sub-sampled (second split) for sizing and analytical quality control purposes. Fire assay: 50 g of sample is added to a combustion flux and fired at 1000 C; the resultant lead button is separated from the slag and muffled at 950C to produce a gold/silver prill; the prill is digested in aqua regia and read on an AAS. ICP40Q: A 0.2g 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. 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
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• 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 approximately every 30 samples that are submitted. • SGS Townsville have their own rigorous 'in lab' QAQC 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 Citigold 2012 Mineral Resources and Reserves report.
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.*	• 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 result. • Some strongly anomalous holes have been resubmitted for assay. • No twinned holes were completed by Citigold in 2015, however, prior exploration has engaged diamond drilling 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.* • *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.*	• 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 three 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 (DH) 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 composting has been applied.*	• 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. • Drill hole spacing in the E05 area is aimed at intercepts no further than 50m apart. No Resources or Reserves are presented here. A full description of Citigolds Mineral Resources and Reserves can be found in the 2012 Mineral Resources and Reserves Report (www.citigold.com - click *Mining >Technical Reports >Mineral Resources and Reserves 2012*).
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.*	• Drill holes are planned to intercept the mineralised structures (average 45 degree dip) at high angles. The presence of infrastructure 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. However, these holes are specifically designed for geophysics and are not reported.
Sample security	• *The measures taken to ensure sample security.*	• All drill core is stored within locked yard guarded by contracted security. • Samples are delivered by Citigold staff to SGS and/or by registered courier. • Standards are retained within the office of the chief geologist and only released under strict control. • The chain of sample custody is managed and closely monitored by Citigold (management and senior staff).
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A Mineral Resources and Reserves report was completed in 2012. 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 www.citigold.com - *click Mining >Technical Reports >Mineral Resources and Reserves 2012*). • Citigold's database has been audited by several independent consultants since 1998 and most recently by Snowden in 2011.

Section 2 Reporting of Exploration Results		
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 license to operate in the area.*	• Citigold holds a number of tenements including Exploration Permit Minerals (EPM's), Mineral Development Licenses (MDL') and Mining Leases (ML's). • Citigold currently holds six (6) EPM's, Five (5) MDL's and forty seven (47) ML's. EPM15964, EPM15966, EPM116979, EPM18465, EPM18813, EPM18820, MDL116, MDL118, MDL119, MDL251, MDL252, ML1343 , ML1344 , ML1347, ML1348, ML1385, ML1387, ML1398, ML1407, ML1408, ML1409, ML1424, ML1428, ML1429, ML1430, ML1431, ML1432, ML1433, ML1472, ML1488, ML1490, ML1491, ML1499, ML1521, ML1545, ML1548, ML1549, ML1585, ML1586, ML1587, ML1735, ML10005, ML10032, ML10042, ML10048, ML10050, ML10091, ML10093, ML10193, ML10196, ML10208, ML10222, ML10281, ML10282, ML10283, ML10284, ML10285, ML10335
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Charters Towers is one of Australia's richest gold deposits. A plethora of historical data from the Charters Towers area has been collected, collated and is included within the Citigold geological database. • Citigolds drill hole database includes historical drilling including 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 coreyard.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mineralisation at Charters Towers is referred to as "orogenic" style narrow vein mesothermal gold deposit. • 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 meters 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 meters to 1600 meters 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 meters) 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.*	• Not applicable to this report – no new drill assay results included.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• No drill assays are reported here. • No aggregation of sections have been used. • Metal equivalents are not used.
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 (eg 'down hole length, true width not known').*	• Structures within Charters Towers are highly variable in width and can be variable in dip over short distances, however, every attempts is made to drill approximately perpendicular to the dip of the structure. The intercepts presented here are reported as intercept widths and may not necessarily represent true widths in some cases.
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.*	• Not applicable to this report – no new drill assay results included.
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*	• Almost every drillhole completed on the property in 2013 is available from the Citigold website (www.citigold.com). • Drill holes not included (regardless of intercepts and grade) are those that were drilled specifically for DH 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.
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.*	• Not applicable to this report
Further work	• *The nature and scale of planned further work (eg 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.*	• Future work will concentrate on drilling between drill hole intercepts in the Central area.
Section 3 Estimation and Reporting of Mineral Resources **Section 4 Estimation and reporting of Ore Reserves**		**Section 3 and Section 4 do not pertain to this report.**

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.17/12/10

Name of entity

CITIGOLD CORPORATION LIMITED

ABN	Quarter ended ("current quarter")
30 060 397 177	30 June 2015

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	1,380
1.2	Payments for (a) exploration and evaluation	(2,218)	(4,823)
	(b) development	-	(2)
	(c) production	(60)	(777)
	(d) administration	(239)	(1,442)
1.3	Dividends received		-
1.4	Interest and other items of a similar nature received		-
1.5	Interest and other costs of finance paid	(7)	(252)
1.6	Income taxes paid		-
1.7	Other-R and Tax Offset payments	476	794
	Net Operating Cash Flows	**(2,048)**	**(5,122)**
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	58
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	**-**	**58**
1.13	Total operating and investing cash flows (carried forward)	(2,048)	(5,064)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(2,048)	(5,064)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	775
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	6,995	10,115
1.17	Repayment of borrowings	(3,651)	(4,422)
1.18	Dividends paid		-
1.19	Other - (Conversion of Options)		-
	- (Issue of Convertible Notes)		-
	- (Costs of financing activities)	(160)	(330)
	Net financing cash flows	**3,184**	**6,138**
	Net increase (decrease) in cash held	**1,136**	**1,074**
1.20	Cash at beginning of quarter/year to date	127	189
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	**1,263**	**1,263**

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	81
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments comprise executive salaries, consultancy fees and superannuation guarantee charge thereon.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	900
4.2	Development	0
4.3	Production	0
4.4	Administration	300
	Total	**1,200**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	1,263	127
5.2	Deposits at call		
5.3	Bank overdraft		
5.4	Other (Held by Third Parties) Term Deposit		
	Total: cash at end of quarter (item 1.22)	**1,263**	**127**

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1	**Preference +securities** *(description)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	**1,613,950,553**	**1,613,950,553**	**-**	**-**
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	**20,000,000**	**Nil**	**$0.03**	**20 June 2016**
7.8	Issued during quarter				
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	**7,997,917**	**Nil**	**$0.12**	**-**
7.11	**Debentures** *(totals only)*	-	-		
7.12	**Unsecured notes** *(totals only)*	-	-		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Signature on file (Company Secretary/CFO) Date: 31 July 2015

Print name: John Haley

Additional Information

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 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.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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