



## ANNOUNCEMENT

### Placement Oversubscribed

**16 October 2009: Brisbane, Australia** – Citigold Corporation Limited (Citigold) (ASX:CTO, NASDAQ Dubai:CTO, FSE:CHP) is pleased to announce a capital raising of A\$5,872,700 through a private placement to local and international investors.

The successful placement, seeking to raise \$5 million was oversubscribed, being for 35,766,870 ordinary shares, 3,000,000 unlisted options exercisable at \$0.27 and 6,534,144 free bonus shares.

Leading New York investment houses Rodman & Renshaw LLC, a subsidiary of Rodman & Renshaw Capital Group Inc., and Jesup & Lamont Securities Corp. acted as the placement agents for the transactions with international institutional investors. In addition several high wealth local and overseas investors participated.

The funds raised will be used as working capital aimed at growing gold production.

In accordance with ASX Listing Rules and the Corporations Act an Appendix 3B and cleansing statement are attached.

For further information contact :

*Matthew Martin*  
Company Secretary

Citigold Corporation Limited : telephone +61 7 3834 0000

Or visit the Company's web site at : [www.citigold.com](http://www.citigold.com)

#### ***STRATEGIC BUSINESS SUMMARY***

*Citigold Corporation is a gold producer controlling Australia's richest major goldfield at Charters Towers in North Queensland. The high-grade deposit contains a gold resource of 10 million ozs (23 Mt @ 14 g/t) with exceptional growth potential. Gold output targets growing to 300,000 ozs per year with gold production cash costs under A\$350 per oz. (See [www.citigold.com](http://www.citigold.com) for full resources report)*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

CITIGOLD CORPORATION LIMITED

ABN

30 060 397 177

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Ordinary shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | <ul style="list-style-type: none"> <li>a) Thirty two million, sixteen thousand eight hundred and seventy (32,016,870) shares</li> <li>b) Three million seven hundred and fifty thousand (3,750,000) shares</li> <li>c) Six million five hundred and thirty four one hundred and forty (6,534,144) shares</li> <li>d) Three million (3,000,000) options</li> </ul> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ul style="list-style-type: none"> <li>a), b) and c) Ordinary Shares</li> <li>d) \$0.27 Unlisted options over ordinary shares expiring on 16 October 2011</li> </ul>  |

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>a), b) and c) Yes d) Yes – shares will rank equally with existing quoted securities upon exercise</p>																		
<p>5 Issue price or consideration</p>	<p>a) \$0.16 b) \$0.20 c) Nil d) Nil</p>																		
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Working Capital</p>																		
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>16 October 2009</p>																		
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th>Number</th> <th><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td>900,265,513</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	900,265,513	Fully paid ordinary shares														
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<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>No change in the dividend policy of the Company since the last published accounts.</p>																		

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	NOT APPLICABLE
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	

- |    |   |  |
|----|---|--|
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting  |  |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled  |  |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders |  |
| 28 | Date rights trading will begin (if applicable)  |  |
| 29 | Date rights trading will end (if applicable)  |  |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker?   |  |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?  |  |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)?   |  |

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

(now go to 43)

## Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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41 Reason for request for quotation now  
Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (*including* the securities in clause 38)

Number	<sup>+</sup> Class

(now go to 43)

## All entities

### Fees

43 Payment method (tick one)

Cheque attached

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

## Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Company Secretary)

Date: 16 October 2009

Print name: Matthew Martin

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## Cleansing Statement

**16 October 2009: Brisbane, Australia** – Citigold Corporation Limited (Citigold) (ASX:CTO, NASDAQ Dubai:CTO, FSE:CHP) hereby provides notice to the ASX for the purpose of section 708A(5)(e) of the Corporations Act that it has issued 42,301,014 fully paid ordinary shares in the Company without disclosure to investors under Part 6D.2 of the Corporations Act.

The Company states that as at the date of this Notice:

- It has complied with the relevant provisions of Chapter 2M of the Corporations Act as they apply to the Company and Section 674 of the Corporations Act; and
- It is not aware of any excluded information within the meaning of Sections 708A(7) and 708A(8) of the Corporations Act

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