

Quarterly Report

For the period ending 31 March 2023, dated 24 April 2023



Restarting a WORLD CLASS GOLD MINE

ABOUT THE COMPANY

Citigold Corporation Limited (ASX:CTO) is an Australian gold development and exploration company located in northeast Australia. The Company's prime focus is the high-grade Charters Towers Gold Project. It is production-ready after successfully completing 100,000 ounces of gold production¹ test mining and establishing its mine site. The Company continues to advance its core activities including broad regional exploration programs, mine design, engineering, and working to restart its gold mine.

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 environment².

Citigold holds 175²kms of prospective exploration grounds surrounding the Central Mine mineralisation area and is actively exploring for new reefs to further increase our known mineral resources over time.

¹ See ASX Announcement dated 9 December 2020, [Mineral Resources and Ore Reserves 2020](#).

² See ASX Announcement dated 11 February 2019, [Updated December 2018 Quarterly Activities Report](#).

CENTRAL MINE DEWATERING



Citigold successfully completed a test dewatering program at its Central Mine re-confirming the operational readiness of its water infrastructure. The test dewatering program ran for a period of 21 days and the data collected aligns with past dewatering performance and will be used in the Gold Mine Restart optimisation.

MINE DESIGN AND ENGINEERING

With the mine plan centred around using the latest small-medium energy-efficient mining equipment, work proceeded on reviewing and selecting our fleet from around the world.

We continue to work with our experienced purchasing expeditor to ensure that the equipment we need will be ready for a smooth startup.

Central Mine design and engineering continued to be optimised during the period. Other Central Mine design and engineering activities continued to progress including planning, scheduling, and optimisation reviews.

GEOLOGY AND EXPLORATION

Geology & Mineral Resources

Mineral resources and reserves are summarised below¹:

Citigold's Mineral Resources and Ore Reserves for the overall Gold Project are reported in accordance with the Australasian JORC Reporting Code 2012¹. Mineral Resources and Ore Reserves remain

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

unchanged during the Quarter. The material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed¹.

Exploration

March Quarter is traditionally the wet season at Charters Towers and no field sampling was completed due to the wet season. Landholder entry notices were issued for the exploration program to recommence post quarter end, being the ideal time as it may expose outcrops following the end of the wet season.

Desktop review included re-analysing results of exploration to date and in particular over the last two years to optimise the exploration program post quarter end for the south of Charters Towers to be an area of focus.

The Company continues to optimise future plans for an intensive exploration program with priority areas identified from the current and previous exploration programs.

Exploration analysis, preparation of studies, review and maintenance of data, and other exploration activities continued. During the Quarter, no new exploration drilling was undertaken. Normal regulatory compliance reporting for exploration, mine and environmental continued during the Quarter.

HEALTH, SAFETY, COMMUNITY AND ENVIRONMENT

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

CORPORATE

Financial Discussion

The 2022 Half Year Report was released during the quarter. The Company holds very substantial assets with net assets of \$99 million at 31 December 2022 (30 June 2022: Net assets were \$100.3 million). The loss after tax for the Group during the half-year was \$1.2 million (31 December 2021: Net loss was \$1.1 million). [Click here](#) to view the 2022 Half Year Report.



Shareholders have funded the Company over many years. Management seeks to structure funding beneficial to the funder(s) and shareholders. There is interest by entities to join Citigold in the development of the gold mine. Citigold is continuing to work with parties who are at various stages of discussions regarding funding opportunities.

During the Quarter, Citigold completed a placement for 40,000,000 shares, raising a total of \$200,000.

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 drawing on loan facilities as previously announced.

Appendix 5B Disclosures

The Company's accompanying Appendix 5B (Quarterly Cash Flow Report) includes amounts in item 6.1 & 6.2 which constitute directors' accrued fee during the Quarter.

During the period, the Company made a payment of \$24,000 (capitalised), on exploration activities at its Charters Towers Gold Project, which included planning the next regional exploration sampling program, desktop studies, review of historical data, and exploration technologies. Exploration payments

totalling \$320,000 (expense) included tenement management costs, mining rent and environmental fees. Development payments totalling \$12,000 (capitalised) as reported in item 2.1(f) included mine design and engineering optimisation, scheduling, planning, reviewing data and economic evaluation etc. Development payments totalling \$77,000 (expense) included site management, maintenance costs and test dewatering program. Payment for administration and corporate costs amounted to \$201,000 and included listing, compliance, consultants, and project marketing activities.

The above activities were summarised in this quarterly report.

SUMMARY OF MINING TENEMENTS & AREAS OF INTEREST

The Consolidated Entity has a 100% control of the following mineral titles at Charters Towers as at 31 March 2023 and there were no acquisitions or disposals during the Quarter:

Exploration Permit Minerals	EPM 15964	EPM 15966	EPM 18465	EPM 18813	EPM 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	

For further information contact:

Niall Nand

Company Secretary

Level 1, 1024 Ann Street (PO Box 1133),
Fortitude Valley, QLD, 4006 Australia

+61 7 3839 4041

nnand@citigold.com

www.citigold.com

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 subject to risk and uncertainties that might be out of the control of Citigold Corporation Limited and may cause actual results to differ from the release. Citigold Corporation Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.

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 team leader Mr Christopher Alan John Towsey, who is a Corporate Member and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Towsey is and currently independent of Citigold Corporation Limited, having previously been a Director of the Company from 2014-June 2016. Input into the team for Ore Reserves is provided by Mr Garry Foord, a mining engineer and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Foord was formerly the registered mine manager for the Charters Towers underground operations. Both have 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 and Mr Foord have 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.**

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 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(320)	(926)
(b) development	(77)	(126)
(c) production	-	-
(d) staff costs	(55)	(64)
(e) administration and corporate costs	(201)	(486)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(653)	(1,602)

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	(24)	(101)
(e) investments	-	-
(f) other non-current assets	(12)	(55)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(36)	(156)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	200	200
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	-	-
3.5	Proceeds from borrowings	40	882
3.6	Repayment of borrowings	(100)	(100)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	133	743
3.10	Net cash from / (used in) financing activities	273	1,725

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	608	225
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(653)	(1,602)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(36)	(156)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	273	1,725

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 (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	192	192

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	192	608
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)	192	608

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
15
4

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	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	3,915	2,490
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		1,425
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.		
Secured loan facility with PAL Group Pty Ltd ATF The I and F Trust is \$2.415 million, 12% per annum interest rate and maturity of 1 March 2024. Secured loan facility with The Rigby Superannuation Fund and Ross Neller and Francis Rigby and P&C Rigby Superannuation Fund is \$1.5 million, 1.25% per month interest rate and maturity of 4 February 2024.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(653)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(24)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(677)
8.4 Cash and cash equivalents at quarter end (item 4.6)	192
8.5 Unused finance facilities available at quarter end (item 7.5)	1,425
8.6 Total available funding (item 8.4 + item 8.5)	1,617
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.38
<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".</i>	
<i>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: 24 April 2023

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.