

25 October 2018



Manager Announcements  
Company Announcements Office  
Australian Securities Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

**Citigold Corporation Limited**  
86 Brookes Street (PO Box 1133)  
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T: +61 (0)7 3839 4041  
E: mail@citigold.com

Dear Sir/Madam

**2018 Appendix 4G and Corporate Governance Statement**

Please find attached a copy of the Company's Appendix 4G and Corporate Governance Statement in accordance with Listing Rule 4.7.3 and 4.10.3.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Niall Nand', is written over a light blue horizontal line.

**Niall Nand**  
**Company Secretary**  
**Citigold Corporation Limited**

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Citigold Corporation Limited

ABN / ARBN:

30 060 397 177

Financial year ended:

30 June 2018

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

- ☐ These pages of our annual report:
- ☒ This URL on our website: <https://www.citigold.com/corporategovernance/>

The Corporate Governance Statement is accurate and up to date as at 25 October 2018 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 25 October 2018

Name of Director or Secretary authorising  
lodgement:

**Niall Nand**

**Company Secretary**

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at 2018 Annual report (Page 18)</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at 2018 Annual report (Page 18)</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at 2018 Annual report (Page 18)</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at 2018 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <a href="https://www.citigold.com/corporategovernance/">https://www.citigold.com/corporategovernance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at 2018 Annual Report (Page 18)</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at 2018 Annual Report (Page 22)</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

# CORPORATE GOVERNANCE STATEMENT FOR FINANCIAL YEAR ENDING 30 JUNE 2018

*This Statement sets out how Citigold Corporation Limited (ABN 30 060 397 177) achieved compliance with ASX Corporate Governance Principles and Recommendations throughout the financial year ending 30 June 2018.*

Governance disclosures referred to in this document, as well as the Company's Annual Report, are located on the Company's website at:

Corporate Governance: <https://www.citigold.com/corporategovernance>

Annual Report: <https://www.citigold.com/announcements/#1538633707378-5dfaf27f-c722>

In developing Citigold Corporation Limited's (Citigold) corporate governance framework, the Board has taken into consideration the ASX Corporate Council's *Corporate Governance Principles and Recommendations 3<sup>rd</sup> Edition*. This statement outlines how Citigold's corporate governance practices and policies align with those recommendations and in the occasion where the Company's corporate governance practices do not correlate with the recommendations, where the Company does not consider that the practices are appropriate for the Company due to the size of the Company or its Board.

As the Company develops and grows in complexity the requirements will differ and the Board reviews the policies and procedures adopted, on an annual basis, to make sure that they align to the current requirements. The relevant principles are listed below.

## 1. Lay Solid Foundation for Management and Oversight

The Board of Directors primary role is to set corporate direction, governance, defining broad policy and governs the business in such a way that protects the rights and enhances the interests of shareholders.

As the Board acts on behalf of and is accountable to shareholders, the Board seeks to identify the expectations of shareholders, as well as other regulatory and ethical expectations and obligations. The Board Charter sets out the principal function and responsibility of the Board:



The Board has delegated responsibility for the day to day operation and administration of the Company to the Chief Executive Officer (CEO) and the executive management team.

**Key focus areas of the Board during the 2018 financial year included:**

- Overseeing and approving the Sale of the Process Plant in Charters Towers for \$12 million as well as securing the future agreement for the treatment of ore by the purchaser of the processing plant.
- Monitoring the operating financial performance and approving the raising of capital during 2018 to maintain working capital.
- Overseeing pre-commercial production capital works savings with the overall CAPEX requirement reducing to circa \$75 million as a result of this review.
- Continue discussions with strategic partners on major funding requirements.
- Overseeing management's performance.
- Reviewing policies during 2018 which included the review of the outsourcing policy to continue to improve the financial performance of the Company.

**Directors Election**

Directors annually review the Board structure, size and composition to ensure it has adequate skills, expertise and experience demanded by objectives of the company. Nominations to the Board are dealt with by the Nomination Committee, who review the appropriate external checks before the Director or Senior Executive is appointed.

The Nomination Committee ensures that each Director up for election brings relevant complementary skills and experience to the Board covering the areas of legal, finance and operations. Information on skills, experience and expertise relevant to the position of each of the Directors up for election is distributed through the notice of Annual General Meeting so that all shareholders have the opportunity to know about the Directors they are voting for.

The Company's Constitution specifies that a third of the Directors must, by rotation, retire from office at each Annual General Meeting (AGM). If the number is not a multiple of 3, then the number nearest to but not exceeding one-third shall retire from office. Where eligible, a Director may stand for re-election.

It is vital that new Directors understand the nature of the business, current issues, strategic direction and expectations of Citigold in regard to the performance of Directors. Directors and Senior Executives are given a written agreement and full briefing on the company by the Chairman.

The Company Secretary will assist the Board to operate in an efficient manner. The Company Secretary is accountable to the Board, through the Chairman, for all matters to do with the proper function of the Board.

**Diversity Policy**

Citigold believes that a diverse workforce brings about different range of ideas, perspective and experience that will help the company realise its corporate goals.

Citigold establishes its commitment to diversity by:

- 1) Facilitating an inclusive culture that values and promotes the importance of diversity and respects differences in gender, age, ethnicity and cultural background.
- 2) Attracting and selecting a skilled and diverse workforce.
- 3) Assisting personnel fulfill their potential by providing access to development opportunities when they arise.
- 4) Helping personnel with specific barriers to building a sustainable mining career, such as domestic and cultural responsibilities, by developing flexible work arrangements.
- 5) Setting, reviewing and reporting annually measurable targets.

While subjecting the following objectives of appointment to be made on basis of merit, the Board has adopted these targets:

TARGET	30 June 2018
>15% Female personnel	18% Female personnel- Mine is in care and maintenance mode no further recruitment is being conducted at this point in time. This will be reviewed when off care and maintenance, increasing the target to >25%.
>1 Female Board Member	No Female Board Member or Senior Executive at this time – Board number was reduced to four in 2015 and in keeping with reduced business activity, remaining this way during 2018.

#### Review of Directors, Board and Management Performance

Citigold considers the evaluation of Directors' and Senior Executives' performance as important in establishing a culture of performance and accountability. Each Director is provided with a written agreement setting out the terms of their appointment.

The Board and Director's performance is reviewed on an ongoing basis. The goals of review are based upon each Director's contribution to Board objectives and the objectives of Board committees in which the Director participates. The Chairman has provided each Director with confidential feedback on performance in and where appropriate used to develop a development plan for each Director.

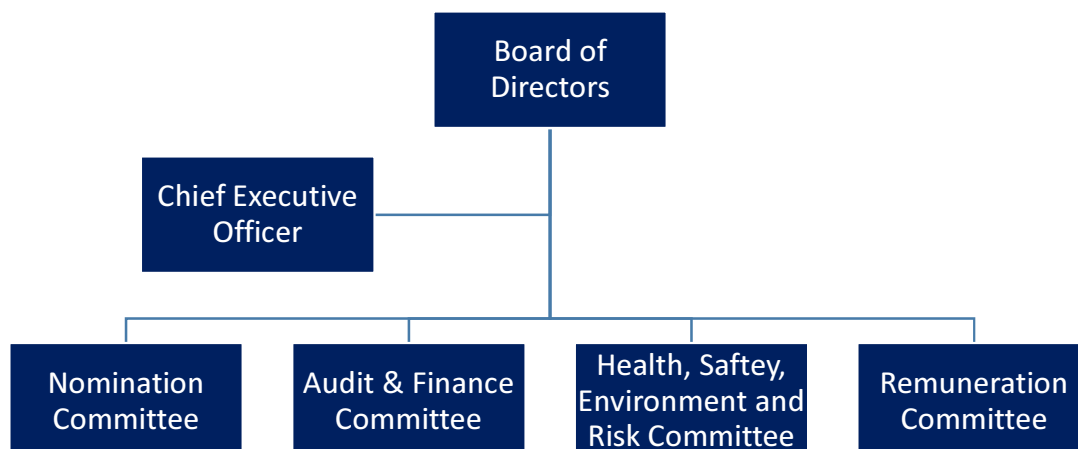
Senior Executives are reviewed on an annual basis by the Chairman of the Board. However, given that the Executive Chairman assumed the role of (CEO/Managing Director) late in the 2015 year, the non-executive members of remuneration committee reviewed the CEO during the 2018 year.

At the AGM, the shareholders will have the opportunity to voice their opinion on the performance of the Board. This is done via the election process and shareholders will be able to vote for Directors that are up for reelection.

## **2. Structure & Composition of the Board to Add Value**

The Board has several committees to facilitate the execution of its duties. Each committee has its own autonomy with authority delegated to it by the Board and the manner in which the committee is to operate. Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to discharge its responsibilities.

### **Governance Framework**



### Nomination Committee

The Nomination Committee consists of the following Non-Executives and Executive Director: J Foley (Chairman), A Panchariya and M Lynch. As noted previously, Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to fulfil its responsibilities. A formal charter for the Nomination Committee has been adopted since September 2005.

The Nomination Committee's key responsibilities are:

- Assess necessary and desirable competencies of Board members
- Review Board succession plans
- Evaluate Board and individual Director's performance
- Review of remuneration framework for non-executive Directors

The Nomination Committee met once during the year, members in attendance are set out in the Directors report of the Annual Report.

### Board Skills and Experience

The Board aims to have a diverse range of skills across its members so that they are able to cover all the skills necessary to discharge their responsibilities in order to be a proper functioning Board.

During the 2018 year the Board continued to develop and review its skills matrix to identify individual and collective relevant skills of the Board.

The Matrix on this page sets out those strong skills that were identified in the 2018 board

The skills matrix will also be used when considering appropriate future Board members so that they complement the existing skills and experience of the Board.

ASX-Listed Experience	Legal
Operational Experience	Negotiation
Environmental	Governance
International & Domestic Funding	CEO Experience
Industry Technical Skills	Marketing
Financial and Commercial Acumen	Risk Management
Native Title Negotiations	Capital Raising
Community Engagement	Contracts
Regulatory & Government Policy	Innovation & I.T

### Board Composition and Independence

In accordance with the Board Charter and ASX Recommendations, the majority of the Board preferably comprises Non-Executive Directors. All Non-Executive Directors are regarded as independent and free of any relationship that may conflict with the interest of the company.

Table below provides the current Directors, tenure and if they are deemed to be independent

Name	Classification	Appointed	Independent
Mark Lynch	Executive	2 July 1993	No
John Foley	Non-Executive	2 July 1993	Yes
Arun Panchariya	Non-Executive	22 September 2013	Yes
Dr Sibasis Acharya	Non-Executive	21 June 2016	Yes



The Board has reviewed the interests, positions and associations of each of the Directors, at the time of this report, determined that the non-executive members are independent. One of the Directors is an Executive Director and therefore, considered not to be independent.

The current Board has a greater proportion of non-executive members to executive members and deemed appropriate by the Board for the Company's current size and requirements, this is within the current preferred composition.

The current Chair of the Board is not independent and holds the position of CEO. This dual role was deemed by the Board to be appropriate given the current size of the Company and its current requirements.

#### Director Induction and Education

Citigold Corporation Limited has a policy to educate new Directors about the nature of the business and current issues, strategic direction and expectations of Citigold in regards to the performance of Directors. New Directors undergo an induction process in which they will be given a full briefing on the company by the Chairman and an induction pack. This is preferably followed by a meeting with key executives, tour of mining operation and presentation. Directors and the Senior Executives are also given access to continuing education opportunities to develop their skills and knowledge in the area of governance processes and in the company's industry.

### **3. Promote Ethical and Responsible Decision Making**

All Directors, executives and staff of the consolidated entity are required to abide by all legal requirements, the Listing Rules of the Australian Securities Exchange, the Corporations Act with the regard to trading in the Company's securities and appropriate standards of ethical conduct with regard to the operation of the consolidated entity.

#### Code of Conduct

A Code of Conduct (the Code) as adopted by the Board sets out ethical standards expected of all Directors, executives and employees. The Code is reviewed and updated as necessary to generally reflect industry standards of integrity and professionalism. The Code covers:

- Professional Conduct
- Other Employees
- Conflicts of Interest
- Customer and Supplier Relations
- Compliance with Laws and Regulations
- Confidential Information

#### Trading in Citigold's shares

As stated in Citigold's share trading policy, employees, officers and Directors who have access to, or knowledge of, material inside information from or about the company are prohibited from buying, selling or otherwise trading in the company's stock or other securities until the release of this information to the public through the ASX. "Insider" information includes any information concerning the company's financial position, strategy or operations which, if made public, would be likely to have a material effect on the price or value of the securities of the company and the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.

### **4. Safeguard Integrity in Corporate Reporting**

#### Audit and Finance Committee

The Audit and Finance Committee comprises of the following Non-Executive Directors: J Foley (Chairman), A Panchariya and S Acharya. Citigold believes that the current committees is appropriately sized as it has adequate skills, expertise and experience to discharge its responsibilities. The Committee is within desired makeup, being majority of Non-Executive Directors and Chaired by an independent Director.

The main responsibilities of the audit and finance committee are to supervise the audit function, review the integrity of the company's financial reporting and ensure compliance with financial reporting and related regulatory requirements.

As part of Citigold's commitment to a transparent system for auditing and reporting of company's financial performance, the company has established the Audit and Finance Committee. The Audit and Finance Committee supervise the audit function including the appointment of the external auditor, the preparation of financial statements. In fulfilling its responsibilities, the Audit and Finance Committee regularly provide a forum for communication between the Board, management and the external auditors. A formal charter

for the Audit and Finance Committee has been adopted since September 2005. The Audit and Finance Committee has adopted this charter.

Citigold does not have an internal audit function. The Board does not consider that the Company's operations are of a size or complexity to require a dedicated internal audit function and that processes and inherent risks are sufficiently transparent as to be identified by board members.

The Chief Executive Officer and Chief Financial Officer have declared in writing that the financial statements for the year ended 30 June 2018 represent a true and fair view of Citigold's financial position and performance and that the reports conform to relevant accounting standards.

The Company's external auditor attends the company's annual general meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditors' report.

## **5. Make Timely and Balanced Disclosure**

All Directors, executives and staff of the consolidated entity are made aware of the ASX's continuous disclosure requirements and operate in an environment where emphasis is placed on full, timely and honest disclosure to the market.

The Board Policy is to ensure that information is released in accordance with the consolidated entity's continuous disclosure obligations under the ASX listing rules. Citigold's website contains recent and historical information including financial reports and presentations.

## **6. Respect the Rights of Shareholders**

Citigold is committed in providing shareholders with timely, detailed and factual company information.

Information is communicated to shareholders through:

- The Annual Report which is accessible by all shareholders
- The Half-Yearly Report which is made available by way of an ASX release
- The Annual General Meeting
- ASX releases in accordance with the consolidated entity's continuous disclosure obligations
- Information available on the Company's website at [www.citigold.com](http://www.citigold.com)

Shareholders are invited to advise the Company of their email addresses. ASX announcements, once released, are then able to be emailed directly to the shareholder.

In addition, all shareholders are encouraged to attend the AGM and use the opportunity to ask questions.

## **7. Recognise and Manage Risk**

### Health, Safety, Environment and Risk Committee

The Health, Safety, Environment and Risk Committee consists of the following Non-Executive and Executive Directors: J Foley (Chairman), S Acharya and M Lynch. The Committee is within desired makeup, being majority of Non-Executive Directors and Chaired by an independent Director. A formal charter for the Risk Committee has been adopted since September 2005. The objectives of the Committee are as follows:

- Ensure the Company adopts, maintains and applies appropriate health, safety, environment and risk management policies and procedures.
- Ensure that the Company maintains effective health, safety and environment related internal control and risk management systems.
- Provide a formal forum for communication between the Board and senior management in health, safety, environment and risk management matters, both Company specific and otherwise.
- Review internal processes for determining and managing key risk areas.
- Evaluate company's risk management system and highlight company's major risks.
- Review all suspected and actual fraud, thefts and breaches of laws and ensure appropriate action is enforced.

The Risk Committee will assist the Board of Directors in the effective discharge of its responsibilities for business, market, credit, equity and other investment, financial, operational and liquidity risk management and for the management of the Group's compliance obligations. The Committee in 2018 has reviewed the risk management framework and it is satisfied that it continues to be sound.

The risk management approach that the Board employs includes (a) assessing internal policies and processes for determining and managing key risk areas such as non-compliance with laws regulations standards and best practice guidelines, litigation and claims and other relevant business risk; (b) having a sound risk management system, policies and internal control; (c) Meeting of key stakeholders to understand and discuss the company's control environment.

Citigold currently operates a Risk Management System that identifies aspects of risks of the operation, particularly those related to safety, health, and environment, financial and social impact. Citigold's operations are subject to regulation, regular inspection and monitoring by the Queensland State Government's Department of Natural Resources, Mines and Energy and the Department of Environment and Science.

The CEO and CFO have not given a written statement to the Board in accordance with best practice recommendation 7.2 and 7.3 of the ASX Corporate Governance Council's Principles and Recommendations because the Board considers that its direct management and oversight of risk ensures a sound system of risk management and internal compliance and control that is operating efficiently and effectively in all material respects.

## **8. Remunerate Fairly and Responsibly**

### Remuneration Committee

The Remuneration Committee consists of the following Non-Executives and Executive Director: J Foley (Chairman), A Panchariya and M Lynch. As noted previously, Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to fulfil its responsibilities. A formal charter for the Remuneration Committee has been adopted since September 2005.

The Remuneration Committee's key responsibilities are:

- Assist and advise the Board on remuneration guidelines and practices.
- Review and make recommendations on remuneration packages and other terms of employment for Directors and Senior Executives.
- Review the company's recruitment, retention and termination guidelines and procedure for Senior Management.

### Board Remuneration

Non-Executive Directors' remuneration may not exceed the limit approved by shareholders.

### Executive Remuneration

The Remuneration Committee, consisting of two Non-Executive Directors, advises the Board on remuneration policies and practices. The Committee can make recommendations on remuneration packages and other terms of employment for Executive Directors and Senior Executives. Executive remuneration and other terms of employment are reviewed by the Committee when necessary having regard to performance, market conditions and relevant comparative information and independent expert advice.

Further details in relation to Director and Executive remuneration can be found in the Director's report

## **9. Recognises the Importance of Environmental and Occupational Health and Safety Issues**

Citigold Corporation Limited recognises the importance of environmental and Occupational Health and Safety (OHS) issues and is committed to the highest levels of performance. To help meet this objective an Environmental, Health and Safety Risk Management System (EHSRMS) had been established by mine management in compliance with the Qld *Mining & Quarrying Safety & Health Act*. The EHSRMS is a tool that allows the systematic identification of environmental and OHS issues and assists their management in a structured manner.

Through the EHSRMS, the consolidated entity aims to:

- Comply with all relevant legislation
- Continually assess and improve the impact of its operations on the environment
- Encourage employees to actively participate in the management of environmental and OHS issues, and
- Use energy and other resources efficiently. Information on compliance with significant environmental regulations is set out in the Directors' Report.