



ANNOUNCEMENT

Citigold successfully raises \$100 million to develop the Charters Towers Gold Project

- **Citigold has reached agreement to raise \$100 million by issuing convertible bonds to Express-Link Management Ltd**
- **The Bonds convert at \$0.07 per share, representing a premium of 27.5% to the closing share price on 5 April 2013**
- **The proceeds from the Bonds will be used to support the commercialisation of the Company's key asset and provide working capital**

8 April 2013: Brisbane, Australia – Citigold Corporation Limited (Citigold or Company) (ASX:CTO, FSE:CHP) is pleased to advise that it has reached agreement with Express-Link Management Ltd (“Express-Link”) to invest \$100 million into Citigold to fund the development of Citigold’s key asset at Charters Towers, Queensland.

The principle terms of each of the Convertible Notes are:

- **Amount:** \$100 million (paid in tranches over the first 21 months of the agreement)
- **Interest Rate:** 5% per annum
- **Term:** 3 years
- **Conversion Price:** 7 cents per share (subject to anti-dilution provisions).
- **Security:** unsecured
- **Conditions:** FIRB and Citigold’s shareholder approval

Full details will be provided in the notice of meeting to shareholders where approval will be sought to allow conversion of the bonds into ordinary shares of Citigold.

An initial tranche of \$3 million is payable within 5 days of signing of the agreement and is not subject to any conditions.

Express-Link is an Asian based investment holding company.

The funds raised will be used to aggressively grow gold production at Citigold’s 100% controlled Charters Towers high-grade gold deposit, specifically for the Central mine and expanding the underground operations at Imperial mine plus working capital.

This transaction gives the company the financial flexibility to transform Charters Towers into a world class large-scale gold mine with significant annual gold production.

The Company will hold an Extraordinary General Meeting (EGM) during this current quarter to seek shareholder approval to the transaction.

Citigold's Managing Director Mr Mark Lynch commented: *"This is a pleasing development for Citigold and this investment further confirms the underlying value and future potential of the Charters Towers Project.*

"This funding gives us the catalyst to successfully exploit the impressive gold deposit at Charters Towers, and importantly, deliver solid returns for our shareholders.

For further information contact:

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Or visit the Company's web site at: www.citigold.com

*** for full details see Report on the Inferred Mineral Resources www.citigold.com click Mining >Technical Reports >Mineral Resources**

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.*