Citigold Corporation Limited

Financial Report 2013

Table of Contents

Business Overview

Citigold Corporation Ltd (Citigold) is an Australian gold mining and exploration company, producing gold from the wholly owned Charters Towers goldfield in north east Australia, 1000 kilometres north of Brisbane, Queensland, and 130 kilometres south west from the major coastal port of Townsville.

Citigold holds 100% of the central goldfield. A Mineral Resource of 25 million tonnes at an average grade of 14 grams per tonne, containing 11,000,000 ounces of gold has been defined to JORC reporting standards. This gold deposit is currently the largest high grade gold resource in Australia. The Company has invested over $200 million acquiring and developing the goldfield.

Citigold has the funding in place, according to modelling, to develop the project in stages over the next five years building up gold production to over 300,000 ounces per annum.

In addition to the 148 square kilometre central goldfield, Citigold has surrounding exploration areas with identified targets and potential for major discoveries.

The surface infrastructure is already in place including the gold process plant and access to state grid power at all sites.

Citigold has a motivated and experienced management team in place that should ensure it efficiently expands gold production, by increasing the extent of underground workings. Based on current modelling the capital development program requires approximately $100 million to be invested over the next two years to reach a production level that will generate cash flow significant enough to self-fund the remainder of the development program. The $100 million in the Express-Link deal means that this development program should be achieved without the need for additional external funding.

At this time the planned annual gold production of over 300,000 ounces per annum and the current gold price of US$1,400 per ounce the profit after tax is forecast to exceed over $200 million each year for a planned 30 year mine life.

The Charters Towers gold deposit is a large deposit forecast to generate substantial positive cash flows for many years. This should help to generate large returns for all shareholders over time.

Citigold's current production is shipped to an Australian gold refiner where it is processed and sold into global markets at the prevailing spot gold price.

www.citigold.com

CORPORATE and REGISTERED OFFICE

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Brisbane, 4000 QLD, Australia
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Email: mail@citigold.com

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Clermont Highway, PO Box 10,
Charters Towers, Qld, 4820, Australia
T:+61 7 4787 8300 F:+61 7 4787 8600
Email: mine@citigold.com

DIRECTORS

Mark Lynch (Executive Chairman)
John Foley (Director)
Kim Koh (Director)
Nicholas Ng (Director)
Arun Panchariya (Director)
Raymond Tan (Director)
Dr Brian White (Director)

COMPANY SECRETARY

Brent Van Staden

EXCHANGE LISTING

Australia (ASX) Code 'CTO'

OTHER TRADING PLATFORMS

USA ADR's Code 'CTOHY'
Germany FSE Code 'CHP'

SHARE REGISTRY

Computershare Investor Services Pty Ltd
117 Victoria Street
West End Queensland 4101
Telephone: 1300 850 505

AUDITOR

K S Black & Co
Level 6, 350 Kent Street,
Sydney NSW 2000

BANK

Westpac

Chairman's Letter

Dear Shareholder,

This year has been a very positive turning point for your Citigold and the development of the flagship high-grade Charters Towers gold project.

Earlier in the financial year we welcomed an investment from LionGold Corp Ltd of Singapore as a strategic shareholder, that was followed by a further investment in late 2012. The financial year ended with the $100 million Express-Link Management funding deal in place, and subsequently being approved by shareholders on 8 July 2013 with the funds now flowing to your Company. Citigold now has a group of large shareholders very focused on aggressive growth at Charters Towers.

This funding, provided over a 21 month period, is adequate to fund the expansion of the gold mine into a mid tier gold producer based on current modelling. The mine will have low operating costs and targets substantial profits. Further growth in the business from cash flow will see continued growth in gold output and profitability.

A positive tipping point has arrived that should see the transformation of your Company into a long term growth sustaining business. In the past Citigold has not had adequate funding for growth. This has now all changed.

In early calendar 2013, feeling optimistic about the future, your executive management started a management change process at the mine operations. This has seen a full change in all senior site management – geology, engineering, maintenance, health, safety, environment and community. A fresh invigorated team is ready to achieve. We seek not just experience but people with a passion to achieve. They are excited about leading a project with a bright future.

The change process, again driven by executive management and supported by the Board, has very recently seen corporate management also change. While the mine site team will be pushing ahead with substantial growth I feel confident that this growth will be well overseen by the move of the CFO into the CEO's position. In my new role as Executive Chairman I will work with the Board closely on strategy and corporate oversight to ensure that a low cost innovative mine is aggressively built. With horror stories of high cost mines, big and small, being reported in the media, your team will be focusing on innovation and automation to ensure these are not repeated at Citigold. Innovation in systems, automation for productivity, energy and water conservation, clever use of existing infrastructure and minimal environmental footprint will be key drivers.

Work has already commenced. The reopening of the Central mine is underway with the 1.6 km long decline being refurbished. The geological team at the Imperial mine are busy working on reserve definition drilling.

To all shareholders who have remained with and supported their Citigold for many years patiently, thank you. To the wonderful mine operations team at Charters Towers, thank you for your professionalism and passion. To the amazing local Community of Charters Towers, thank you for your confidence and support.

2014 is time to deliver results.

Mark Lynch
Executive Chairman

Review of Operations

Highlights for the year include:

- Liongold acquire strategic stake of 18%
- Management team restructured for growth
- $100 million development funding deal in place
- Focus shifts from production to development
- Board restructured for dynamic growth phase
- Over 70,000 ounces produced from Imperial Mine since development started
- 11 million ounce gold resource
- Expansion plans for Imperial and Central mines
- Net assets of almost $200 million

FINANCIAL HIGHLIGHTS

The Company maintained a close eye on cash expenditure during the year as investor capital for the mining sector, especially for small cap gold project development companies such as ourselves, dried up in the face of global economic uncertainty and diminishing commodity prices.

The substantial drop in revenue during the period compared to last year had a large impact on the profitability of the operation with the Loss after tax from continuing operations increasing to $6,782,718 from $1,166,126 the previous year.

As the focus has now shifted to development, subsequent to the $100 million funding deal being in place, a lot of the expenditure for the company will move to capital account during the next 12 months as the mine is developed on all fronts.

Net assets increased slightly during the year to $198 million.

Total expenditure decreased 23.5% for Citigold over this period from $13.78 million in the 2012 financial year to $10.5million this year. This is the result of close financial management, scaling back of operations and further demonstrates the viability of a deposit that does not have many of the usual costs associated with remote mining sites.

The major capital development program planned is about opening up access along strike and down dip as large high grade mining zones are identified with the aim of eventually accessing up to 25 stoping areas to feed the process plant. In the past we have only had access to one stoping area at a time and therefore this has constrained gold production.

The financial results continue to prove Citigold's ability to mine the Charters Towers goldfield profitably. The Company has spent the last four years de-risking the project and developing a solid platform for growth. The Board and management plan to capitalise on this over the coming years.

During the year the company raised $8 million demonstrating the continued support for the Company from shareholders and the investment community. $15 million was received from the issue of securities in the period the difference related to the funds received from a placement finalised just prior to the start of the financial year.

During the period the Company was both expanding the mine and operating it. The expansion costs are capitalised and subsequently amortised as the mine life reduces in accordance with accounting standards. Once the expansion is complete and expansion capital works expenditure end, forward estimates of cash costs are expected to be under $400 per ounce at full planned production.

MINING OPERATIONS

Charters Towers Development Strategy – Smarter, Faster, Better, Cheaper

Mining at the Imperial Mine has derisked the project. The above image illustrates how clean the stopes can be mined.

Citigold is building a large long life gold mine out of its 100% controlled 11 million ounces (25 million tonnes at 14 grams per tonne) deposit as reported to JORC standards. It is anticipated that at production of over 300,000 ounces per annum the mine life is over 30 years. This means that after the initial development costs the company will generate large positive cash flows that can be returned to investors as the Company does not require additional mine acquisitions to maintain production.

Small scale production was sourced from the Imperial mining area. However with some of the expansion funding already received the focus has shifted to capital expansion. As such the team are focusing on preparing the Central area to resume mining. This will allow the expansion to occur at both the Imperial and reactivated Central mining area.

Citigold has already invested approximately A$200 million in acquiring the gold deposit and developing the mines at Charters Towers. With modern exploration and mining techniques, annual output targets are both achievable and sustainable in the long term from known mineralised areas.

Citigold believes that valuable knowledge gained at Imperial and originally through the earlier Central underground exploration, can now be efficiently applied to the plan for production growth.

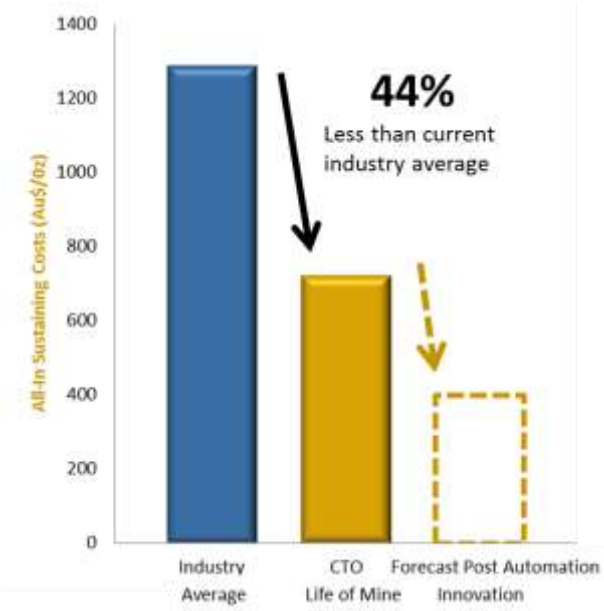
The production is anticipated to increase with step changes as the Imperial operation is expanded and the Central mining operation is reactivated.

The expansion funding transaction with Express-Link Management is the key that enables the team to now focus on executing the aggressive growth plan.

The capital expenditure on Citigold's Charters Towers Gold Project has been conservatively small, in mining terms, since the formation of the Company. The management team now considers that significant capital can be invested efficiently for an expansion of major gold production.

At full production forward estimates show All in Sustaining Costs (AISC) per ounce below $775. HSBC Holdings Plc forecast $1,396 for gold averaged throughout 2013, while Citigroup Inc analyst Tom Fitzpatrick personally believes that in the next couple of years we will be looking at a gold price of around $3,500.

Regardless of gold price Citigold is focused on building a low cost gold producer to ensure value for shareholders as production ramps up. In addition to the low forecast costs using the conventional long hole stope mining method the company plans to use already existing technology and automation to further reduce costs and improve profits.



Q2-2013 industry average total cash cost and all-in sustaining cost as per National Bank Financial report published on 08/03/13, based on 67 companies representing ~44% of worldwide quarterly gold production. Figure was converted to AU$ at an exchange rate of 1USD = 0.95AU$

1) Industry average AISC include Total cash costs, depreciation expenses, exploration expenses, corporate G&A, and cash taxes paid reported during the quarter.

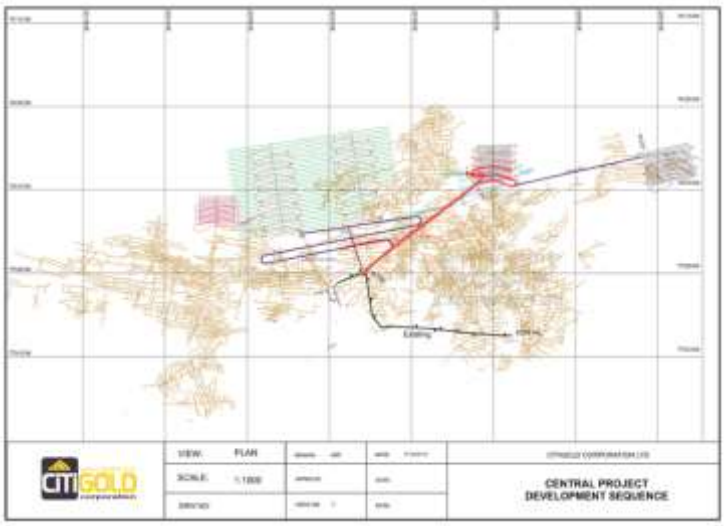
2) Citigold AISC include Total cash costs, sustaining capex, development capex, corporate costs, exploration expenses, royalties, refining expenses, machinery leasing costs and amortisation of development costs.

Imperial Mine (Warrior)

The Imperial mine, including the Warrior and Sons of Freedom reefs, is located about 5 kilometres southeast of Charters Towers on Bluff Road. It comprises the operating mine and accesses a number of reefs including the Warrior, Sons of Freedom, and other reefs. These can be mined in the future including, but not limited to, the Imperial, Silent Friend, Hidden Secret and Perfect Cure lines of lode.

During the year gold production came from both the Warrior and Sons of Freedom reefs.

The mine completed a total of 321 metres of underground drives, including 309 metres of development in ore during the year. Work focused on opening up ore on the 695, 709, 712, 717, 905, 910 Levels in the Warrior and Sons of Freedom ore bodies.



Stoping was focused on the 695, 712 levels in the Warrior ore body and the 910 level in the Sons of Freedom ore body.

Vertical development of 191 metres was also completed during the period.

Current modeling is targeting an expansion of the Imperial mine that will allow gold production to grow to over 100,000 ounces per year from the overall area.

Central Mine

No mining operations or ore production were conducted during the year as planning was being refined. The Central Decline continued to be inspected during the year and dewatering of the mining area was maintained. The dewatering water is recycled and provides the raw water for gold processing operations.

With the second tranche of the Express-Link Management Ltd (ELM) deal being received, after the end of the financial year, work on the refurbishment in the Central area commenced. It is anticipated this work will run until the end of Calendar 2013.

The Central mining area is already an established mine site and has an overall area of about 16 square kilometres. Citigold undertook the initial exploration and trial mining at the Central mining area in the 1990's after acquiring the first part of the Charters Towers goldfield, with full control of the goldfield being achieved in 2004. Citigold's mine plan for the design and development work has been undertaken with the aim of producing over 200,000 ounces per annum from the Central Mine.

The Central mining area contains four adjacent mining areas identified, as East 1 and 2, Central and West.

A main haulage, ventilation and services shaft is to be constructed by reopening an existing shaft in the Central mining area, one of several deep shafts that extend to 700 vertical metres. Opening of one of these shafts greatly reduces the cost compared to developing a new shaft and will result in lower operating costs for the expanded Central Mine. Shafts are more energy efficient than the use of diesel trucks in declines.

PROCESSING PLANT OPERATIONS

The processing plant crushed 19,529 wet tonnes from the Imperial (Warrior) mine. The average recovery was 96.6% of the gold in the ore. The overall grade was low at 3.6 grams per tonne due to willingness to mine lower grade areas due to high gold price pending the expansion.

Gold production for the financial year was 2,270 ounces.

The Charters Towers ore is metallurgically simple and therefore gold extraction percentages are anticipated to remain high. At this stage mill capacity is not the limiting factor to growing gold output from the Charters Towers operation. The processing plant still has substantial spare capacity.

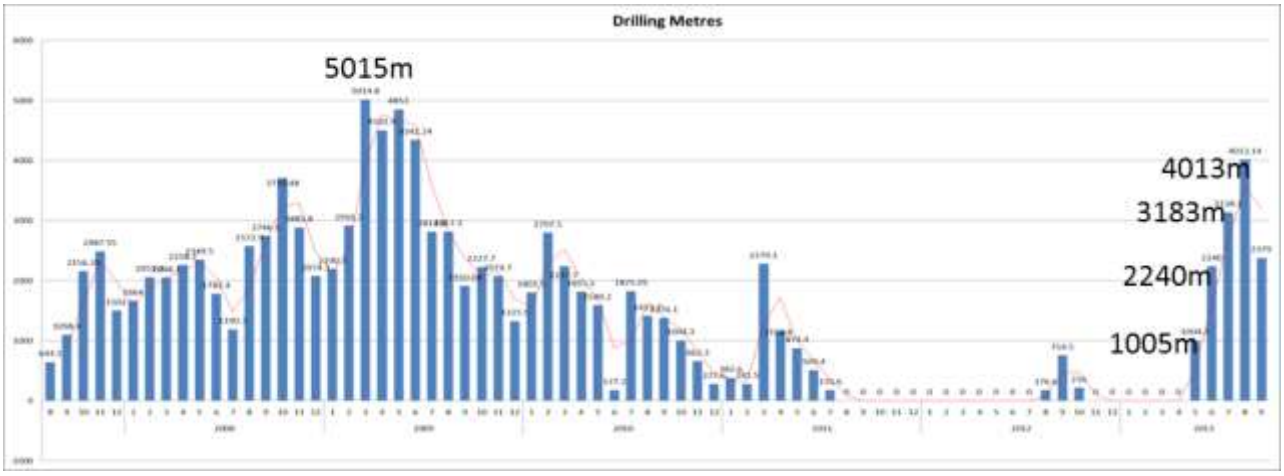
Post the end of the financial year Citigold has commenced a modernisation program on its process plant. This has included the installation of a new agitation system as well as the replacement of the overflow discharge launder box. The agitation mechanisms will be replaced in all the remaining tanks.

As the overall production grows and more underground working areas are established it is expected that gold production will become more uniform and guidance may then be provided.

EXPLORATION

Core Drilling

During the period minimal diamond drilling was completed as the focus remained on refining the geophysics method. The chart below shows the increase in drilling since the financial year end. As an efficiency program the majority of drilling is being done using Reverse Circulation (RC) drilling of collars with Diamond drilling being used for the intersection. This process of RC pre-collars has to date increased the speed of drilling by greater than 50% and decreased costs by more than 30%.



New Focus for the Geology Team

A new geology team has been put in place since early 2013. The team is now in place with a clear focus

- New drilling style – achieving higher advance rates, faster targeting of structures, and cheaper drilling
- New systematic semi-quantitative target ranking
- New technologically adaptive geology team
- New geochemical techniques being developed to identify “near miss’ events
- New modelling software to better analyse data in 3D
- Expand geophysics program – Digital drilling, down Hole cross hole tool refinement, resource focused strategy.

This focus coupled with the development funding and a mandate of aggressive growth will assist in the Resource conversion work further assisting the expansion of Reserves.

Anhui Exploration Project

Citigold's Joint Venture partner Anhui Geology & Mining Investment International Ltd (Anhui) spent the financial year preparing for the commencement of their second stage of field work.

Anhui is farming into exploration areas currently 100% held by Citigold. Anhui has proposed a second stage of exploration field work through 2013/14, to test two targets.

The Joint Venture, outside and separate from the 148 square kilometre central goldfield, could see Anhui eventually farm-in and earn up to a 50% interest in the Project covered under the Joint Venture. Should Anhui earn its interest then any commercially viable discoveries would be developed as 50/50 Joint Venture operation.

MINERAL RESOURCES AND ORE RESERVES

Citigold Mineral Resources and Ore Reserves for the overall Charters Towers Gold Project are reported in accordance with the Australasian JORC Reporting Code. As at 30 June 2013 the Mineral Resources and Ore Reserves are tabled below.

In mid 2012 the Company released the technical report Mineral Resources and Reserves 2012 (Technical Report) for the Charters Towers Gold Project (the Project).

The independent Technical Report was prepared in accordance with the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 ("the JORC Code"). The report also follows the format of the Canadian Form 43-101 F1 Technical Report for convenience and for overseas investors familiar with the Canadian format.

The Technical Report, prepared by consultants Pathfinder Exploration, is a rigorous review and evaluation of the technical aspects of the Project's geological gold and silver deposit.

The findings replace previously released gold reports with the gold and silver Mineral Resources and Ore Reserves for the Charters Towers project. This is the first time the silver Mineral Resources of the project have been quantified.

The gold Ore Reserves increased by nearly 90% and the Mineral Resources for the Project increased by 10%.

The Report noted that gold production by Citigold since the re-commencement of modern production is approximately 100,000 ounces.

A significant amount of drilling was conducted during the period between 2005 and 2012. This coupled with the application of two mining factors to the Resource calculation enabled the independent consultant to conclude a confidence level of ±30% for the Inferred Mineral Resource and ±10 to 15% for the contained ounces in the Probable Ore Reserve.

The defined Resource is to a depth of vertical 1,200 metres.

The Central area contains 6 million ounces of gold resources and the Southern area (predominately the Imperial) contains 5 million ounces.

Category	Tonnes	Grade g/t Au	Cut off	Contained Ounces
Inferred Mineral Resource	**25,000,000**	**14.0**	**3.0 g/t**	**11,000,000**
Indicated Mineral Resources (includes Probable Ore Reserves)	**3,200,000**	**7.6**	**4.0 g/t**	**780,000**
Probable Ore Reserves (derived from and contained within Indicated Mineral Resource)	**2,500,000**	**7.7**	**4.0 g/t**	**620,000**

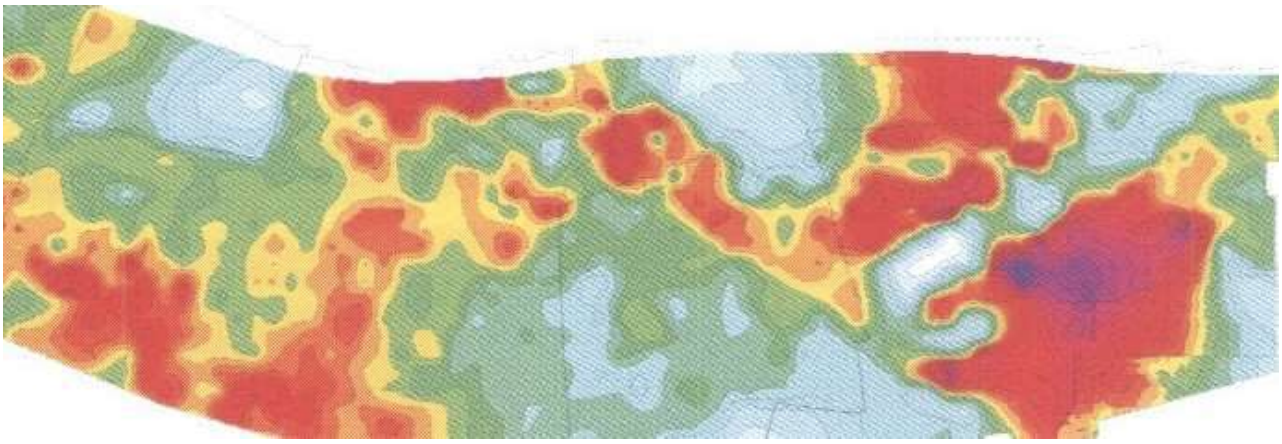
The following statements apply in respect of the information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves: *The information is based on, and accurately reflects, information compiled by Mr Christopher Alan John Towsey, who is a Corporate Member and Fellow of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Geoscientists. Mr Towsey is a consultant geologist. He has 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. Mr Towsey has consented in writing to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

For full details see Technical Report on the Mineral Resources and Reserves at www.citigold.com click Mining >Technical Reports >Mineral Resources and Reserves 2012

GEOPHYSICS

Citigold seeks technical and operating cost efficiency in all parts of its mining operations. The next stage of field work was completed. Although the interpretation work has yet to be completed the initial data is encouraging.

The geophysics program is cutting-edge technology using physics and mathematics to detect and model the associated metal sulphides that contain the very high grade gold in the sheeted reef structures.



The above is an indicative 1 kilometre scale representation of the detail that is eventually sought through mapping the high grade gold bearing metal sulphide areas within the sheeted reefs.

This work aims to accelerate the conversion of Mineral Resources into Ore Reserves by faster identification of the high grade areas and definition of the ore body shape. The aim is to create a system that supports the Company's planned growth into a large, profitable long mine life gold producer.

SAFETY, HEALTH AND ENVIRONMENT

Safety & Health

Citigold is committed to creating and maintaining a safe environment at the work place

At Charters Towers the safety of personnel and the local community is of fundamental concern. The Company seeks to conduct its operations in an efficient and effective manner whilst providing

- A healthy and safe work place
- Information on hazards of the workplace and training on how to work safety: and
- Consultation at all staff levels on health and safety matters.

Management has developed a workplace safety culture that thoroughly engages the entire workforce. The Company recognises that best safety practice is not just compliance with regulatory standards, but is dependant on all employees embracing responsibility for the work place safety culture.

There were no serious safety or health incidents during the year.

There were no Lost Time injuries during the financial year.

Environment

During 2013 Citigold recruited a Health, Safety, Environment and Training Manager as part of the on going effort to further strengthen management awareness and capability in this field.

There was one reportable Environmental Incident during the year. It was minor and is being dealt with to the satisfaction of the government department.

Community Relations

Citigold continued to assist local groups in the Charters Towers community through the contribution of employees' time to local organisations and committees.

With the planned expansion it is expected that Citigold will increase its support and activities in the local Community. Citigold employs about 60 people at Charters Towers and this is expected to grow.

Regional communities like Charters Towers depend on grazing, mining, government services and numerous support businesses to provide a quality of living that retains and attracts residents. Citigold plans to continue to be a major contributor to the Community.

NEW TEAM FOR GROWTH

Matthew Martin Chief Executive Officer	➢ Extensive experience in project development and financing including structured finance with Dexia Banque Internationale in London. ➢ Business systems improvement work with UK logistics company First Group. ➢ Extensive track record in financial management, from mine operations to executive corporate financial management. ➢ Expert in keeping managers accountable and dynamic.
Danny Stanford Site Senior Executive	➢ Over 20 years of experience in all aspects of mining from exploration, mine development, operations in both open cut and underground mines and final rehabilitation. ➢ Worked at similar scale operations to the forecast Charters Towers project including Red Dome and Selwyn mines.
Shaun Van Der Merwe Mine Manager	➢ Held variety of senior positions with Goldfields, Harmony and Xstrata ➢ Diverse experience in underground operations, project development, project operational management and project assessment. ➢ Operation experience in mines up to 3 kilometres deep.
Simon Richards Head of Geology	➢ Principal investigator on exploration-oriented research projects for companies including DeBeers, Barrick Gold of Australia (Porphyry exploration) and Nautilus Minerals (SMS exploration). ➢ Particular expertise in micro- to macro-scale structural geology and mineralisation. ➢ Specialist at using digital technology to optimise the drilling paradigm

CORPORATE

Dividend - Your Directors have considered it prudent not to declare a dividend at this time. This decision will be revisited as each stage of the production ramp up is achieved. The Company continues to undertake private placements from time to time when the Board considers it is appropriate prior to achieving Company wide profitability.

Gateway Mining Limited (Gateway) - On 31 December 2012 Citigold announced that it had agreed to terms to sell its entire holding in Gateway Mining Limited (Gateway). The Gateway shareholding had become a non-core asset and it was decided to focus the Company's efforts on the flagship Charters Towers Gold Project.

The sale value achieved was considered satisfactory, totalling $2.3 million. This, combined with the investment from LionGold and ELM, has enabled Citigold to further advance the development of Citigold's large high grade gold deposit.

Directors' Report

The directors present their report together with the financial report of Citigold Corporation Limited and the consolidated financial report of the consolidated entity for the year ended 30 June 2013 and the auditor's report therein.

1. DIRECTORS

The names and the relevant details of Directors of the Company in office during or since the end of the financial year are as follows.

Current Directors

M J Lynch FAICD
Appointed 02/07/1993

Mr Lynch has been actively involved in gold exploration and mining for near 30 years, in both private and public companies. During his career, he has maintained a competitive focus on business efficiency centred around an international perspective on strategic planning and innovation. He has extensive hands-on experience in all stages of the mining value chain from financing through to pouring gold bars. The Lynch family are founding shareholders. He held the position of Director of the peak industry body Queensland Resources Council Limited for six years and is a Fellow of the Australian Institute of Company Directors.

Executive Chairman. Member of Risk, and Safety and Environment committee.

J J Foley BD, LLB, BL (Dub)
Appointed 02/07/1993

Graduating in law from the University of Sydney in 1969, Mr Foley was admitted to practise as a barrister in New South Wales in 1971. He was called to the Irish Bar in 1989 and admitted as a Member of the Honourable Society of Kings' Inns in Dublin. Mr Foley has over 30 years' experience in the gold mining industry, has been a guest speaker at the World Gold Council in New York and is a past Director of the Australian Gold Council.

Non-Executive Director. Chairman of Audit and Finance, Nomination, Remuneration and Risk, Safety and Environment Committees

K Koh BSc(Actuarial)
Appointed 17/1/2011

Mr Koh graduated from City University London in 1980 majoring in Actuarial Studies. He has held senior executive positions in financial investment houses such as Maybank Securities, Commerce International Bank and Seagroatt & Campbell during his 30 year career. Mr Koh's appointment further adds to the financial expertise of the Board.

Non-Executive Director. Member of Remuneration, Nomination committees and Audit and Finance committee

N Ng
Appointed 04/07/2013

Mr Ng, currently Chief Executive Officer and Managing Director of Singapore's SGX listed LionGold Corp Ltd, is a veteran of the financial industry with over 28 years experience. Recently was CEO of leading Southeast Asian investment stockbroking house, DMG & Partners Securities Pte Ltd, from 2007. He has concluded a wide range of financial transactions, including IPOs, privatisations, and mergers and acquisitions, on behalf of corporates throughout Asia-Pacific, supported by a network of global strategic and institutional investors.

Non – Executive Director.

A Panchariya
Appointed 22/09/2013

Mr Panchariya is active in private and investment banking fields. He was President of Euram Bank Asia Limited and has since taken his experience to emerging markets worldwide with a focus on Africa. This includes providing formal advice to Governments on infrastructure development, finance, mining and agriculture. He is currently the Consul General of Liberia to Dubai, UAE, the principal of Global Finance & Capital Limited, and a director of Al Brooge Securities LLC, Global Capital Advisors and Cardinal Capital Partners Limited.

Non – Executive Director. Member of Remuneration, Nomination committees and Audit and Finance committee

R Tan
Appointed 6/02/2013

Mr Tan, is General Counsel, Executive Director and Company Secretary of Singapore's SGX listed LionGold Corp Ltd, has 30 years corporate law experience and heads their legal and compliance affairs worldwide. Previously with Singapore law firm Robert Wang and Woo LLP for more than 15 years becoming Partner and Head of the Corporate and Commercial Department. Raymond has extensive experience in dealing with all aspects of corporate law and regulatory issues for public listed companies, specialising in corporate governance, compliance and finance. He also is currently non-executive Chairman of ASX listed Signature Metals Ltd and non-executive independent director of SGX listed ISR Capital Limited.

Non – Executive Director.

B White BSc(Mining) Hons, PhD, MBA Hon FAusIMM (CP), FIE(Aust), CEng, FAIM, MMICA, RPEQ
Appointed 16/08/2010

Dr White is a mining engineer with a professional career spanning more than 40 years covering all facets of the minerals industry. His experience includes operational management, project development, planning, design and consultancy, in gold and base metals. Including senior positions in both surface and underground mines in many parts of the world including the legendary large underground Ashanti gold reef mine, West Africa. Was past Professor of Mining Engineering at Queensland University, Managing Director of Tennent Isokangas consultants and Principal Engineer with Coffey Mining.

Non - Executive Director, Chairman of Risk, Safety and Environment committee.

Retired Directors

S Panchariya
Appointed 24/5/2013, Resigned 22/9/2013

G Goel MBA
Appointed 10/04/2012, Resigned 24/5/2013

M Gill
Appointed 06/02/2013, Resigned 04/07/2013

Company Secretary

B Staden
Appointed 22/9/2013

Admitted in 2001, Brent has gained considerable experience in all aspects of mining, commercial and corporate law, having not only been in professional practice, but also having acted as in-house counsel for one of South Africa's largest companies. He takes an incisive approach to legal issues and is skilled at grasping complex legal issues and distilling them into language easy to understand. He is very outcome-focussed.

M Martin B.Com, CA
Resigned 22/9/2013
Mr Martin was made Chief Executive Officer in September 2013.

Meetings of Directors

The number of directors' meetings (including board committees) held and the number of meetings attended by each director during the year ended 30 June 2013 was:

	Board Meeting		Audit and Finance		Risk, Safety and Environment		Remuneration		Nomination	
	A	B	A	B	A	B	A	B	A	B
J J Foley	12	12	2	2	2	2	1	1	1	1
M J Lynch	12	12	*	*	2	2	*	*	*	*
B White	12	12	*	*	2	1	*	*	1	1
K Koh	12	11	2	2	*	*	1	1	*	*
R Tan	6	6	*	*	*	*	*	*	*	*
G Goel	12	6	2	1	*	*	*	*	*	*
M Gill	6	5	*	*	*	*	*	*	*	*
S Panchariya	*	*	*	*	*	*	*	*	*	*
A Panchariya	*	*	*	*	*	*	*	*	*	*

* *Not a member of the relevant committee*
Column A- Number of meetings held during the time the director held office or was a member of the relevant committee
Column B- Number of meetings attended

Directors' interests

The relevant interest of each director in the shares and options issued by the companies within the consolidated entity and other related bodies corporate, as notified by the directors to the Australian Securities Exchange in accordance with s205G (1) of the Corporations Act, at the date of this report is detailed in the following table.

Director	Ordinary shares	Share Options
J J Foley	4,736,450	-
M J Lynch	81,347,083	-
B White	28,350	-
K Koh	49,000,000	-
R Tan	-	-
N Ng	-	-
A Panchariya	-	-

Remuneration of directors and senior management

Information about the remuneration of the directors and senior management is set out in the Remuneration Report of the Directors' Report,

2. PRINCIPAL ACTIVITIES

During the year the principal activities of the consolidated entity consisted of production, development and exploration of the Charters Towers goldfield. There has been no significant change in the nature of these activities during the year.

3. DIVIDENDS – CITIGOLD CORPORATION LIMITED

No amount has been paid or declared by way of dividend by the Company during the year. The directors do not recommend a dividend at this time

4. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs on the consolidated entity during the financial year were as follows:

(a) An increase in ordinary shares in the Company from 1,238,622,051 to 1,352,907,765 as a result of:

Type of Issue	Issue Price	Number of shares Issued
Share placement	$0.07	114,285,714

Net cash received was used to continue the exploration, development and general activities of the Company. See Note 19 of the Financial Statements.

5. SHARE OPTIONS

Details of unissued shares or interest under options as at the date of this report are:

Issuing Entity	Number of options	Exercise Price	Expiry date of Option
Citigold Corporation Limited	7,997,917	$0.12	28 June 2015

6. POST BALANCE DATE EVENTS

Nil.

7. REVIEW OF OPERATIONS

A review of the consolidated entity's operations during the year and the results of these operations are disclosed in pages 4 to 12 of the Annual Report.

8. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the consolidated entity are:

(a) the continuation of exploration activity aimed at increasing resources and reserves,
(b) the continuation of mining activity at Charters Towers.

Additional comments on expected results are included in the Review of Operations.

9. INDEMNIFICATION AND INSURANCE

During the financial year the Company paid premiums to insure all Directors and Officers of the Company against claims brought against the individual while performing services for the Company and against expenses relating thereto, other than conduct involving a wilful breach of duty in relation to the Company. Under the terms and conditions of the insurance contract, the nature of liabilities insured against and the premium paid cannot be disclosed.

The Company has not otherwise, save as enshrined in the Company's constitution, during or since the end of the financial year, in respect of any person who is or has been an officer of the Company:

(a) indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
(b) paid or agreed to pay a premium in respect of a contract insuring against a liability from the costs or expenses to defend legal proceedings.

10. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings

11. ENVIRONMENTAL REGULATIONS

Entities in the consolidated entity are subject to significant environmental regulation in respect to its exploration and mining activities in gold.

The organisation has developed criteria to determine areas of 'particular' or 'significant' importance, with regard to environmental performance. These are graded 1 to 4 in terms of priority.

Level 1 incident - major non compliance with regulatory requirements resulting in potential political outcry and significant environmental damage of both a long and short term nature.
Level 2 incident - significant non compliance resulting in regulatory action, however, environmental damage is only of a short term nature.
Level 3 incident - minor non compliance, however, regulatory authority may be notified.
Level 4 incident - non compliance with internal policies and procedures. The incident is contained on site.

In the last year the following incidents have occurred.

	Level 1	*Level 2*	*Level 3*	*Level 4*
Incidents	-	-	1	-

The Company has an internal reporting and monitoring system with regard to environmental management on the site. The Company employs an environmental officer to monitor all water quality, noise and air quality issues as well as liaise with the community on activities that may impact on the local area.

12. AUDIT/NON-AUDIT SERVICES AND AUDITOR INDEPENDENCE

The fees paid or payable for services provided by the auditor of the Company are set out in Note 5 of the Financial Statements. The Auditor's independence declaration is included on page 24.

13. REMUNERATION REPORT - Audited

The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:

(a) Principles used to determine the nature and amount of remuneration
(b) Details of remuneration
(c) Service agreements
(d) Additional information

A Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms to the market best practice for delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

While the Board has overall responsibility for the executive structure and outcomes, it has appointed a Nomination and Remuneration Committee for advice and makes recommendations on remuneration matters.
The performance of the consolidated entity and company depends on the quality and dedication of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance, dedicated and high quality personnel.

The Remuneration Committee annually considers the appropriate levels and structure of remuneration for Directors and Key Management Personnel relative to the Company's circumstances, size and nature of business, as well as company performance. This is done by reference to independent data and advice.

The Company competes for labour in the broader resources industry, where the demand for employment remains high. In selecting, retaining and remunerating directors and executives the committee considers the appropriateness taking into account the corporate and operational regulatory environment that a mining enterprise operates in these days in Australia that places substantial and ever increasing burdens of responsibility upon these officers of the Company in addition to the usual business performance.

Reward structures are transparent and are aligned with shareholders' interests by:

- being market competitive to attract and retain high calibre individuals motivated and skilled in the business of the Company;
- recognising the contribution of each senior executive to the continued growth and success of the Company;
- encouraging, recognising and rewarding high individual performance; and
- ensuring that long term incentives are based on total shareholder return outperformance over a period of three years.

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-Executive Directors Remuneration

Non executive directors including the Chairman are paid fixed fees. In addition, Non-Executive directors may also be remunerated for additional service, for example, if they take consulting work on behalf of the company outside the scope of their normal Directors duties. Fees and payments to non-executive directors are set to attract individuals of appropriate calibre and reflect the demands which are made on, and the responsibilities of, the directors. Non-Executive directors' fees and payments are reviewed annually by the Remuneration Committee and determined based on comparative roles in the external market.

In order to maintain their independence and impartiality, the fees paid to Non Executive Directors are not linked to the performance of the Company. Non Executive Directors have no involvement in the day to day management of the Company.

ASX listing rules requires that the aggregate Non-Executive Directors remuneration shall be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 17 November 2010, where the shareholders approved an aggregate remuneration of $400,000.

Executive Remuneration

The consolidated entity and company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward may consist of the following

- Fixed remuneration
- Variable performance incentives
  - Short term incentives
  - Long term incentives

The combination of these comprises the executive's total remuneration.

Fixed Remuneration

Fixed remuneration consist of base salary, superannuation, long service leave and non-monetary benefits are reviewed annually by the Remuneration Committee, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and adds additional value to the executive.

Variable Performance Incentives

Short-Term Incentives

The short-term incentives program is designed to align the targets of the business units with the targets of those executives in charge of meeting those targets and to improve company's short term and long term performance. These incentives are meant to reward executives only when performance targets are met to increase shareholders value. They are granted to executives based on individual contribution to profit, production costs, leadership contribution and safety outcomes. Short-term incentives are currently paid in cash. No short-term incentives were paid during the reporting period.

Long- Term Incentives

The long-term incentives include performance rights or share-based payments. Options were previously awarded to executives over a period of three years based on long-term incentive measures. These included increase in shareholders value and gold production. No options were issued or exercised by any executive during the reporting period. The Remuneration Committee may revisit the long-term equity-linked performance incentives specifically for executives during the year ending 30 June 2013.

The majority of bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee.

The Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

B Details of remuneration

Details of the remuneration of the directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) and specified executives of Citigold Corporation Limited are set out in the following tables.

The following persons were Directors and/or key management personnel of the Group:

M.J. Lynch	(Executive Chairman)
J.J. Foley	(Non Executive Director)
B. White	(Non Executive Director – Resigned as Executive Director 1 September 2013)
K. Koh	(Non Executive Director)
N. Ng	(Non Executive Director -Appointed 3 July 2013)
R. Tan	(Non Executive Director -Appointed 6 February 2013)
S. Panchariya	(Non Executive Director -Appointed 24 May 2013, Resigned 22 September 2013)
M.B. Martin	(Chief Executive Officer – Appointed 22 September 2013)
M. Gill	(Non Executive Director- Resigned 4 July 2013)
G. Goel	(Non Executive Director- Resigned 24 May 2013)
A. Panchariya	(Non Executive Director -Appointed 22 September 2013)

3) Payments to specified Directors and Key Management Personnel

	Short-term employee benefits				Post-employment benefits	Share-based payments	
2013	Cash salary and fees	Cash Bonus	Non-monetary benefits	Related party Payments[1]	Superannuation	Options	Total
Directors	**$**	**$**	**$**	**$**	**$**	**$**	**$**
J J Foley	90,000	-	-	94,985	-	-	184,985
M J Lynch	486,875	-	-	-	-	-	486,875
B White	222,115	-	-	-	-	-	222,115
Other Key Management Personnel							
M B Martin	372,653	-	-	-	19,994	-	392,647
	1,134,617	-	-	94,985	19,994	-	1,286,622

2012	Short-term employee benefits				Post-employment benefits	Share-based payments	
	Cash salary and fees	Cash Bonus	Non-monetary benefits	Related party Payments[1]	Superannuation	Options	Total
Directors	**$**	**$**	**$**	**$**	**$**	**$**	**$**
J J Foley	90,000	-	-	94,985	-	-	184,985
M J Lynch	461,250	-	-	-	-	-	461,250
B White	164,615	-	-	-	-	-	164,615
Other Key Management Personnel							
M B Martin	284,356	-	-	68,202	19,994	-	372,552
	1,000,221	-	-	163,187	19,994	-	1,183,402

[1]*The related party payments are payments to entities related to the Directors and/or Key Management Personnel for work carried out by that entity or the hire of equipment owned by that entity.*

C. Service Contracts

Executive Chairman

Contract Term: 5 years, Commenced January 2011

Base Salary: $498,750, inclusive of superannuation, subject to an annual 5% increase

Termination Payments: Payment on early termination by the Group, other than for gross misconduct, equal to 1 years of employment.

Chief Executive Officer

Contract Term: Ongoing, Commenced December 2005

Base Salary: $410,000, inclusive of superannuation, may be reviewed annually by the Remuneration

Termination Payments: Payment on early termination by the Group, other than for gross misconduct, equal to 1 year of base salary.

This concludes the remuneration report, which has been audited.

Share options exercised during the current year

No options were exercised during the year by Key Management Personnel or Executives of the consolidated entities.

This report is made in accordance with a resolution of Directors.

For and on behalf of the Board

Dated at Brisbane this 30th day of September 2013

Mark Lynch
Chairman

Auditors Independence Declaration

Level 6
350 Kent Street
Sydney NSW 2000

K.S. Black & Co.

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Level 1, 460 Church Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

AUDITOR'S INDEPENDENCE DECLARATION

Declaration of independence to the Directors of Citigold Corporation Limited and Controlled Entities

As lead auditor of Citigold Corpcration Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Citigold Corporation Limited and the entities it controlled during the year.

KS Black & Co
Chartered Accountants

Faizal Ajmat
Partner

Sydney, 30 September 2013

Phone 02 8839 3000 Fax 02 8839 3055
www.ksblack.com.au

Chartered Accountants

Corporate Governance

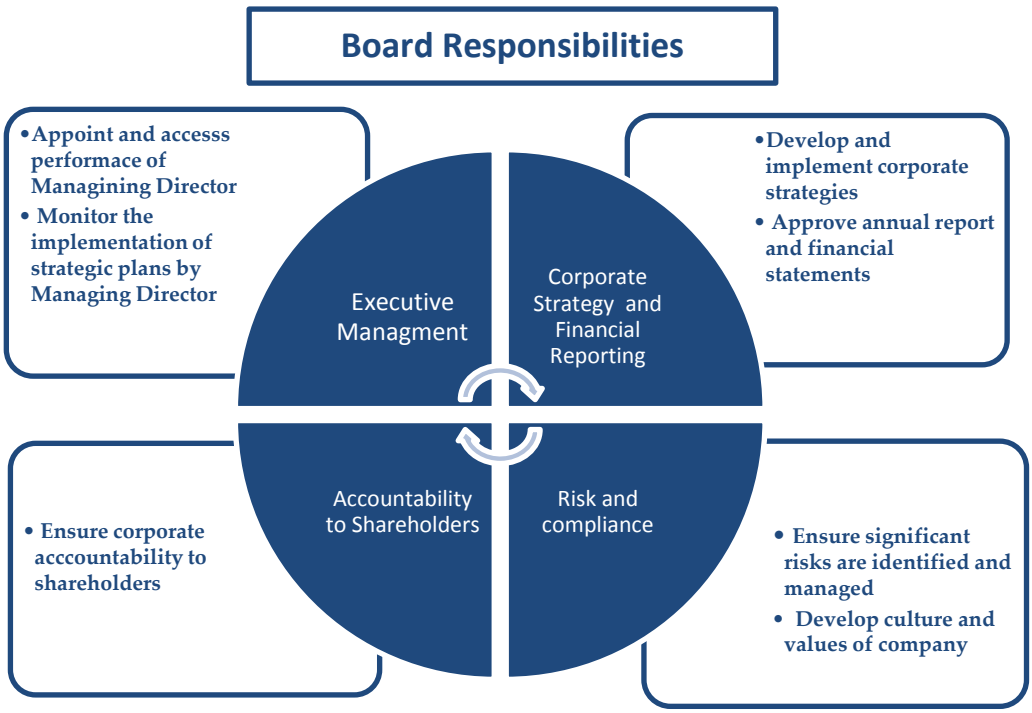
Good corporate governance does not just ensure the company is well managed and directed but it protects the rights and enhances the interests of shareholders

The Board reviews and put in place policies and practices to comply as far as is practicable with ASX Corporate Governance Council's Principles and Recommendations. In the limited circumstances where the Company's corporate governance practices do not correlate with the recommendations, the Company does not consider that the practices are appropriate for the Company due to the size of the Company or its Board. The Board has had a Board Charter in place since January 2008. Relevant principles are listed below.

A. 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 Managing Director and the executive management team.

Directors regularly 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.

B. Structure 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.

Current committees of the Board are:

- the audit and finance committee
- the remuneration committee
- the nomination committee
- the risk management committee
- the health, safety and environment committee

Audit and Finance Committee

The audit and finance committee comprises of the following Non-Executive Directors: J Foley (Chairman), A Panchariya and K Koh. Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to discharge its responsibilities.

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.

Remuneration Committee

The Remuneration committee consists of the following Non-Executive Directors: J Foley (Chairman), K Koh and A Panchariya. As noted previously, Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to fulfil its responsibilities.

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.

Nomination Committee

The Nomination committee consists of the following Non-Executive Directors: J Foley (Chairman), K Koh and A Panchariya. As noted previously, Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to fulfil its responsibilities.

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

Risk Committee

The risk committee consists of the following Executive and Non Executive Directors: B White (Chairman), M Lynch and J Foley.

The Risk Committee's key responsibilities are:

- 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

Health, Safety and Environment Committee

The health, safety and environment committee consists of the following Non-Executive and Executive Directors: J Foley, B White and M Lynch. The objectives of the committee are as follows:

- ensuring the Company adopts, maintains and applies appropriate health, safety and environment policies and procedures;
- ensuring that the Company maintains effective health, safety and environment related internal control and risk management systems; and
- providing a formal forum for communication between the Board and senior management in health, safety and environment matters, both Company specific and otherwise.

Board Composition

The Board is comprised of seven (7) Directors, being six (6) Non-Executive Directors and one (1) Executive Director. A majority of the Board is Non-Executive Directors.

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report, their meeting attendances and their term of office are detailed in the Directors' Report. Each Director brings relevant complementary skills and experience to the Board covering the areas of legal, finance and operations.

The Company's Constitution specifies that a third of the Directors (with the exception of the Managing Director) must, by rotation, retire from office at each Annual General Meeting (AGM) such that at least two Director stands for election at each AGM. Where eligible, a Director may stand for re-election. All Board appointments are subject to shareholder approval.

Independence

In accordance with the Board Charter and ASX Recommendations, the majority of the Board comprises of non-executive directors, including the Chairman.

Directors must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interest of the director and the interest of the company. Directors are required to adhere strictly to constraints on their participation and voting in relation to any matter in which they may have a conflict of interest.

Review of Directors and Board Performance

Citigold considers the evaluation of directors and senior executive performance as important in establishing a culture of performance and accountability.

The Board and Director's performance is reviewed on an annual basis. The goals of review are based upon each director's contribution to specific Board objectives and the objectives of board committees in which the director participates. The Chairman provides each director with confidential feedback on performance and it is used to develop a development plan for each director. The remuneration and nomination committee also carries out performance reviews of the CEO and the Executive Management Team on a yearly basis.

At the AGM, the shareholders will have the opportunity to voice their opinion on the performance of the Board. Furthermore each third AGM, the shareholders can exercise their right to remove the Non-Executive Director from office if the shareholders deem that the non executive director's performance is not up to standard.

Director 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.
This includes meeting with key executives, tour of mining operation, an induction package 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.

Independent Professional Advice and Access to Company's Information

Subject to annual limit or Board approval, Directors and Board committees have the right, in connection with their duties and responsibilities, to seek independent, professional advice at the Company's expense. Directors also have the right of access to all relevant information that may help them in exercising their duties subjected to protocol set out in the Board Charter.

C. 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.

Diversity Policy

Citigold believes that a diverse workforce brings about different range of ideas, perspective and experience that will help the company realize its corporate goals. During the financial year 2012, the board adopted a diversity policy.

Citigold establish its commitment to diversity by:

1) Facilitating a 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) Ensuring that all employees have access to development opportunities and fulfill their potential
4) Helping employees 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 be made on basis of merit, the board has adopted these targets over the next two financial years:

Measurable Target	Results
1. At least 15% female employees	Achieved
2. To have at least one female board member and one woman in senior management	There is currently no woman represented in board or senior management. However, the company actively seeks people of high calibre.

D. Safeguard Integrity in Financial Reporting

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 audit and finance committee has been adopted since September 2005. The Audit and Finance Committee has adopted and complies with a formal charter.

The Chief Executive Officer and Chief Financial Officer have declared in writing that the financial statements for the year ended 30 June 2013 represent a true and fair view of Citigold's financial position and performance and that the reports conform to relevant accounting standards.

E. 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 adopts a Continuous Disclosure Policy to ensure that information considered material by the company is immediately lodged with ASX. Moreover, Citigold's website contains recent and historical information, including ASX announcements, financial reports and presentations.

F. 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

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.

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.

G. Recognise and Manage Risk

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 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 company's control environment.

Citigold currently operates on a NOSA Five Star Integrated Risk Management System. This is a commercial product originally produced by the National Occupational Safety Association, operated by Citigold. This system identifies aspects of risks of the operation, particularly those related to safety, health, environment and social impact. Citigold's operations are subject to regulation and regular inspection and monitoring by the Queensland State Government Department of Mines and Energy and the Environmental Protection Authority.

The CEO and CFO have not given a written statement to the board in accordance with best practice recommendation 7.2 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.

H. Remunerate Fairly and Responsibly

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

I. 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 Management System (EHSMS) has been established by mine management. The EHSMS is a tool that allows the systematic identification of environmental and OHS issues and assists their management in a structured manner.

Through the EHSMS, 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.

Consolidated statement of comprehensive income for the year ended 30 June 2013

	Notes	2013 $	2012 $
Revenue		3,461,486	12,553,108
Cost of Sales		(2,365,867)	(4,756,738)
Gross Profit		1,095,619	7,796,370
Other Income	2	284,746	61,075
Employee benefits expense		(2,302,078)	(3,549,461)
Depreciation and amortisation expense	3	(554,075)	(944,765)
Finance costs	4	(997,323)	(1,517,817)
Consulting expense		(1,486,106)	(532,594)
Other expenses	3	(2,229,059)	(2,465,853)
Loss recognised on disposal of interest in former associate	12	(594,442)	-
Impairment of non current asset		-	595,317
Share of loss of associate		-	(608,398)
(Loss)/Profit before income tax expense		(6,782,718)	(1,166,126)
Income tax	6	-	-
(Loss)/Profit after tax from continuing operations		(6,782,718)	(1,166,126)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Share of other comprehensive income of associate	12	(53,588)	(26,492)
Total comprehensive income		(6,836,306)	(1,192,618)
Profit attributable to:			
(Loss)/Profit attributable to non controlling interest		(59)	(39)
(Loss)/Profit attributable to members of the company		(6,782,659)	(1,166,087)
		(6,782,718)	(1,166,126)
Total comprehensive income attributable			
(Loss)/Profit attributable to non controlling interest		(59)	(39)
(Loss)/Profit attributable to members of the company		(6,836,247)	(1,192,579)
		(6,836,306)	(1,192,618)
Basic and diluted EPS (Cents per share)	7	(0.52)	(0.11)

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of financial position as at 30 June 2013

	Notes	2013 $	2012 $
Current assets			
Cash and cash equivalents	9	732,680	3,182,121
Receivables	10	540,755	7,230,029
Inventories	11	1,027,746	203,164
Total current assets		2,301,180	10,615,314
Non - current assets			
Investments in associates		-	2,960,427
Property, plant and equipment	13	204,983,082	195,792,675
Other Non current assets	14	553,204	553,204
Total non current assets		205,536,286	199,306,306
Total assets		207,837,466	209,921,620
Current liabilities			
Payables and accrued liabilities	15	4,810,285	7,803,119
Borrowings	16	1,003,350	3,404,841
Provisions	18	1,064,613	1,949,758
Total current liabilities		6,878,248	13,157,718
Non current liabilities			
Borrowings	16	2,291,100	-
Provisions	18	571,280	539,657
Total non-current liabilities		2,862,380	539,657
Total liabilities		9,740,628	13,697,375
Net assets		198,096,839	196,224,245
Equity			
Issued capital	19	197,868,247	189,868,247
Reserves	20	39,966,442	39,311,130
Accumulated losses	21	(39,806,945)	(33,024,286)
Total equity attributable to shareholders of the company		198,027,744	196,155,091
Non Controlling Interest		69,095	69,154
Total equity		198,096,839	196,224,245

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of changes in Equity for the year ended 30 June 2013

	Issued Capital $'000	Asset Revaluation Reserve $'000	Capital Reserve $'000	Share based payments reserve $'000	Value of conversion rights $000	Retaining Earning $'000	Attributable to Owners of parent $'000	Non controlling interest $'000	Total $'000
CONSOLIDATED									
Balance as at 1 July 2012	**189,868,247**	**37,905,538**	**571,430**	**834,163**	**-**	**(33,024,286)**	**196,155,091**	**69,154**	**196,224,245**
Profit for period						(6,782,659)	(6,782,659)	(59)	(6,782,718)
Share of other comprehensive income of associates		(53,588)					(53,588)		(53,588)
Total comprehensive income		(53,588)				(6,782,659)	(6,836,247)	(59)	(6,836,306)
Issue of Convertible Bonds					708,900		708,900		708,900
Owners contribution, net of transaction cost	8,000,000						8,000,000		8,000,000
Balance as at 30 June 2013	**197,868,247**	**37,851,950**	**571,430**	**834,163**	**708,900**	**(39,806,945)**	**198,027 ,744**	**69,095**	**198,096,839**
Balance as at 1 July 2011	**179,200,747**	**37,932,030**	**571,430**	**834,163**		**(31,858,199)**	**186,680,170**	**69,193**	**186,749,363**
Profit for period						(1,166,087)	(1,166,087)	(39)	(1,166,126)
Share of other comprehensive income of associates		(26,492)					(26,492)		(26,492)
Total comprehensive income		(26,492)				(1,166,087)	(1,192,579)	(39)	(1,192,618)
Owners contribution, net of transaction cost	10,667,500						10,667,500		10,667,500
Balance as at 30 June 2012	**189,868,247**	**37,905,538**	**571,430**	**834,163**		**(33,024,286)**	**196,155,091**	**69,154**	**196,224,245**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of cash flow
for the year ended 30 June 2013

	Notes	2013 $	2012 $
Cash flows from operating activities			
Receipts from customers		3,715,370	14,324,268
Payments to suppliers and employees		(13,384,249)	(9,073,943)
Interest and other costs of finance paid		(877,848)	(1,613,156)
Net cash (used in)/ provided by operating activities	8	(10,546,727)	3,637,169
Cash flows from investing activities			
Interest received		30,863	7,843
Receipt for property, plant and equipment		-	414,913
Payment for property, plant and equipment		(1,070,357)	-
Proceed from sale of investment of associate		1,262,397	
Development costs paid		(7,724,126)	(6,737,316)
Net cash (used in)/ provided by investing activities		(7,501,223)	(6,314,560)
Cash flows from financing activities			
Proceeds from issues of equity securities		15,000,000	3,667,500
Proceeds from borrowings		3,000,000	2,855,577
Repayment of borrowings		(2,401,491)	(1,424,038)
Net cash provided by/(used in) financing activities		15,598,509	5,099,039
Net (Decrease)/ Increase in cash and cash Equivalents		(2,449,441)	2,421,648
Cash and cash equivalents at the beginning of the year		3,182,121	760,473
Cash and cash equivalents at end of year	9	732,680	3,182,121

The above statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
For the Year Ended 30 June 2013

The financial report of Citigold Corporation Limited for the year ended 30 June 2013 covers Citigold Corporation Limited as an individual entity as well as the consolidated entity consisting of Citigold Corporation Limited and its subsidiaries as required by the Corporations Act 2001.

Citigold Corporation Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the ASX Limited.

1. Summary of Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the year financial report. The financial reports include separate financial statements for Citigold Corporation Limited as an individual entity and the consolidated entity consisting of Citigold Corporation Limited and its subsidiaries.

Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain noncurrent assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

a) Basis of consolidation

The financial report of the Citigold Corporation Group ("the consolidated entity") includes the consolidation of Citigold Corporation Limited and its respective subsidiaries. Subsidiaries are entities controlled by the parent entity. Control exists where either parent entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial report from the date control commences until the date control ceases. The effects of all transactions between entities within the Citigold Corporation Group have been eliminated.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where the Citigold Corporation Group's interest is less than 100 per cent, the interest attributable to outside shareholders is reflected in non controlling interests. Non controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income and statement of financial position respectively.

b) Foreign Currency Translation

The results and financial position of each entity are expressed in Australia dollars, which are the functional currency of Citigold Corporation Limited and the presentation currency for the consolidated financial statements.

In preparing the financial statements of individual entities, transaction in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of transactions. At balance date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance date. Non monetary items carried at fair value that are denominated in foreign currencies are retranslated at rates prevailing on the date when fair value is determined. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

c) Borrowings

Loan and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the loans and borrowings using the effective interest method.

d) Cash and cash equivalents

For the purposes of the statement of cash flow, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e) Trade receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 2 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off.

f) Employee benefits

1) Provision for wages and salaries, annual leave and long service leave

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash flows.

g) Exploration, evaluation and development expenditure

Exploration and evaluation costs are written off in the year they are incurred, apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and the expenditure is expected to be recouped through sale or successful development and exploration of the area of interest or where exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Development expenditure is capitalised in the year it is incurred.

h) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

i) Taxation

Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred Tax

Deferred tax is accounted for using the comprehensive statement of financial position liability method in respect of temporary differences arising from differences between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax base of those items.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the assets and liability give rise to them are realised or settled, based on tax rates and tax laws that have been enacted by the reporting date.

Current and deferred tax for the period is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is recognised directly in equity.

Tax consolidation

The parent entity company and all its wholly-owned Australian resident entities are part of a tax consolidated group under Australian taxation law. Citigold Corporation Limited is the head entity in the tax-consolidated group.

Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flow on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

j) Investment in associates

Under AASB 128, an associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations.* Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

k) Inventories

Gold in solution form and ore is physically measured or estimated and valued at the lower of cost and net realisable value. Costs include direct costs and appropriate portion of fixed and variable production costs.

Consumables are valued at the lower of cost and net realisable value. Costs are assigned to inventory on hand using the first in first out method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l) Leased assets

Assets held under leases which result in entities in the consolidated entity receiving substantially all the risks and rewards of ownership of the asset (finance leases) are capitalised at the lower of the fair value of the property, plant and equipment or the estimated present value of the minimum lease payments. The corresponding finance lease obligation is included within interest bearing liabilities. The interest element is allocated to accounting periods during the lease term to reflect a constant rate of interest on the remaining balance of the obligation for each accounting period. Finance lease assets are amortised at a straight line method over the estimated useful life of the asset. Operating lease assets are not capitalised and rental payments are included in the Statement of comprehensive income on a straight-line basis over the lease term.

m) Financial Assets

The group classifies its financial assets as available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Available-for-sale financial assets

Available-for-sale financial assets comprise investments in listed and unlisted entities and any non-derivatives that are not classified as any other category, and are classified as non-current assets. After initial recognition, these investments are measured at fair value with gains or losses recognised as a separate component of equity (available-for-sale investments revaluation reserve). Where losses have been recognised in equity and there is objective evidence that the asset is impaired, the cumulative loss, being the difference between the acquisition cost and current fair value less any impairment loss previously recognised in the statement of comprehensive income, is removed from equity and recognised in the statement of comprehensive income.

Reversals of impairment losses on equity instruments classified as available-for-sale cannot be reversed through statement of comprehensive income. Reversals of impairment losses on debt instruments classified as available-for-sale can be reversed through the statement of comprehensive income where the reversal relates to an increase in the fair value of the debt instrument occurring after the impairment loss was recognised in the statement of comprehensive income.

The fair value of quoted investments are determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance date. For investments where there is no quoted

market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Impairment of Financial Assets

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each balance date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after initial recognition of the financial asset, the estimated future cash flow of the investment have been impacted.

For equity instruments, including listed or unlisted shares, objective evidence of impairment includes information about significant changes with an adverse effect that have take place in technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered. Where there is a significant or prolonged decline in the fair value of an available for sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously charged to equity, is recognised in the statement of comprehensive income

In respect of available for sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

n) Payables

Trade payables and other accounts payable are recognised when entities in the consolidated entity become obliged to make future payments resulting from the purchase of goods and services. These amounts are unsecured and have 30-60 day payment terms.

o) Property, plant and equipment

Development Properties are measured at cost less accumulated depreciation.

Freehold land is not depreciated.

All other plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset only when it is probable that a future economic benefit associated with the item will flow to the Company and the cost can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Depreciation of property, plant and equipment

The carrying amounts of property, plant and equipment (including the original capital expenditure and any subsequent capital expenditure) is depreciated to its residual value over the useful economic life of the specific assets concerned or the life of the mine or lease, if shorter. The rates vary between 4% and 40%

Depreciation is calculated on a straight line basis so as to write off the net cost or other re-valued amount of each asset over its expected useful life to its estimated residual value. Leasehold

improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method.

Depreciation rates and methods shall be reviewed at least annually and, where changed, shall be accounted for as a change in accounting estimate. Where depreciation rates or methods are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method. Depreciation recognised in prior financial years shall not be changed, that is, the change in depreciation rate or method shall be accounted for on a 'prospective' basis.

p) Provision for restoration and rehabilitation

Entities in the consolidated entity are generally required to decommission and rehabilitate mine and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities and consistent with its environmental policies. The expected cost of any approved decommissioning or rehabilitation programme is provided when the related environmental disturbance occurs, based on the interpretation of environmental and regulatory requirements.

Where there is a change in the expected decommissioning and restoration costs, an adjustment is recorded against the carrying value of the provision and any related asset, and the effect is then recognised in the statement of comprehensive income in the year incurred.

The provisions referred to above does not include any amounts related to remediation costs associated with unforeseen circumstances. Such costs are recognised when environmental contamination as a result of oil and chemical spills or other unforseen events gives rise to a loss which is probable and reliably estimable. The cost of other activities to prevent and control pollution is charged to the statement of comprehensive income as incurred.

q) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

r) Earnings per share

1) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to members of the Group, adjusted for the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year. The weighted average number of issued shares outstanding during the financial year does not include shares issued as part of the Employee Share Option Plan that are treated as in-substance options.

2) Diluted Earnings per share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The

weighted average number of shares used is adjusted for the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

s) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised when the consolidated entity has transferred to the buyer the significant risks and rewards of ownership of the goods.

Other income

Other income is recognised on a receivable basis.

t) Borrowing Costs

Borrowing costs are expensed in the statement of comprehensive income unless capitalised to qualifying assets.

u) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. The Company's and consolidated entity's assessment of the impact of these new standards and interpretations is that the application of the standards and interpretation will have no material impact on the Company's or Consolidated Entity's financial reports.

2. Other Income

	Consolidated	
	2013	2012
	$	$
Interest received	30,863	7,843
Sundry Income	253,883	53,232
Total	284,746	61,075

3. Expenses

Other Expenses	Consolidated	
	2013	2012
	$	$
Insurance	217,991	315,233
Office administration costs	543,042	527,380
Government Statutory Royalty Payments	166,813	622,836
Corporate administration	170,811	124,411
Tenement charges and costs	464,895	463,228
Travel expenses	168,638	213,805
Professional fees	151,664	104,471
Loss on currency transactions	-	3,293
Loss on sale of asset	345,205	91,186
Total	2,229,059	2,465,853

Depreciation and Amortisation Expense		
Plant and Equipment	554,075	944,765
Operating Lease Expense		
Operating Lease Expenses	64,517	7,392
Superannuation Expense		
Superannuation Expense	188,543	378,729

3. Finance Costs

	Consolidated	
	2013	2012
	$	$
Other Interest	872,661	900,546
Interest on Leases	-	92,498
Other Funding Costs	124,662	524,773
Total	997,323	1,517,817

4. Auditors Remuneration

	Consolidated	
	2013	2012
	$	$
Audit and review of financial reports- KS Black & Co	41,395	34,247
Total	41,395	34,247

5. Income Tax Expense

	Consolidated	
	2013	2012
	$	$
Prima facie income tax benefit calculated at 30% (2011: 30%) on the (loss)/profit from continuing operations	(2,034,815)	(349,826)
Deferred tax benefit accrued/(utilised):	2,034,815	349,826
Income tax attributable to net loss for year	**-**	**-**

At 30 June 2013 consolidated deferred tax assets of $53,188,106 ($ 50,063,773 at 30 June 2012) arising from carried forward income tax losses calculated at a tax rate of 30% (30 June 2012, 30%) have not been recognised as an asset.

The benefit of these losses will only be obtained if:
(I) the company and / or the consolidated entity derive future assessable income is derived of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;

(ii) the company and / or the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation; and

(iii) future changes in tax legislation do not adversely impact on the utilisation of the carried forward tax losses.

6. Earnings Per Share (EPS)

a) Basic earnings per share

The calculation of basic earnings per share at 30 June 2013 was based on the loss attributable to ordinary shareholders of $6,782,659 (loss of $1,166,087 in 2012) and weighted average number of ordinary shares outstanding during the financial year ended 30 June 2013 of 1,302,809,918 (1,105,810,048 in 2012), calculation as follows:

	Consolidated	
	2013 $	2012 $
Profit (loss) for the period*	(6,782,659)	(1,166,087)
Weighted average number of ordinary shares		
Opening Balance	1,238,622,051	1,105,078,301
Effect of shares issued in December	64,187,867	-
Effect of shares issued in June	-	731,747
Total weighted average number of ordinary shares used in calculating basic earnings per share	1,302,809,918	1,105,810,048
Profit /(Loss) per share – cents	(0.52)	(0.11)

** all attributable to ordinary shareholders*

8. Reconciliation of cash flows from operating activities

	Consolidated	
	2013 $	2012 $
Net Profit/ (Loss) for the year	(6,782,718)	(1,166,126)
Adjustments for:		
Depreciation and Amortisation	554,075	944,765
Interest Received	(30,863)	(7,843)
Unrealised (gain)/ loss on investments	-	13,080
(Increase)/ decrease in Trade and other receivables	(310,726)	85,555
(Increase)/ decrease in inventories	(824,581)	1,894,507
(Decrease)/ increase in trade and other payables	(2,298,392)	1,296,851
Increase/ (decrease) in Employee provisions	(853,522)	576,380
Net Cash (used in)/ provided by operating activities	(10,546,727)	3,637,169

9. Cash and Cash Equivalents

	Consolidated	
	2013	2012
	$	$
Bank Balances	732,680	3,182,121
Call deposits	-	-
Cash and cash equivalents in cash flow statement	732,680	3,182,121

10. Receivables

	Consolidated	
	2013	2012
	$	$
CURRENT		
Security Bonds	18,674	18,674
Other Receivables and Accrued Income	9,625	7,000,000
Prepayments	377,398	126,942
GST paid on acquisitions	135,058	84,413
Total	540,755	7,230,029

All of the above receivables are held by a credit worthy party. Recoverability of the receivables is highly probable.

11. Inventories

	Consolidated	
	2013	2012
	$	$
Current		
Consumables	392,177	203,164
Ore Stockpile and in circuit	635,569	-
Total	1,027,746	203,164

12. Investments in Associates

On 28 December 2012, Citigold disposed all of its interest in Gateway Mining for a total of $2.31 million. This transaction resulted in the recognition of a loss, calculated as follows:

Value of Investment	(2,960,427)
Proceed from disposal	2,312,397
Adjustment in share of revaluation of reserves	53,588
Loss recognised on disposal of associate interest	**(594,442)**

13. Plant, Property and Equipment

	Consolidated	
	2013	2012
	$	$
Plant, Property and Equipment		
Exploration, Evaluation and Development expenditure		
Costs brought forward in respect of areas of interest:	114,636,480	106,963,344
Costs incurred in period	8,587,637	7,673,135
Less: Accumulated amortisation	(1,142,988)	(1,142,988)
Total exploration, evaluation and development expenditure	122,081,129	113,493,491
Development Property		
Costs brought forward	74,439,914	74,439,914
Less: Accumulated amortisation	-	-
Total development property	74,439,914	74,439,914
Freehold Land and Buildings		
- at cost		
Carrying amount at beginning of year	518,548	518,548
Add: Purchase of land during year	2,000,000	-
Carrying amount at end of year	2,518,548	518,548
Plant and Equipment		
At Cost	19,502,240	20,186,678
Less: accumulated depreciation	(13,558,749)	(12,845,956)
Carrying amount at end of year	5,943,491	7,340,722
Total Carrying Value	204,983,082	195,792,675

Reconciliation of Plant and Equipment:

	Consolidated	
	2013	2012
	$	$
Plant and Equipment		
Carrying amount at beginning of year	7,340,722	9,636,218
Net additions/(sale) during year	20,356	(414,913)
Less: depreciation charged in year	(554,075)	(944,764)
Transfer/Reclassification	(863,512)	(935,819)
Carrying amount at end of year	5,943,491	7,340,722

Mining Lease Renewal

The renewal application for the mining leases ML1348, ML1490, ML1521, ML1735, ML10193 and ML10196 are being processed as at the date of signing of this financial report. Based on the history of dealings between the consolidated entity and the Department of Natural Resources and Mines, which has led to renewals being granted in every case, the directors have no reasons to believe that these renewals will not be granted.

Leased Plant and Machinery

Entities in the consolidated entity lease production and development equipment under a number of hire purchase and finance lease agreements. At the end of each lease the entity has the option to purchase the equipment at a beneficial price. For the additions in the group during the period, no asset (2012: $0) was purchased under hire purchase and finance lease.

Exploration, Evaluation and Development expenditure

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

14. Other non-current assets

	Consolidated	
	2013	2012
	$	$
Security deposit against restoration costs lodged with the Department of Natural Resources and Mines	553,204	553,204

15. Payables and Accrued Liabilities

	Consolidated	
	2013	2012
	$	$
Current		
Trade creditors	1,176,286	2,568,919
Sundry creditors and accrued expenses	3,633,999	5,234,200
Total	4,810,285	7,803,119

16. Borrowings

	Consolidated	
	2013	2012
	$	$
Current		
Unsecured Liabilities		
Loan from unrelated parties	990,000	2,776,789
Insurance funding	13,350	120,692
Secured Liabilities		
Finance lease liabilities	-	507,360
Total	1,003,350	3,404,841
Non Current		
Unsecured Liabilities		
Convertible Bond(Note 17)	2,291,100	-

Loans from unrelated parties

The loans are all fixed interest and are recallable at any time. Interest is calculated at rate of 5% to 60% per annum.

Insurance funding

The fixed term loan matured on 20 August 2013 and interest is calculated at 5.33% per annum

17. Convertible Bond

The company entered in a agreement to issue 100 million 5% AUD$ denominated convertible bond over a 21 month period starting from 8 April 2013 at issue price of $1 million per bond. The convertible bond has a conversion price of 7 cents per share and 3 year term period. Conversion may occur any time during the term. If the bond has not been converted, they will be redeemed on the 7 April 2016 at $1 million per bond. Interest of 5% will be paid bi annually up until the settlement date. As at 30 June 2013, 1st tranche of 3 million dollars has been received.

The net proceeds received from the convertible bond have been split between the financial liability element and the equity component, representing the value of the option to convert the financial liability into equity of the company, as follows:

Proceeds of Issue	3,000,000
Liability at date of issue	(2,291,100)
Equity component	**708,900**

18. Provisions

	Consolidated	
	2013	**2012**
	$	**$**
Current Provisions		
Employee benefits	1,064,613	1,949,758
Total	1,064,613	1,949,758
Non Current Provisions		
Employee benefits	63,476	31,853
Restoration and rehabilitation	507,804	507,804
Total	571,280	539,657

Restoration, rehabilitation and environmental

The provision for restoration, rehabilitation and environmental work has been classified as a non-current provision as the obligation to perform such work will only arise on the cessation of mining. The provision, which has not been discounted to present value, is fully funded by a cash deposit of an equal or greater amount held by the Queensland Department of Employment, Economic Development and Innovation.

19. Issued Capital

Reconciliation of movement in issued capital of the parent entity

Movements in Issued Capital 2013:

Date	Details	Number of Shares	Issue Price	$
Balance as at 1 July 2012		1,238,622,051		189,868,247
07-Dec-12	Share Placement	114,285,714	0.07	8,000,000
	Total movement during the year	114,285,714		8,000,000
Balance for the year		1,352,907,765		197,868,247

Movements in Issued Capital 2012:

Date	Details	Number of Shares	Issue Price	$
Balance as at 1 July 2011		1,105,078,301		179,200,747
28-Jun-12	Share Placement	8,543,750	0.08	683,500
28-Jun-12	Share Placement	125,000,000	0.08	10,000,000
	Transaction costs on share issue			(16,000)
	Total movement during the year	133,543,750		10,667,500
Balance for the year		1,238,622,051		189,868,247

Share Options

The terms, amount and number of options are as follows:
Number of options outstanding as at 30 June 2013:

Issuing Entity	Number of options	Exercise Price	Expiry date of Option
Citigold Corporation Limited	7,997,917	$0.12	28 June 2015
Balance as at 30 June 2013	7,997,917		

Number of options outstanding as at 30 June 2012:

Issuing Entity	Number of options	Exercise Price	Expiry date of Option
Citigold Corporation Limited	4,090,000	$0.30	10 December 2012
Citigold Corporation Limited	7,997,917	$0.12	28 June 2015
Balance as at 30 June 2012	12,087,917		

Movement in share options

The movement in the company's share options during the year ended 30 June 2013 were as follows:

Date	Details	Number of options	Issue Price $	$
10-Dec-12	Expiry of options	(4,090,000)	-	-
Total Movement		(4,090,000)	-	-

Ordinary shares

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

Capital Risk Management

The Group considers its capital to comprise its ordinary share capital plus reserves.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a return for its equity shareholders through capital growth. In order to achieve this objective, the Group seeks to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through its new share issues, or the reduction of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

It is the Group's practice to maintain its gearing ratio within the range of 0 – 15% *(2012: 0 - 15%)*. The Group's gearing ratio at the balance date is shown below

	Consolidated	
	2013	**2012**
	$	**$**
Gearing Ratio:		
Net debt	3,294,450	3,404,841
Total equity	198,096,839	196,224,245
Total capital	201,391,289	199,629,086
Gearing Ratio	1.66%	1.74%

20. Reserves

	Consolidated	
	2013	2012
	$	$
Composition:		
Asset Revaluation Reserve	37,851,949	37,905,537
Capital Profits Reserve	571,430	571,430
Conversion Rights	708,900	-
Share Based Remuneration Reserve	834,163	834,163
Total	39,966,442	39,311,130
Asset Revaluation Reserve		
Balance at beginning of the year	37,905,537	37,932,030
Revaluation (decrease)/ increase during the year	(53,588)	(26,493)
Balance at end of Year	37,851,949	37,905,537
Capital Profits Reserve		
Balance at beginning of the year	571,430	571,430
Revaluation (decrease)/ increase during the year	-	-
Balance at end of Year	571,430	571,430
Conversion Rights		
Balance at beginning of the year	-	-
Option (decrease)/ increase during the year	708,900	-
Balance at end of Year	708,900	-
Share Based Remuneration Reserve		
Balance at beginning of the year	834,163	834,163
Revaluation (decrease)/ increase during the year	-	-
Balance at end of Year	834,163	834,163

Asset Revaluation
The asset revaluation reserve contains net revaluation increments and decrements arising on the revaluation of non-current assets.

Capital Profits
Upon disposal of re-valued assets, and increments standing to the credit of the asset revaluation reserve is transferred to the capital profits reserve.

21. Accumulated Losses

	Consolidated	
	2013	2012
	$	$
Accumulated losses at beginning of the year	(33,024,286)	(31,858,199)
Net Profit/ (loss) attributable to members of the parent entity for the year	(6,782,659)	(1,166,087)
Total	(39,806,945)	(33,024,286)

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

22. Financial Risk Management

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

These are the principal financial instruments from which financial instrument risk arises:

- Trade receivables
- Cash at bank
- Trade and other payables

Financial Instruments		**Consolidated**	
	Note	**2013**	**2012**
		$	**$**
Cash	9	732,680	3,182,121
Security bonds	10	18,674	18,674
Prepayments (if these are refundable)	10	377,398	126,942
Receivables	10	9,625	7,000,000
Deposits (if refundable)	14	553,204	553,204
Loans and Receivables (Cash and Cash equivalents)		1,691,581	10,880,941
Trade creditors	15	1,176,286	2,568,919
Sundry creditors and accrued expenses (exclude accrued expenses and any statutory amounts such as PAYG/Superannuation)		2,278,844	2,206,393
Loans from unrelated party	16	990,000	2,776,789
Loan- Insurance	16	13,350	120,693
Finance lease liability - current	16	-	507,360
Convertible Bond	16	2,291,100	-
Financial liabilities at amortised cost		6,749,580	8,180,154

Categories of financial Instruments		
Loans and Receivables (Including cash and cash equivalents)	1,826,640	10,880,941
Available for sale financial assets	-	-
Financial liabilities at amortised cost	(6,749,580)	(8,180,154)
Total	(4,922,940)	2,700,787

b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group.

The maximum exposure to credit risk at balance date is as follows:

	Consolidated	
	2013	2012
	$	$
Loans and receivables	1,093,960	7,698,820
Cash and Cash Equivalents	732,680	3,182,121
	1,826,640	10,880,941

Included in loans and receivables is a significant customer, located in Australia accounts for 100% of trade receivables at 30 June 2012. (2011: 100%).

The maximum exposure to credit risk at balance date by country is as follows:

	Consolidated	
	2013	2012
	$	$
Australia	1,826,640	10,880,941

c) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments, e.g. borrowing repayments. It is the policy of the Board of Directors that the Treasury maintains adequate committed credit facilities and the ability to close-out market positions. In addition, the entity carefully monitors its actual and forecast cash flow and matching them to current obligations

Financing arrangements

Maturity Analysis - Group 2013

Financial Liabilities	Carrying Amount	Contractual Cash flows	< 6 mths	6- 12 mths	1-3 years	> 3 years
	$	$	$	$	$	$
Trade Creditors	1,176,286	1,176,286	1,176,286	-	-	-
Convertible Bond	2,291,100	2,291,100	-	-	2,291,100	-
Term Loans	990,000	990,000	990,000	-	-	-
Loans others	13,350	13,350	13,350	-	-	-
TOTAL	4,470,736	4,470,736	2,179,636	-	2,291,100	-

Financial Assets	Carrying Amount $	Contractual Cash flows $	< 6 mths $	6- 12 mths $	1-3 years $	> 3 years $
Trade debtors	9,625	9,625	9,625	-	-	-
Other receivables	-	-	-	-	-	-
Loans to related parties	-	-	-	-	-	-
TOTAL	9,625	9,625	9,625	-	-	-

Maturity Analysis - Group 2012

Financial Liabilities	Carrying Amount $	Contractual Cash flows $	< 6 mths $	6- 12 mths $	1-3 years $	> 3 years $
Trade Creditors	2,568,919	2,568,919	2,568,919	-	-	-
Finance lease liabilities	507,360	507,360	507,360	-	-	-
Term Loans	2,776,789	2,776,789	2,776,789	-	-	-
Loans others	120,693	120,693	120,693	-	-	-
TOTAL	5,973,761	5,973,761	5,973,761	-	-	-

Financial Assets	Carrying Amount $	Contractual Cash flows $	< 6 mths $	6- 12 mths $	1-3 years $	> 3 years $
Trade debtors	-	-	-	-	-	-
Other receivables	7,000,000	7,000,000	7,000,000	-	-	-
Loans to related parties	-	-	-	-	-	-
TOTAL	7,000,000	7,000,000	7,000,000	-	-	-

d) Market Risk

Market risk arises from the use of foreign currency financial instruments. It is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (currency risk).

e) Interest rate risk

All loans have fixed interest rates, cash and cash equivalents are invested at variable interest rates subjecting the interest amount received to interest rate risk. The balance in cash and cash equivalents will not drop regardless of the interest rate therefore there is no down side interest rate risk.

Sensitivity Analysis

Consolidated - 2013	Carrying Amount AUD $	+1% Profit $	-1% Profit $
Cash and cash equivalents	732,680	7,327	-
Tax charge of 30%	-	(2,198)	
After tax increase/ (decrease)	-	5,129	-

The above analysis assumes all other variables remain constant.

Consolidated - 2012	Carrying Amount AUD	+1% Profit	-1% Profit
	$	$	$
Cash and cash equivalents	3,182,121	31,821	-
Tax charge of 30%	-	(9,546)	
After tax increase/ (decrease)	-	22,275	-

23. Commitments

Finance Lease Liabilities

	Consolidated	
	2013	2012
	$	$
Finance Lease Commitments Payable		
- not later than one year	-	521,116
- later than one year but not later than five years	-	-
Minimum lease payments	-	521,116
Less future finance charges	-	(13,756)
Total lease liability	-	507,360

The finance leases commitments are for finance leases over mining machinery, office equipment, motor vehicles and portable items of plant. At the end of each lease, the entity has the option to purchase the equipment at a beneficial price. The leases are on normal commercial terms and conditions and are for terms of between one and five years. The group's obligations under the leases are secured by the lessor's title to the leased assets.

Exploration expenditure commitments

The consolidated entity and the Company have the following discretionary exploration expenditure commitments in respect of exploration to maintain current mineral rights of tenure. These commitments may be reduced by renegotiation upon renewal of the tenements, or by relinquishment of tenure.

	Consolidated	
	2013	2012
	$	$
Exploration expenditure commitments payable:		
- not later than one year	389,200	389,200
- later than one year but not later than five years	1,463,844	1,463,844
Total	1,853,044	1,853,044

Operating lease commitments

Operating Lease Commitments in respect of non-cancellable operating leases contracted for but not capitalised in the financial statements

	Consolidated	
	2013	2012
	$	$
Operating lease commitments payable		
- not later than one year	88,578	50,028
- later than one year but not later than five years	219,394	296,363
Total	307,972	346,391

The general terms of the operating lease commitments disclosed above are: Non - cancellable leases for rental of office equipment and rental of office for term of 5 years. Rentals are payable monthly. The rental of the office agreement contains escalation clauses in line with annual inflation.

24. Consolidated Entities

	Country Of Incorporation	Ownership Interest 2013	Ownership Interest 2012	Date of Incorporation
Charters Towers Gold Pty Ltd	Australia	100	100	5 Oct 1995
Charters Towers Mines Pty Ltd	Australia	91.5	91.5	14 Mar 1984
Charters Technology Pty Ltd	Australia	100	100	13 Jan 2000
Gold Management Pty Ltd	Australia	100	100	28 Jan 2000
Gold Projects Pty Ltd	Australia	100	100	25 Jan 2000
Great Mines Pty Ltd	Australia	100	100	19 Mar 1984
Deeprock Mining Pty Ltd	Australia	81.2	81.2	18 Jun 1984
Queensland Gold Mines Pty Ltd	Australia	100	100	27 Feb 2006
Citigold FZCO	UAE	-	100	11 Dec 2002
Indo Citigold Pte Ltd	Singapore	51	-	21 May 2012

25. Financial Instruments

Exposure to credit, interest rate risk and currency risk arise in the normal course of the consolidated entity's business. No hedging of this risk is undertaken by the consolidated entity.

Fair Values

	2013		2012	
	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Trade and other receivables	540,755	527,720	7,230,029	6,757,036
Cash and cash equivalents	732,680	732,680	3,182,121	3,182,121
Trade and other payables	(3,455,130)	(3,290,600)	(7,804,369)	(7,588,108)
Non current assets(note 14)	553,204	539,869	553,204	517,013
Non-current interest bearing liabilities (note 16)	2,291,000	1,979,052	-	-

Securities

Fair value is based on quoted market prices at the balance date without any deduction for transaction costs.

26. Related Party Transactions

(a) Parent entity

The ultimate parent entity within the Consolidated Group is Citigold Corporation Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 24.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 31

(d) Loans to related parties

Citigold Corporation Limited has provided unsecured, interest free loans to its wholly owned subsidiaries. An impairment assessment is undertaken each financial year by examining the financial position of the subsidiary and the market in which the subsidiaries operate to determine whether there is objective evidence that the loan to each subsidiary is impaired. When such objective evidence exists, the Company recognises an allowance for the impairment.

(e) Loans from related parties

Citigold Corporation Limited has been provided unsecured, interest free loans from its wholly owned subsidiaries.

27. Subsequent Events

Nil

28. Going Concern

The financial statements have been prepared on a going concern basis. As in previous financial periods, the ability of the consolidated entity to meets its expenditure commitments and progress with its development and exploration program is dependent upon production and continued capital raising.

29. Contingent Liabilities

Citigold are continuing discussion with the Department of Environment, Heritage and Protection in regards to the adequacy of financial assurance provided for the purpose of mine rehabilitation. The potential liability can be up to a maximum of $7.6 million.

30. Segment Reporting

The consolidated entity operates in the mining exploration industry. Details of the mining exploration activities are set out in the review of operations. Each company within the consolidated entity operates within the one geographic area, being Australia.

31. Key management personnel disclosures

a) Directors

The following persons were Directors of Citigold Corporation Ltd during or since the financial year:

M.J. Lynch	Executive Chairman
J.J. Foley	Non Executive Director
B. White	Non Executive Director (retired as Executive Director Mining 1 September 2013)
K. Koh	Non Executive Director
N. Ng	Non Executive Director (Appointed 3 July 2013)
R. Tan	Non Executive Director (Appointed 6 February 2013)
A. Panchariya	Non Executive Director (Appointed 22 September 2013)
S. Panchariya	Non Executive Director (Resigned 22 September 2013)
M Gill	Non Executive Director (Resigned 3 July 2013)
G. Goel	Non Executive Director (Resigned 24 May 2013)

(b) Other Key Management Personnel

The following persons also have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, during the financial year:

M B Martin	Chief Executive Officer (Appointed 22 September 2013)

(c) Key management personnel compensation

	Consolidated	
	2013	2012
	$	$
Short term employee benefits	1,529,602	1,388,381
Post employment benefits	19,994	36,706
	1,549,596	1,425,087

Further information regarding the identity of key management personnel and their compensation can be found in the Audited Remuneration Report contained in the Directors' Report on pages 18 to 24 of this annual report.

(d) Key management personnel equity interest

Shares

The number of shares held in the Company during the financial year by each Director and each of the Key Management Personnel of the Group, including related entities, are set out below:

2013	Balance at the start of the year	Exercise of options	Other net changes during the year	Balance at the end of the year
J J Foley	4,736,450	-	-	4,736,450
M J Lynch	81,347,083	-	-	81,347,083
B White	28,350	-	-	28,350
K Koh	49,000,000	-	-	49,000,000
N Ng	-	-	-	-
R Tan	-	-	-	-
S Panchariya	-	-	-	-
Other Key Management Personnel				
M B Martin	30,000	-	-	30,000

2012	Balance at the start of the year	Exercise of options	Other net changes during the year	Balance at the end of the year
Directors				
J J Foley	4,736,450	-	-	4,736,450
M J Lynch	81,347,083	-	-	81,347,083
B White	28,350	-	-	28,350
K Koh	49,000,000	-	-	49,000,000
G Goel	-	-	-	-
Other Key Management Personnel				
M B Martin	30,000	-	-	30,000

Options

(a) Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options can be found in the detailed remuneration disclosures to the Directors Report.

(b) The number of options held in the Company during the financial year by each Director and each of the Key Management Personnel of the Group, including related entities, are set out below:

Directors

No Directors held options in the group during the period or the year prior

Other Key Management Personnel

No Other Key Management Personnel held options in the group during the period or the year prior

LOANS TO DIRECTORS OR KEY MANAGEMENT PERSONNEL

No loans were granted to any directors or other key management personnel of the Company and the group during the period ending 30 June 2013.

TRANSACTIONS RELATING TO KEY MANAGEMENT PERSONNEL

During the year, a company relating to Key Management Personnel entered into short term equipment lease agreement with Citigold. The equipment is leased at $14,000 per week. This lease ceased prior to the end of calendar 2012 year.

32. Parent Entity Financial Information

a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	Parent Entity	
	2013	2012
	$	$
Balance Sheet		
Current assets	512,987	10,231,171
Total assets	209,162,634	212,688,200
Current liabilities	3,269,087	5,144,406
Total Liabilities	9,740,628	11,918,231
Shareholders' equity		
Issued Capital	197,868,246	189,868,246
Reserves	39,395,013	38,739,701
Accumulated losses	39,354,882	27,837,978
Profit and Loss		
Loss for the year	11,516,905	4,042,327
Total comprehensive loss	11,570,493	4,068,819

b) Guarantees entered into by the parent entity

Citigold Corporation Limited has provided unsecured guarantees in respect of the provisions of financial assistance to of some of the subsidiaries within the Group. No liability was recognised by Citigold Corporation Limited in relation to these guarantees as the likelihood of payment is not probable.

c) Contingent liabilities of the parent entity

There are no contingent liabilities in respect of the parent entity.

d) Contractual commitments by the parent entity for the acquisition of property, plant and equipment.

There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment.

Directors' Declaration

In the opinion of the directors of Citigold Corporation Limited

a) The financial statements and notes set out on pages 31 to 63 are in accordance with the Corporations Act 2001 including:

   (i) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (ii) giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2013 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date; and

b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

c) The remuneration disclosures included in pages 18 to 24 of the Directors' Report (as part of the Remuneration Report), for the year ended 30 June 2013, comply with section 300A of the Corporations Act 2001; and

d) there are reasonable grounds to believe that the company and the group entities identified in Note 25 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to ASIC Class Order 98/1418.

The directors have been given the declarations by the chief executive officer and chief financial officer for the financial year ended 30 June 2013 pursuant to Section 295A of the corporations act.

This declaration is made in accordance with a resolution of the directors.

M J Lynch
Chairman

J J Foley
Director

Dated at Brisbane this 30th day September 2013

Auditors Report

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CITIGOLD CORPORATION LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Citigold Corporation Limited (the company) and Citigold Corporation Limited and Controlled Entities (the consolidated entity) which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date, a summary of significant accompanying policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

We have also audited the remuneration disclosures contained in the Directors' report. As permitted by the Corporations Regulations 2001, the company has disclosed information about the remuneration of Directors and executives ("remuneration disclosures"), required by Australian Accounting Standard AASB 124: Related Party Disclosures, under the heading "Remuneration Report" in the Directors' report and not in the financial report.

Director's Responsibility for the Financial Report and the Remuneration Report contained in the Directors' Report

The Directors of Citigold Corporation Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS). The Directors of the company are also responsible for the remuneration report contained in the Directors' Report in accordance with s300A of the Corporations Act 2001.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration report in the Directors' Report is in accordance with Australian Auditing Standards.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors as well as evaluating the overall presentation of the financial report and the remuneration disclosures contained in the Directors' report.

Liability limited by a scheme approved under Professional Standards Legislation

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CITIGOLD CORPORATION LIMITED (Cont'd)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Citigold Corporation Limited would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion
In our opinion:

(a) the financial report of Citigold Corporation Limited and Citigold Corporation Limited and Controlled Entities is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2013 and of their performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report of the company and consolidated entity also comply with IFRS as disclosed in note 1.

Auditor's opinion on the Remuneration Report contained in the Directors' Report.

In our opinion, the remuneration disclosures that are contained on pages 18 to 22 of the Directors' Report comply with S300A of the Corporations Act 2001.

KS Black & Co
Chartered Accountants

Faizal Ajmat
Partner
Sydney, 30 September 2013

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