

ANNOUNCEMENT



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Appendix 1 to Update

26 June 2014: Brisbane, Australia – Citigold Corporation Limited (“Citigold” or “Company”) (ASX:CTO) refers to the announcement titled “Update” released on 23 June 2014 (Update).

Attached is APPENDIX 1 that forms part of the Update.

In accordance with reporting requirements in Appendix 1 are the notes to accompany the Exploration Results.

There have been no changes to the content of the Update announcement other than the addition of the below attached Appendix 1 and refinement to the JORC Statement wording below.

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In accordance with the 2012 JORC Code, the following statements apply in respect of the information in this report that relates to Exploration Results. 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 and was appointed as an Executive Director of Citigold in April 2014. He has the relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined in the 2012 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, 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. Explanatory notes to this current report are given in Appendix 1.

Cautionary Note: *This release may contain forward-looking statements that are based upon management’s expectations and beliefs in regards to future events. These statements are subjected to risk and uncertainties that might be out of the control of Citigold Corporation Limited and may cause actual results to differ from the release. Citigold Corporation Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release*

APPENDIX 1

In accordance with reporting requirements below are the notes to accompany the Exploration Results.

Section 1 Sampling Techniques And Data		
Criteria	Explanation	Accompanying statement
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<p>Details of the soil sampling methods were given in the body of this report. 29 soil samples were collected on a 50m (N-S) x 100m (E-W) grid. Samples included all material from the surface to a depth of approximately 30cm. Samples varied from 2.5 - 4 kilograms. Additional "infill" samples have been collected and treated using the same method for a total of 43 samples. Sampling methods follow guidelines and methodologies established by Citigold throughout its mining and exploration history. These methods are described in detail in the 2012 JORC compliant Mineral Resources and Reserves Report which can be found on the company's website (www.citigold.com).</p>
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	Not applicable – soil sampling only.
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	Not applicable.

Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • The logging describes the dominant and minor rock types, colour, mineralisation, oxidation, degree of alteration, alteration type, vein type.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>29 soil samples were collected on a 50m (N-S) x 100m (E-W) grid. Samples included all material from the surface to a depth of approximately 30cm. Samples varied from 2.5 - 4 kilograms. Samples were dried, all material crushed to <3mm and then panned for visible gold. The resulting heavy mineral fraction separated during panning was treated with concentrated HCL and then the gold split from the sample and weighed using a calibrated laboratory scale. Additional "infill" samples have been collected and treated using the same method for a total of 43 samples.</p> <p>Larger 100 - 500 kilogram samples have been sampled by crushing to <3mm and then the sample placed over a Gemini Table to remove the heavy mineral fraction. Although visible gold was found in all samples, it was discovered that this second (larger) sampling technique failed to recover all of the gold and has since been altered). Work is ongoing and quality control testing, while regarded as adequate, is being reviewed.</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>Crushed samples were panned for visible gold. The resulting heavy mineral fraction separated during panning was treated with concentrated HCL and then the gold split from the sample and weighed using a calibrated laboratory scale.</p> <p>Larger 100 - 500 kilogram samples were crushed to <3mm and the sample placed over a Gemini Table to remove the heavy mineral fraction. Visible gold was found in all samples and weighed using a calibrated laboratory scale.</p> <p>The larger sampling technique failed to recover all of the gold and has since been altered. Quality control techniques, while regarded as adequate, are being reviewed.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<p>Given the inexact nature of panning as an extraction technique, sample values are difficult to reproduce. Actual grades could be misleading as they may not be representative and are therefore not reported.</p>

Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. -Quality and adequacy of topographic control. • Data spacing and distribution-Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Citigold uses a combination of grids including a local mine grid and AMG AGD66 Zone 55 which closely approximates the local mine grid. • All coordinates are provided in AMG AGD66 unless otherwise stated. • Citigold uses a geo-registered 50cm pixel satellite photograph acquired in September of 2013 as a secondary check on the spatial location of all surface points.
Data spacing and Distribution	<ul style="list-style-type: none"> • Data spacing for reporting of exploration results • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	29 soil samples were collected on a 50m (N-S) x 100m (E-W) grid. Additional "infill" samples have been collected and treated using the same method for a total of 43 samples. Further work is continuing to define the limits of mineralisation. Samples were not composited or combined.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	Soil samples were taken on a grid pattern to try to establish the underlying geological structures in detail.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Samples were collected and processed on site as set out above.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	No auditing of the current soil samples has been undertaken as the program is still in progress.

Section 2 Reporting of Exploration Results		
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	The samples were taken on ML1348, ML1490, ML10091 and MDL 251, all granted and current, controlled 100% by the Company.
Exploration done by other parties	<ul style="list-style-type: none"> • Acknowledgment and appraisal of exploration by other parties. 	The area was mined underground in the 1890s. Soil samples were taken by Western Mining Corporation over 30 years ago, and this data examined prior to the recent sampling reported here.

Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Mineralisation at Charters Towers is referred to as "orogenic" style narrow vein mesothermal gold deposit. • The many reefs are hosted within a series of variably-oriented fractures in granite and granodioritic host rocks. Mineralisation does occur in adjacent metasedimentary rocks. • The gold-bearing reefs at Charters Towers are typically 0.3 metres to 1.5 meters thick, comprising hydrothermal quartz reefs in granite, tonalite and granodiorite host rocks. There are some 80 major reefs in • The reefs are hydrothermal quartz-gold systems with a gangue of pyrite, galena, sphalerite, carbonate, chlorite and clays. The reefs occur within sericitic hydrothermal alteration, historically known as "Formation".
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> • <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Not applicable.
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • No aggregation, compositing or combining of sample sections have been used. • Metal equivalents are not used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Not applicable – soil samples only.
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	Not applicable – not yet a significant discovery.
Balanced reporting	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results</i> 	Given the inexact nature of panning as an extraction technique, it would be misleading to present any actual calculated grades as they may not be representative.

Other substantive exploration data	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • Not applicable to this report
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Future work will concentrate on further soil and bulk samples.
Section 3 Estimation and Reporting of Mineral Resources Section 4 Estimation and reporting of Ore Reserves		Section 3 and Section 4 do not pertain to this report.