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## ANNOUNCEMENT

### **Citigold US\$5 million Alliance with Fortune of Dubai**

**21 April 2015: Brisbane, Australia** – Citigold Corporation Limited (“Citigold” or “Company”)(ASX:CTO) is pleased to advise that it has reached agreement with Fortune Gems and Jewellery DMCC (Fortune) for the future refining of its Charters Towers gold dore’ bars production for 5 years and a US\$5 million loan to Citigold repayable in gold.

The US\$5 million equates to about A\$6.4 million. The funds will be used for general working capital including early repayment of the existing CGN Finance Pty Ltd secured Note and to assist planning to bring forward the move back into gold production. This agreement is separate from and in harmony with the previously announced KIG joint venture agreement due for completion in June 2015 and activation of the JV thereafter.

Fortune are gold traders with substantial Indian refining facility arrangements. India based global finance advisors Herring International Corp arranged this gold linked debt transaction.

In addition to the future refining of gold dore’ bars Citigold has agreed to pay a 1% marketing fee to Fortune on its share of gold production over a 3 year period.

The Note and security terms are:

- Structure – Secured Redeemable Notes.
- Fortune payments to Citigold –
  - i. US\$3 million (~A\$3.9 million) on or before 21 April 2015
  - ii. US\$2 million (~A\$2.5 million) on or before 21 May 2015.
- Security – Mortgage over gold processing plant.
- Term – 6 months.
- Interest rate – Nil.

- Notes to be Issued – 50,000.
- Note Issue price – US\$100 each.
- Redemption price – US\$130 each.
- Redemption payable in gold to equivalent value.

The first payment to Citigold has been received.

This is another step towards the resumption of low cost gold production. One of the important goals is to ensure that gold production productivity is maximized as Citigold expands its high-grade underground mine at Charter Towers by using the latest technologies and efficiencies. We plan to compete for the world's lowest quartile "all in" gold production costs.

For further information contact:

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Or visit the Company's web site at: [www.citigold.com](http://www.citigold.com)

*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.*