



## ANNOUNCEMENT

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### Update on KIG JV

**22 July 2015: Brisbane, Australia** – Citigold Corporation Limited (“Citigold” or “Company”) (ASX:CTO) is pleased to advise an update to the announced agreement with Kingsford Investment Groups Ltd (“KIG”).

KIG has requested a further extension in time to 26 August 2015 to provide the \$72 million for the joint venture between KIG and Citigold to begin. The parties have today entered into a Second Amendment Agreement to extend the payment.

KIG are extremely keen to work with Citigold to develop the gold mine and they are very confident that with the additional time they can settle. Citigold looks forward to commencing the joint venture together growing the Charters Towers project into a major gold producer.

The current agreement seeks to fully fund development of the Charters Towers gold project upfront so that the capital works program can be carried out to completion. It has been a very long journey developing this world class gold project and this is a relatively small extension. The KIG extension of time is commercially reasonable and in the best interests of Citigold. The Company has worked very hard to build the relationship with KIG and this relationship can produce huge benefits for Citigold stakeholders including shareholders, the local Charters Towers community, employees and the government through royalties.

In the meantime the team at Citigold continues to advance readiness for the gold project including refining the strategy to ensure the project is executed on time and budget. This planning includes a mining system that will result in low mining costs and high productivity.

Management consultants have been engaged to assist in project planning. The preparation includes meetings with potential mining contractors, consultant engineers, geologists, environmentalists and personnel hire companies ahead of recommencement of operations when funding is received. Mine design, planning and scheduling were discussed, together with upgrading the processing plant. Additionally solar generation, underground communications, automation and a cutting edge mining system are being advanced as parts of the overall system.

The realistic goal is an ultra low cost per ounce gold mine.

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Or visit the Company's website – [www.citigold.com](http://www.citigold.com)

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