



Quarterly Report

30 April 2020

For the period ending 31 March 2020

HIGHLIGHTS

- The Company continues to review its business plan, schedules and strategies with operational and capital cost efficiencies an ongoing focus.
- Major project funding discussions actively continued with interested strategic partners to expand Citigold's production-ready Charters Towers Gold Project (Gold Project).
- The quarter saw a focus on the upside potential for exploration areas held by the Company that surround our production leases that have along strike potential for extensions of existing mineral resources. Mineral Resources and Ore Reserves remain unchanged during the period.
- The very substantial work and studies, including previous test mining, support the Company's view that the Gold Project can provide a long and profitable mine life for the Company, shareholders and local community.
- In January 2020, project design activity increased with an optimisation review underway for the Central underground layout, to potentially bring forward first gold production and efficiently ramp up production.
- The Company has a substantial inherent value in its large high-grade Charters Towers gold assets, and we are focused on unlocking that value for shareholders.
- Our aim is to be a 300,000 plus ounces per annum ultra-low-cost gold producer in five years using state of the art technologies and efficiencies, all with the aim of returning substantial profits to shareholders in harmony with the local environment.

OPERATIONS

Planned Resumption of Mining

Corporate plans for the resumption of mining remain unchanged with the main 'Central Mine' underground to be the first area planned to bring into production.

The underground mining operations at the Company's Charters Towers 'Central' and 'Imperial' mining areas remained on care and maintenance during the quarter, with no gold production.

The 'Central' underground is expected to be a major contributor to our aim of being a 300,000 plus ounces gold producer within 5 years.

Resumption of mining at Charters Towers is contingent on a sufficient level of capital financing, with active planning continuing during the quarter.

The Charters Towers Gold Project is the Company's prime focus.

Citigold's go-forward business plan is an outsourced model. This approach can bridge the usual 'growing pains' involved in expanding by internally building a staffing team.

There is a core team at Citigold with a clear strategy and plan to develop the mine. They can engage external consultants and contractors to undertake all of the relevant tasks.

An outline of the mining plan for the Central mining area has been given in previous reports.

Designs and strategies for the Central Mine refined during the quarter, with a focus on an 'optimal' mine design methodology, for the geometry and rock conditions of our particular gold deposit.

The very substantial work and studies, including previous test mining, support the Company's view that the Charters Towers project can provide a long and profitable mine life.

With a solid data foundation to build on, the remaining project funding will be mainly used for the underground development, tunnelling and materials handling systems for the 'Central' mining areas.

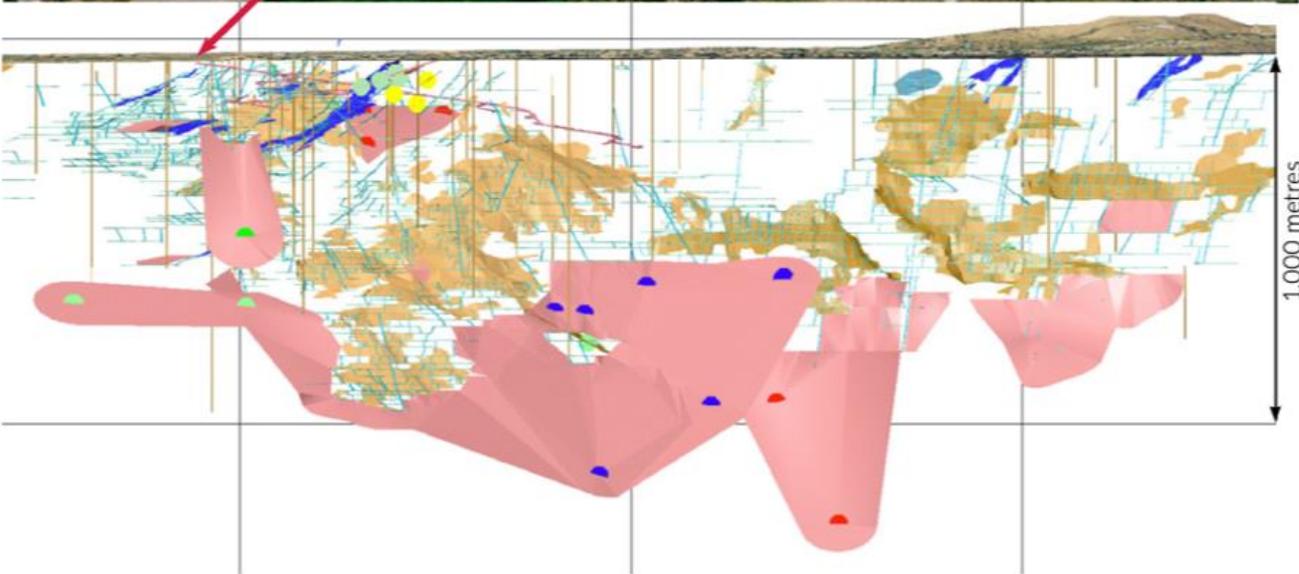
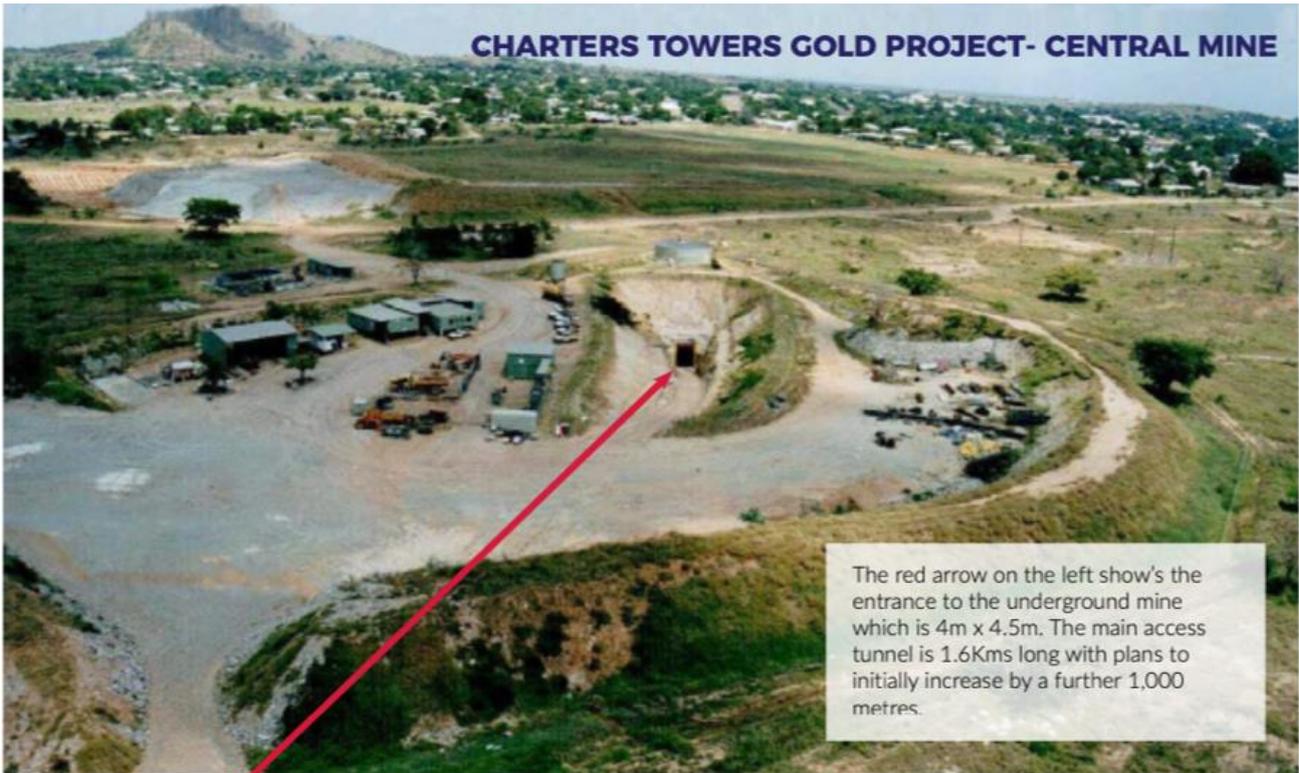
We continue to plan for the resumption of underground mining. We will be focused on beginning to deliver on our announced strategy. Your Company has a substantial inherent value in its large high-grade Charters Towers gold assets.



ABOVE: The gold ore at Charters Towers is visually very different to the host granite rock, and therefore relatively easy to follow for miners when excavating the tunnels in the ore in preparation for stoping (ore extraction).



CHARTERS TOWERS GOLD PROJECT- CENTRAL MINE



ABOVE TOP: Photo of Citigold's Central mine site and the entrance to the underground ramp portal.

ABOVE: Shows the gold areas to be mined in **PINK** and, the **BROWN** areas were previously mined.

GREY lines are 1 kilometer grid spacing, large gold deposit is in **PINK** and mining gold starts at shallow 300 metres deep.

Long section looking south, showing the drill pierce points through the Central Area Indicated Mineral Resource structures. Above diagram, see Technical Report page 107, ASX announcement dated 21 May 2012 Mineral Resources & Reserves Report.

The above diagram is based on estimates of mineral resources. The material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

GEOLOGY AND EXPLORATION

The Quarter continued to see an ongoing focus on the upside potential of our exploration areas for extensions of resources adjacent to production leases.



ABOVE: Extensive downhole geophysics trials were previously conducted to try and assist in the boundary definition process of the high-grade mineralisation, and locating 'new' reefs.

A field trip looked at accessing future drilling areas, with a substantial budget for exploration area drilling in the Company's forward plan and budget.

Citigold's knowledge base of the Charters Towers reef systems is unique in the world due to the very large investment to date in all facets of exploration, including data collection, drilling and underground test mining data.

During the Quarter, assessment continued on the frequency of the payable sections of past mining. Reassessment of geological information collected by the Company has led to the geological conclusion that the payable sections of the reefs may be more frequent and/or closer spaced than previously thought. This assessment means that there will be an ongoing reassessment of much of the surface and underground data collected.

During the Quarter, no new exploration drilling was undertaken.

The fullest exploration of the Charters Towers goldfield is planned. Substantial exploration funds are in our overall go-forward budgets.

Regulatory reporting and compliance continued during the Quarter.

Mineral Resources and Ore Reserves

The Company's prime focus is the Gold Project.

The Project comprises of the 11 million ounce gold deposit, with an Inferred Mineral Resource of 25 million tonnes at 14 grams per tonne gold and 620,000 ounces of gold in the Probable Ore Reserve (2.5 Mt @ 7.7 g/t Au at a 4 g/t cut-off) (See ASX announcement dated 21 May 2012 Mineral Resources and Reserves report).

Citigold's Mineral Resources and Ore Reserves for the overall Gold Project are reported in accordance with the Australasian JORC Reporting Code 2012.



ABOVE: Underground, the gold reef is clearly visible running at a 45-degree angle in lighter colour.



ABOVE: Underground during test mining loading rock into the truck for haulage to the surface. This was at the 'Imperial mine, located about 5 kilometres from 'Central'. Future mining will be at 'Central' where there are many more reefs.

Mineral Resources and Ore Reserves remain unchanged during the period.

The material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

See full report: <https://www.citigold.com/technical-reports/>

Research and Development

Overall, Citigold's innovation program in mining and exploration is driven by finding what is useful and works for our Gold Project, rather than what maybe applicable to the general industry.

Renewable energy is planned, over time, to become the primary energy source. Modern renewable energy and battery storage systems provide benefits not available a decade ago.

Interest is being explored with external parties about the potential supply of renewable energy to the mining operations. There is the potential for a captive energy for the mining operations only and or the ability to export larger quantities above the mine's own needs.

The Company is currently considering further developing previously trialled exploration technologies for wider application with the Company's forward exploration program.

Citigold's innovation efforts and achievements will assist the faster definition of the high-grade gold areas. The formation of our automation development plans are continuing.

HEALTH, SAFETY, COMMUNITY AND ENVIRONMENT

There were no Lost Time Injuries, significant environmental, health or safety issues during the quarter.

There were no reportable environmental incidents during the quarter. The Company's project strives for good environmental operations and continues its pleasing record. These favourable achievements, on the ground, are assisted by the relatively benign chemical properties of the local rocks and the operational care taken at the sites.

The Company's Lost Time and Disabling Injury Frequency Rate (LTIFR and DIRF) remains at zero. Citigold is committed to creating and maintaining a safe environment, both in the workplace and in the local community.



ABOVE: Charters Towers ore from Citigold test mining previously undergoing early-stage 'ore sorting' test trials. The aim is to mechanically remove unmineralised bulk rock 'dilution' that occurs in the ore mining process and reduce tonnage before it enters the wet end of the processing plant.



CORPORATE

Financial Highlights

During the period, the 2019 Half Yearly Report was released. The net assets of the Group at 31 December 2019 was \$99.5 million (30 June 2019 was \$100 million). The loss after tax for the Group during the half-year was \$1.6 million (31 December 2018 was \$1 million).

In the first half year, the Company completed a broad shareholder \$1.21 million capital raising. In addition to this, the Company completed a \$100,000 capital raising during this Quarter confirming the continued support of investors and shareholders.

With the production-ready Charters Towers Gold Project remaining in care and maintenance, the focus is on completing the major funding discussions and moving to gold production and revenue thereafter.

During the Quarter and since the end of the Quarter, the Company has drawn down on the \$1 million loan facility put in place in December 2018.

The Company has the share placement flexibility to issue securities up to 15% annual placement capacity and may raise up to, or above, circa \$2 million depending on the share price. The Company further has the ability to raise funds from the sale of gold in the ground and loan facilities as previously announced.

Development Funding

Activities during the Quarter continued to remain heavily focused on advancing discussions with strategic funding partners. The gold price is encouraging near US\$1,700 (AU\$2,600) per ounce.

CHARTERS TOWERS PROJECT OVERVIEW

Citigold is an Australian gold mining and exploration company, operating on the core high-grade Charters Towers goldfield in north-east Australia, 1,000 kilometres north of Brisbane, Queensland, and 130 kilometres south-west from the major coastal port of Townsville.

The Gold Project is one of Australia's largest high-grade pure gold deposits.

The Company does not require additional mine acquisitions to sustain long term gold production.

Citigold has already invested over \$200 million in acquiring the gold deposit and developing the infrastructure for mining at Charters Towers.

Prior years test mining operations have produced over 100,000 ounces of gold.

The Company is seeking to raise the required capital funding to complete the underground capital works. The business plan and capital expenditure program shows the gold production to commence within 12 months or less of the injection of the required capital into the Project.



ABOVE: A mined area from Citigold's test mining showing the floor of the level drive, and the stope voids (ore extracted area) above and below the level. The ore has been cleanly extracted, showing how the mining method minimizes dilution by maintaining a narrow stoping 'slot' width.

SUMMARY OF MINING TENEMENTS & AREAS OF INTEREST

Citigold reports that the Consolidated Entity has a 100% control of the following mineral titles at Charters Towers as at 31 March 2020 and there were no acquisitions or disposals during the quarter:

Exploration Permit Minerals	EPM 15964	EPM 15966	EPM 18465	EPM 18813	EPMa 27287
Minerals Development Licences		MDL 118	MDL 119	MDL 252	
Mining Leases	ML 1343	ML 1430	ML 1545	ML 10193	ML 10284
	ML 1344	ML 1472	ML 1585	ML 10196	ML 10335
	ML 1347	ML 1488	ML 10005	ML 10208	
	ML 1348	ML 1490	ML 10032	ML 10222	
	ML 1385	ML 1491	ML 10042	ML 10281	
	ML 1398	ML 1499	ML 10091	ML 10282	
	ML 1424	ML 1521	ML 10093	ML 10283	

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Authorised for release: by Mark Lynch, Chairman, Citigold Corporation Limited.

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.

Competent Person Statement:

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. Mr Towsey is a Chartered Professional (Geology) and currently independent of Citigold Corporation Limited, having previously been a Director of the Company from 2014-June 2016. 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 2012. 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