ANNUAL REPORT
2015

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CITIGOLD corporation

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BUSINESS OVERVIEW

Citigold Corporation Ltd (Citigold) is an Australian gold mining and exploration company, operating 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 14grams 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 plan to develop the project in stages over a five year period, subject to adequate funding, building 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 to support underground mining is already in place including the gold process plant.

Citigold has a motivated and experienced core management team focused on expanding into an ultra low cost gold producer. The company is now in discussion with several parties about funding this expansion.

The Charters Towers gold deposit is large and forecasts show that it has the potential to generate substantial positive cash flows for many years. This will help generate large returns for all shareholders over time, Through the enabling mantra:

"Smarter, Faster, Better, Cheaper"

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CHAIRMAN'S LETTER

Dear Shareholder,

Thank you to all shareholders who have remained with and supported their Citigold for many years patiently.

Securing the major development funding needed for the full development of the Charters Towers Gold Project has been a dominant activity this year. Prior to June 2015 Citigold entered into an agreement to form a Joint Venture with Kingsford Investment Groups Ltd (KIG) that proposes to deliver $72 million in initial funding to advance the Project. The settlement of this funding has been delayed, for details see ASX announcements. In the meantime Citigold has the opportunity to proceed with a superior deal and is working to finalise one of the negotiations currently underway.

During the year Board numbers were reduced from five to four directors and with the departure of the CEO near years end, will produce cost savings. The role of CEO was assumed by myself. Further management restructuring included, appointing a full time Company Secretary, Mr Francis Rigby. His economics and professional Financial Advisor background may see his usual compliance role expand over time to include whole of business Chief Risk Manager. With the Company's new contract accountant now also taking on the CFO role, a skilled and dedicated lower cost management team is ready for driving planned growth.

Considerable time has been devoted by mine staff to developing a detailed mine plan and schedule to commence gold mining when funding is finalized. This process has been guided by Gibsons project management consultants. This plan is to extend the existing Central Decline to intersect new areas to mine while opening up a second vertical ventilation shaft for the recommencement of gold production. Our teams geological knowledge and confidence on what this goldfield could yield has never been stronger.

An ultra low cost mining approach is a key focus. Citigold has been in discussions with mining equipment manufacturers about innovative rock cutting machinery that will minimize blast damage underground and substantially reduce ground support costs while improving safety. A continuous mining system aims at quantum change in reef mining productivity. Changes to real-time data gathering and analysis with new IT systems will be a part of enabling us to compete for the world's lowest quartile production costs.

The successful resumption of mining of the Central mine is moving closer and I believe can provide great value and return to our shareholders. It is my strong opinion that the only limitation to our Company's growth into a large and highly profitable gold producer is the major development funding from a strong partner.

I thank Citigold's employees for their professionalism and passion during this planning phase through to gold production. To the amazing local community of Charters Towers, thank you for your confidence and support.

Sincerely,

Mark Lynch
Executive Chairman

REVIEW OF OPERATIONS

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 profitability.

During the year, the Board numbers were reduced from five to four directors following the departure of Mr Raymond Tan in March due to pressure of other commitments. The Company thanks Mr Tan for his contributions during his time on the Board. Senior management was also restructured with the Executive Chairman taking on the role of CEO following the departure of Mr Matthew Martin due to a change in personal circumstances. Subsequent to the end of the financial year, the financial team was strengthened in August 2015 with the hiring of Mr Francis Rigby as Company Secretary and Mr Greg Harding as CFO. Both are experienced financial managers and will contribute to corporate governance and financial matters.

During the 2015 Financial Year, the company rehabilitated the majority of the Central Decline, sold 984 ounces of gold and 1,204 ounces of silver before suspending gold production to focus on detailed mine planning and secured a Joint venture agreement with KIG to invest $72 million into redeveloping the Central mine area.

Revenue decreased by 65.72% to $1.4 million, primarily the result in a reduction in gold sales from 2,806 ounces last year to 983 ounces in 2014-2015. This resulted in an average realised gold price of A$1,382, down from the 2013-2014 average realised price A$1,425 per ounce, and the 2012-2013 year average realised gold price of A$1,536 per ounce. The average realised silver price in 2014-2015 was A$20.36 per ounce.

Royalties were paid to the Queensland State Government on the revenue from gold and silver totalling $64,176.

The loss after tax increased to $103,012,104 from $7,672,163 the previous year, due to the once-only non-cash extraordinary impairment of assets, in accordance with the Australian and International Standards, resulting from the accounting treatment of the expected KIG Joint venture.

Total expenditure decreased 28.9% for Citigold over this period from $13.1 million in the 2013-2014 financial year to $9.3 million this year (excluding impairment). Many increases in costs, such as local council rates and mining title rentals, have been out of Citigold's control. Weak resale market for surplus property, plant and equipment have also contributed to the loss on sale of assets of $0.3 million.

The focus of the year will be to finalise the major developement funding, then comence mining of the central area.

During the year, the company raised $12 million demonstrating the continued support for the Company from shareholders and the investment community.

Whilst not in production, the very substantial gold asset at Charters Towers has considerable holding costs, in addition with the cost of continuing the company's geological program.

MINERALS RESOURCE AND ORE RESERVES

Citigold Mineral Resources and Ore Reserves for the overall Charters Towers Gold Project are reported in accordance with the Australasian Joint Ore Reserves Committee (JORC) Reporting Code 2012. As at 30 June 2015 the Mineral Resources and Ore Reserves are tabled in mining operations on page 6. A JORC checklist of assessment and reporting criteria has also been included.

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.

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 Southern area (predominately Imperial) contains 5 million ounces.

Annual gold production for the Financial Year was 984 ounces, the majority of which came from outside the published ore reserves. Material was sourced from surface soils at the Imperial mine, for which an ore reserve and mineral resource have not been published due to uncertainties on grade continuity, and also from clean-up of the processing plant. All these sources are outside the published ore reserves and mineral resources and there has been no material change to the published figures.

A JORC checklist of assessment and reporting criteria as required under the 2012 JORC Code has also been included on pages 9-23.

MINING OPERATIONS

Citigold is continuing to plan the development its large, long-life gold mine at Charters Towers. The Charters Towers Gold Project comprises Citigold's 100% controlled 11 million ounces deposit (an Inferred Mineral Resource of 25 million tonnes at 14 grams per tonne, reported to JORC standards). Based on the expected conversion of minable ounces over time at a production rate of over 300,000 ounces per annum the mine life could be over 30 years.

The Project should generate large positive cash flows that can be returned to investors as the Company does not require additional mine acquisitions to maintain production. Citigold has already invested over $210 million in acquiring the gold deposit, developing the mines at Charters Towers and producing over 100,000 ounces of gold and over 40,000 ounces of silver. Given the sizeable resource, annual output targets are both achievable and sustainable in the long term from known mineralised areas.

The Company has the following strategic advantages:

1. Has 100% control of over 1,000 square kilometres of mining titles at 30 June 2015 including five Mineral Development Licences, 47 granted Mining Leases and six Exploration Permits Minerals, all in the Charters Towers region.
2. Has proved a viable mining method of long-hole open stoping at Imperial, which together with knowledge gained from the earlier Central underground exploration and mining and surface open pit mining in two areas, forms the basis of the production plan.
3. Has built substantial infrastructure, acquired environmental approvals and already produced over 100,000 ounces of gold, including over 65,000 ounces from the Imperial mine in the southern part of the Project.
4. Has driven a 1,600 metre long decline (access tunnel) into the Central mine that has been more recently refurbished to 1,050 metre length and 160 metres below surface. The ramp is located in a position well suited to accessing mineralisation on the nearby C03 & C03W structures.
5. Producing gold at low costs that can deliver larger long term returns to investors.
6. Active drilling and innovative geophysics in the Central area are aiding in the definition process of additional reserves on

three main structures (the C38, C37 and the C03W structure) and an additional 8 major gold-bearing structures including the Brilliant East, C36, Day Dawn and Brilliant West.

7. A gold processing plant proven to recover over 95% of gold from the high grade ore extracted from these vein deposits.

The Central mine is already an established mine site and has an overall area of about 16 square kilometres. Initial mining will come from a 1 square kilometre area underground with the target of producing 50,000 ounces of gold per annum initially and then progressively increasing over a four year period to 220,000 ounces of gold per annum. An additional 100,000 ounces per year is planned from the southern area, including the Imperial mine area, in the future after full production has been established at the Central area.

The reactivation of the Central mine commenced with the refurbishment of the existing decline. Initial mining is planned to commence around 300 metres vertical depth.

At the completion of the current refurbishment program, excavation will target a second deeper connection to the Brilliant Block ventilation shaft where additional power and ventilation services will be installed. This will be followed by the establishment of a connection to the King Shaft approximately 1,100 metres from the block shaft, which will be used for a downcast fresh air intake ventilation and emergency second egress shaft. Once the second egress is established, the Queen Sunburst ore body will be developed together with two cross reefs where early production is forecast. The next stage will be to then develop and access the progressively deeper Brilliant ore body and the Day Dawn ore body.

IMPERIAL MINE

With the planned major development at the Central mine, the Imperial mine was placed under care and maintenance. The plan was to revive production initially from Central Mine and free cash-flow generated from the project will be used to advance the Imperial Mine once full production is established at the Central area.

IMPERIAL OPEN PIT PREFEASIBILITY STUDY

Citigold completed a bulk-sampling program on a site south of the Washington open pit. From diamond drilling conducted from 2012 and 2013, several high grade intercepts in drill holes and historical mining on the structure promotes this area as a potential target for future open pit and/or underground mining. A key area of interest was identified and further work undertaken on confirming the distribution, lateral continuity and average grade of the plethora of associated veins. An RC drilling program is planned when funding is finalised to confirm the sub-surface extrapolation of structures and for grade control purposes. Bulk sampling program yielded a total gold output of 984 ounces generating approxcximately $1.4 million.

EXPLORATION

The geology team at Citigold is working diligently towards achieving the company's vision to define an inventory of mineable gold reserves that will ensure longevity and sustainable recovery of high-grade gold ore into the future. To achieve this goal, the team has focused on drilling the gold-bearing structures that lie closest to the current underground development with a total of 902.70 metres of NQ diamond drilling completed. These targets include the C38, C03W and C37 structures. From the last six drilling holes completed, the highest grade intercepts of 66.7 g/t Au and 21.8 g/t Au were both from the C03/C03W (Queen/Queen West) structure. These drilling results further highlight the presence of multiple gold-bearing structures and the presence of gold on all of the primary target structures (C03/C03W and C38).

In conjunction with down-hole and surface programs internally, Citigold has also teamed with a geophysical company ADROK from Scotland to apply innovative technology to the definition of mineral targets. The unique style of mineralisation at the Charters Towers goldfield requires a unique approach to reserve definition if it is to be completed in a rapid, cost effective, precise and accurate manner. Citigold has had success in pinpointing sulphides using new Atomic Dielectric Resonance technology (ADR) developed by ADROK and have recently achieved further significant advances in this area with the drilling of an ADR target revealing a positive intercept of 37.9 g/t Au. This encouraging result provides Citigold with confidence that the new technique will help dramatically increase both the speed and accuracy of the reserve definition process.

The team's strategic plan for 2015-2016 can be summarized below:

1. Continue to develop and utilise the most advanced technologies and techniques to clearly identify the high-grade gold lenses in the extensive network of under-explored fractures/structures within the Charters Towers goldfield.
2. Remain at the forefront in technological advances in geophysics to aid in the rapid and precise definition of high grade gold ore.
3. Generate a low-cost predictive methodology for pinpointing the boundaries of the high–grade gold mineralisation and to use this information to guide "cost and time-efficient" drilling of targets.
4. To generate a well-constrained cache of high-grade gold reserves for the short-term and long-term mining and production plan.
5. Further constrain the grade and tonnes of the three proximal mineralised structures; C38 and C03W and C37.

Citigold is successfully progressing toward extending the current Indicated Mineral Resources and associated mining target areas towards the existing underground decline. Drilling is continuing to prove the structural interpretations and estimations of grade distribution and is looking forward to presenting further significant results in 2015-2016

GEOPHYSICS

Further interpretation of geophysical data gathered during the year continued. The Atomic Dielectric Resonance Spectroscopy ('ADR') technique is providing promising data. It measures the dielectric properties of the rock as a function of frequency, allowing Citigold to accurately pinpoint the sulphide bearing ore zones (high grade gold areas), greatly reducing the required conventional drilling and accelerating the conversion of Mineral Resources into Ore Reserves.

A research paper on the technique and results was presented by Dr Simon Richards, Citigold's Head of Geology, Geophysics & Exploration, to the ASEG-PESA Conference in Perth on 15-18 February 2015. The technique can be used successfully to pinpoint sulphide, and associated gold mineralisation at a depth of up to 1000 metres. A total of nine scans over three main structures in Charters Towers have correctly identified sulphides with a maximum depth error of 13 metres. In some scans, the presence of anomalies at unexpected depths and where drilling has not been carried out are interpreted to be potential sulphide targets. Once the technique is perfected it will be used as a pre-drilling targeting tool.

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 managing risk and providing:

- 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.

There were no Lost Time Injuries or significant health issues during the year.

ENVIRONMENT

There were two reportable test results during the year, relating to elevated sulphate levels in water on a small part of the Mining Leases. It is a minor issue that has been researched and is considered to be a natural part of the local geology.

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. The group currently employs about 10 people at Charters Towers and this is expected to grow when the major expansion is carried out.

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.

JORC CHECKLIST

A JORC checklist of assessment and reporting criteria as required under the 2012 JORC Code has also been included below.

SECTION 1 SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (e.g. 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	• The Charters Towers area has been sampled by a mixture of diamond (HQ and NQ2) and Reverse Circulation percussion ('RC') drill holes for the purpose of identifying the location of mineralised structures and for identifying potential for mineralisation on these structures and for down-hole ('DH') geophysics. • HQ / NQ core is typically cut in half (50%) using a diamond saw (100% of core recovered) and half or in some instances 1/4 (25%) of the core is submitted for analysis. Only HQ-size drill core is used for quarter core samples. • RC drilling was sampled on 1m intervals or through sections where mineralisation was known to occur. RC results are not reported. • Due to the "narrow vein" style of mineralisation found at Charters Towers, the maximum HQ / NQ sample interval is 1m & minimum sample interval 0.1m. • Zones of mineralisation are defined by sericite, chlorite and epidote alteration of granite surrounding narrow, but high grade quartz veins containing sulphides, other gangue minerals and gold. Samples are taken from the mineralised zone and on either side of the mineralisation into unaltered granite. • Sampling methods follow guidelines and methodologies established by Citigold throughout its mining and exploration history. These methods are described in detail in the 2012 Mineral Resources and Reserves Report which can be found on the company's website http://www.citigold.com/mining/technical-reports
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	• Most diamond drilling has been 63.5mm diameter HQ core, although some NQ2 core (50.5mm diameter) has been drilled. RC pre-collars have been used for some drill holes where drilling was aimed at defining the location for the fracture. NQ2 drill core was typically used for the diamond tails on RC pre-collars. • Downhole surveys have been taken at a minimum of every 50m down hole. • 60mm PN12 PVC piping has been inserted into many holes to accommodate the DH geophysics tools and to maintain the internal integrity of the holes in case of further surveying requirements. • In 2013-15, all drilling was completed under contract to Citigold. • Core orientation is carried out on all drill holes CT9000 and above in order to constrain the geometry of load bearing fractures. Core orientation measurements are taken at 6m intervals by contracted drillers.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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.	• Core is recovered by wireline drilling, where core is collected inside a core barrel winched back to surface inside the drill rods. The core is marked up and measured by senior field assistants and geologists under the guidance of the senior geologist. Core recovered (CR) is compared with the meters drilled (MD, recorded by the drillers in their daily log-sheets) and a 'core recovery' percentage is calculated; CR/MD x 100 = % recovered. All data is recorded within the Citigold database where it is checked by senior geologists. • Drilling is mostly within competent granites where core loss is minimal. However, in areas where high degrees of alteration and associated mineralisation occur, some core loss is expected and subsequently recorded. Accordingly, it is possible that some fine gold within clay could have been lost during drilling.

SECTION 1 SAMPLING TECHNIQUES AND DATA continued

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Logging	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.) photo-graphy. The total length and percentage of the relevant intersections logged.	• 100% of core was logged. Samples were collected from intercepts where alteration or alteration and mineralisation were clearly seen. The nature of the ore-body is such that mineralisation or potentially mineralised structures are easily identified. Selected RC samples were geologically logged and sampled. • The logging describes the dominant and minor rock types, colour, mineralisation, oxidation, degree of alteration, alteration type, vein type, core recovery, basic structure. • Rock Quality Designation or RQD % has been noted in the core drill logs (also number of fractures per interval has been noted).
Sub-sampling techniques and sample preparation	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.	• Core is sawn in half and one half (50%) is submitted for analysis at NATA accredited laboratories in Townsville (Qld, Australia). • Selected core is cut for 1/4 core (25%) and submitted for analysis at NATA accredited labs in Townsville (Qld, Australia). • The 25%-50% sampling of the HQ core is considered appropriate for the mineralisation type. NQ core is sampled for 50% only. • Samples are couriered to NATA accredited laboratories where they are dried at 105°C; weighed; crushed to –6mm; and pulverised to 90% passing 75um where a 200g sub-sample is taken. 5% of samples are dual sub-sampled (second split) for sizing and analytical quality control purposes. Fire assay: 50g of sample is added to a combustion flux and fired at 1000°C; the resultant lead button is separated from the slag and muffled at 950°C to produce a gold/silver prill; the prill is digested in aqua regia and the liquid read on an AAS. ICP40Q: A 0.2g sub-sample is digested using nitric/hydrochloric/ perchloric/ hydrofluoric acids; the diluted digestion product is then presented to a Perkin Elmer 7300 ICP AES for analysis. Quality Control: second splits (5% of total); 2 in 45 sample repeats; and 2 CRM standards for each rack of 50 samples are analysed in all methods
Quality of assay data and laboratory tests	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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Citigold uses standards sourced from Gannett Holdings Pty Ltd, Perth, Australia. Certificate number 13U20C-22-04-13. • A blank sample and/or a standard sample and/or a duplicate sample are randomly inserted in approximately every 30 samples that are submitted. • NATA accredited laboratories in Townsville have their own rigorous 'in lab' QA/QC procedures and are accredited for precious metal and base metal analyses. • A complete discussion on assay techniques, sample sizes, assay variance and sample bias can be found in the Citigold 2012 Mineral Resources and Reserves report at: http://www.citigold.com/mining/technical-reports .
Verification of sampling and assaying	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.	• Selected samples are submitted to other labs, including Citigold's on-site lab to check for consistency, accuracy and as a second means of obtaining a comparison result. • Anomalous holes or unusually high grade samples are resubmitted for assay. • No twinned holes were completed by Citigold in 2014-15. Prior exploration has engaged diamond drilling or geophysics as a means of checking anomalous RC drilling and to confirm the precise depth of the mineralised structure. • All drill holes are logged into laptop computers and checked before entering into database. Criteria have been established so that erroneous or incorrect characters within a given field are rejected thereby reducing the potential for transfer error. All logs are reviewed by the senior geologist. • All samples logs are recorded onto paper and assigned a unique sample number once cut. The sample and other details are entered into the Citigold database. • All significant intercepts are checked against the remaining core, checked for corresponding base metal grades and assessed for geological consistency.

SECTION 1 SAMPLING TECHNIQUES AND DATA continued

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Location of data points	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.	• Citigold uses a combination of grids including a local mine grid and AMG AGD66 Zone 55 which closely approximates the local mine grid. • Drill hole collars are surveyed using a Leica Viva Real Time Kinematic (RTK) Differential GPS system with a fully integrated radio, allowing for data capture in 3 dimensions at an accuracy of +/-25mm over baselines within 5km radius of the base station. • 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. • Down-hole surveys are obtained using either a Ranger or Camteq downhole survey instrument. Survey tools are checked in Citigold's base station (a precise DH camera alignment station) prior to drilling holes over 800m or approximately every 4-5 holes in other circumstances. DH geophysics are obtained from most drill holes at which time the holes are often re-surveyed with a Camteq Proshot acting as a secondary check of the original survey.
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.	• Drill hole spacing and orientation is currently constrained by the requirements for DH geophysical surveying. Approximately 80m between points of intercept are planned, however; the nature of the structure may require alterations to the spatial pattern of holes. • A full description of Citigold's Mineral Resources and Reserves can be found in the 2012 Mineral Resources and Reserves Report at: http://www.citigold.com/mining/technical-reports
Orientation of data in relation to geological structure	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.	• Drill holes are planned to intercept the mineralised structures (average 45 degree dip) at high angles. The presence of landholders and other features on the landscape prevent all holes from intercepting perpendicular to the structure. Typically, holes will be drilled in a fanning pattern with intercepts at no less than 60 degrees to the mineralised structure. True widths are determined only after the exact geometry of the structure is known from multiple drill holes. • Holes intercepting at angles of less than an estimated 60 degrees are reported as such. • Lode-parallel drill holes have been completed by Citigold, specifically designed for geophysics, and are not reported.
Sample security	The measures taken to ensure sample security.	• All drill core is stored within locked yard guarded by contracted security. • Samples are delivered by Citigold staff to NATA accredited laboratories and/or by registered courier. • Standards are retained within the office of the chief geologist and only released under strict control. The chain of sample custody is managed and closely monitored by Citigold (management and senior staff).
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	• A full Mineral Resources and Ore Reserves report was completed in May 2012, written in compliance with the then-current 2004 JORC Code. The report contains a comprehensive review and assessment of all sampling techniques and methodologies, sub-sampling techniques, data acquisition and storage, and reporting of results. Statements on QA and QC can be found on page 48 of the report. The report can be found on Citigold's website at: http://www.citigold.com/mining/technical-reports . • Citigold's database has been audited by several independent consultants since 1998 and most recently by Snowden in 2011. There have been no material changes to this report since May 2012.

SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	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 licence to operate in the area.	• Citigold holds a number of different types of mineral tenements including Exploration Permit Minerals (EPM's), Mineral Development Licenses (MDL') and Mining Leases (ML's). Citigold currently holds six (6) EPM's, five (5) MDL's and forty seven (47) ML's:- EPM15964, EPM15966, EPM16979, EPM18465, EPM18813, EPM18820, MDL116, MDL118, MDL119, MDL251, MDL252, ML1343 , ML1344 , ML1347, ML1348, ML1385, ML1387, ML1398, ML1407, ML1408, ML1409, ML1424, ML1428, ML1429, ML1430, ML1431, ML1432, ML1433, ML1472, ML1488, ML1490, ML1491, ML1499, ML1521, ML1545, ML1548, ML1549, ML1585, ML1586, ML1587, ML1735, ML10005, ML10032, ML10042, ML10048, ML10050, ML10091, ML10093, ML10193, ML10196, ML10208, ML10222, ML10281, ML10282, ML10283, ML10284, ML10285, ML10335 Citigold holds current Environmental Authorities over the tenements, and has already produced over 100,000 ounces of gold. There are no known impediments to continuing operations in the area.

Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	• Charters Towers is one of Australia's richest gold deposits that was discovered in 1871. A plethora of historical data from the Charters Towers area has been collected, collated and is included within the Citigold geological database. Previous exploration was summarised in the 2012 Mineral Resources and Reserves Report which can be found at:
		http://www.citigold.com/mining/technical-reports
		• Citigold's drill hole database includes historical drilling including:
		  ◦ 993 - Mt Leyshon Gold Mines Ltd extensions to CRA diamond drill holes in the areas.
		  ◦ 1991 - Diamond and RC drilling by PosGold in a joint venture with Charters Towers Mines NL that covered parts of the Central area areas.
		  ◦ 1981-84 - Diamond-drilling by the Homestake/BHP joint venture in the Central area.
		  ◦ 1975, 1981-82, and 1987 - Diamond and RC drilling in central by A.O.G., CRA and Orion respectively.
		• Citigold retains all diamond core and a collection of core drilled by other companies is its on-site core-yard.

Geology	Deposit type, geological setting and style of mineralisation.	• Mineralisation at Charters Towers is referred to as "orogenic" style vein mesothermal gold deposit. See the 2012 Mineral Resources and Reserves Report which can be found at: http://www.citigold.com/mining/technical-reports • 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 and around Charters Towers city. • The majority of the ore mined in the past was concentrated within a set of fractures over 5 km long East-West, and 500 meters to 1600 meters down dip in a North-South direction. The mineralised reefs lie in two predominant directions dipping at moderate to shallow angles to the north (main production), and the cross-reefs, which dip to the ENE. • 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". • The goldfield was first discovered in December 1871 and produced some 6.6 million ounces of gold from 6 million tons of ore from 1872 to 1920, with up to 40 companies operating many individual mining leases on the same ore bodies. There were 206 mining leases covering 127 mines working 80 lines of reef and 95 mills, cyaniding and chlorination plants. The field produced over 200,000 ounces per year for 20 consecutive years, and its largest production year was 1899 when it produced some 320,000 ounces.

SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Drill hole Information	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: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth hole length. 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.	• There are over 3,300 drill holes in the project area, and it is impracticable to list them all in this report. Drilling since 2004 has been tabulated on the Company's web site and significant results listed in the Quarterly reports. Summary information on and statistical analysis of the drilling is contained in the Company's 2012 Mineral Resources and Ore Reserves report at: http://www.citigold.com/mining/technical-reports
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated.	• The intercepts reported on in any public release are described in sufficient detail, including gold maxima and subintervals, to allow the reader to make an assessment of the balance of high and low grades in the intercept. • All sample interval lengths are presented as "Depth from" and "Depth to" and intercept length. • Assay results for Ag, Pb and Au are presented as ppm (equivalent to grams of metal per tonne of rock, written as g/t). In addition, Au (gold) is presented as metal accumulations (grade x width), in metre-grams per tonne (m.g/t), particularly where intervals are less than one metre, to put the results into perspective as the minimum mining width is one metre. • No aggregation of sections have been used. • Metal equivalents are not used.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• All intercepts presented in tables in Quarterly Reports are reported as down-hole lengths unless stated as True Widths. • Structures within Charters Towers are highly variable in width and can be variable in dip over short distances, however, every attempts is made to drill approximately perpendicular to the dip of the structure. The intercepts reported as intercept widths may not necessarily represent true widths in some cases. • All tables clearly indicate "From" and "To" intervals.
Diagrams	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.	• There are over 3,300 drill holes in the project area, and it is impracticable to list them all in this report. Significant drill hole collar locations are shown on Figure 14-11, page 87, of the 2012 Mineral Resources and Ore Reserves Report http://www.citigold.com/mining/technical-reports

SECTION 2 REPORTING OF EXPLORATION RESULTS continued

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Balanced reporting	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.	• Almost every drill hole completed on the property from 2004 to 2011 is available from the Citigold website http://www.citigold.com/mining/exploration. Drilling was suspended during 2012 and resumed in 2013. • Drill holes not included (regardless of intercepts and grade) are those that were drilled specifically for down-hole geophysics which were typically drilled parallel to the mineralised structure. All other drill holes have been reported, regardless of whether it has returned high or low grades. • Higher grade drill holes (above 0.5m.g/t) are reported in Quarterly Reports.
Other substantive exploration data	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.	• The Project has produced over 100,000 ounces of gold. Details such as bulk density, metallurgical characteristics, groundwater and geotechnical data are covered in the 2012 Mineral Resources and Ore Reserves Report which can be found at: http://www.citigold.com/mining/technical-reports. Bulk sampling and geophysical survey results are reported Quarterly as available.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Future work will concentrate on in-fill drilling between drill hole intercepts in the Central area to increase the data density required to convert Inferred Resources to Indicated.
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used.	Databases were manually audited and checked on three occasions by external consultants since 1998 and most recently by Snowden in 2011. The SURPAC computer program has an automatic error checking procedure that checks for duplication and column errors.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	The *Competent Person* (under the JORC Code) responsible for this report, Mr Christopher Alan John Towsey MSc BSc(Hons), DipEd, FAusIMM, CPGeo, MMICA, MAIG, has been associated with the Project for 16 years from 1999 as a consultant geologist and employee. He joined the Company on full-time staff as General Manager Mining in July 2002, was promoted to Chief Operating Officer ('COO') in January 2004 and lived on-site at Charters Towers as COO and Site Senior Executive, managing the day-to-day operations of the underground mining operations of the Imperial Mine from October 2009 to January 2011. He has remained as a consultant geologist to the Company since January 2011. On 21 February 2014 he was appointed as a Non-Executive Director of Citigold Corporation Limited, and Executive Director in April 2015. He last visited the site on 22 September 2014. He was abreast of daily operations up until April 2011, and since 21 Feb 2014, including video links to the site.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	The geology is well known as the field has been mined since 1871 with some 180 km of underground drives and production of 6.6 million ounces of gold from 6 million tonnes of ore. The mineralisation is contained in fractures or shear zones (reefs) which have good geological continuity and predictability up to 2km along strike and down dip, but the reefs have an almost random distribution of ore grades within the reef. The reefs are widely spaced (usually →400m apart) and therefore drill intersections, especially with oriented drill-core, are usually clearly linkable to known reefs. The grade is known not to be continuous, making estimation of a Proved Reserve grade difficult without underground driving or bulk sampling. The statistical range derived from Ordinary and Indicator Kriging suggests a range of 6m to 8m (the distance an assay can be reliably projected away from the known point) but high grade areas have been found very close to sub-economic grade areas, meaning that a strike drive or potential stoping area often maintains an economic grade when averaged over say 200m. Drilling has also been found to underestimate the grade when compared to areas that have been mined and stoped. The variability in grade is compensated for by applying a mining factor, payability, to the resources – payability is the percentage of a nominated mineralised reef that can be economically mined based on previous production records. This variability is covered in the 2012 Mineral Resources and Ore Reserves report , which can be found at: http://www.citigold.com/mining/technical-reports
Dimensions	The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	There are 25 mineralised bodies included in the Mineral Resource estimate. These are up to 2 km along strike. Mineral resources are estimated to a maximum depth of 1200 m down dip. The tops of bodies in the Resources are terminated at 50 m below surface, as it is unlikely the top 50 m under the city can be safely mined without disturbing existing buildings and infrastructure such as rail lines and highways. Drilling has intersected mineralised structures down to 2000m depth. There are 30 significant drill intersections deeper than 1,000 metres, of which 27 are deeper than 1,100 metres and 18 deeper than 1,200 metres. The deepest significant intersection is 1,817.2 metres (0.4 grams per tonne Au), and the best gold grade deeper than 1,200 metres was 20.54 grams per tonne Au.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES continued

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	Drilling has been separated into two main domains, the Central and Southern areas. For Inferred Mineral Resources, there was no cutting of high grades or exclusion of high-grade outliers, as log-probability plots indicated no anomalous populations. Indicated Mineral Resources used a Top Cut of 50 g/t. A lower cut-off of 1 metre-gram per tonne was used to define the reef outlines and 3 metre-grams per tonne used to define Indicated & Measured Resources. Reefs were modelled in SURPAC to produce 3D solids. Grades for Inferred Resources were based on the geometric mean applied over polygonal areas. Indicated Resources were based on arithmetic means of drill intersection accumulations (metre-grams per tonne) for the smaller polygons modelled for Indicated status. Validation by comparing recovered ounces from stoped areas with ounces defined ahead of mining has been satisfactory.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	All tonnages are estimated on dry weight as all material is below the base of oxidation. Moisture content becomes an issue only for mill feed after mining and does not affect in situ Resources.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	See Chapter 14 of the 2012 Mineral Resources and Ore Reserves Report. A lower cut-off grade of three grams of gold per tonne of mineralized material (grams per tonne Au) over a minimum sample true width of one metre (expressed as 3 metre-gram per tonne Au). No Top Cut was applied to Inferred Mineral Resources as there is no statistical basis to do so, as explained in Chapter 14 but an arbitrary Top Cut of 50 g/t was applied to Indicated Resources.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	Two mining factors have been included (a minimum mining width of one metre, and a substantial discount of the tonnes (70%) based on known mine payability on the reefs). See Chapter 14 of the 2012 Mineral Resources and Ore Reserves Report.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES continued

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Over 100,000 ounces of gold and 45,000 ounces of silver have been produced since 1998. From 2006 to 2012, the Company's Quarterly Reports to the Australian Securities Exchange listed the gold recovery from the plant. Recoveries were in the range of 95% to 98% recovery of gold entering the plant. A recovery of 98% has been used in the mining factors for estimating Ore Reserves and estimating mining and processing costs. See Chapter 13 of the 2012 Mineral Resources and Ore Reserves Report.
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	The Project has been mining since 1994 with an accepted EMOS, granted mining leases and Environmental Authorities ('EA'). The Tailings Storage Facility was constructed in 1997 and is inspected annually by a qualified consultant engineer. The site normally does not release water from the site due to the high local evaporation rates, but has approval to release provided discharge waters are compliant with the conditions of the EA.
Bulk density	Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	The Project normally mines primary ore from underground. Oxidised ore was only mined in two trial open pits (Stockholm and Washington in 1997-2000). No oxidised material is included in Resources or Reserves. Extensive density measurements were carried out. A bulk density of 2.7 t/m3 was used. See section 14.5.4 Tonnage Estimates in the 2012 Mineral Resources Report for tables of density data (Tables 14.10 and 14.11 in the 2012 report).
Classification	The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit.	The confidence level is ±30% for the contained ounces in the Inferred Mineral Resource, because two mining factors have been included (a minimum mining width of one metre, and a substantial discount of the tonnes (70%) based on known mine payability on the reefs).

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES continued

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	The last peer review of the Mineral Resources was by Snowden Associates in June 2012. Snowden concluded that the 2012 Technical Report is written in accordance with the 2004 JORC Code. In addition, Snowden considers that Citigold's approach to estimating Mineral Resources at Charters Towers are reasonable based on the nature of the mineralisation, the methodology adopted in preparing the estimate and the history of operations in the goldfield. There have been no material changes to Resources or Reserves since the 2012 report.
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The confidence level is ±30% for the contained ounces in the Inferred Mineral Resource, because two mining factors have been included (a minimum mining width of one metre, and a substantial discount of the tonnes (70%) based on known mine payability on the reefs).

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	The Indicated Mineral Resource is 3,200,000 tonnes at 7.6 grams per tonne gold and 5.1 grams per tonne silver, containing 780,000 ounces of gold and 520,000 ounces of silver. The Probable Ore Reserve is derived from, and not additional to, the Indicated Mineral Resource. There are 16 separate mineralised bodies in the Indicated Mineral Resource, and of these 16, fourteen met the criteria to be classified as ore bodies in the Probable Ore Reserve.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	The *Competent Person* (under the JORC Code) responsible for this report, Mr Christopher Alan John Towsey MSc BSc(Hons), DipEd, FAusIMM, CPGeo, MMICA, MAIG, has been associated with the Project for 15 years from 1999 as a consultant geologist and employee. He joined the Company on full-time staff as General Manager Mining in July 2002, was promoted to Chief Operating Officer ('COO') in January 2004 and lived on-site at Charters Towers as COO and Site Senior Executive, managing the day-to-day operations of the underground mining operations of the Imperial Mine from October 2009 to January 2011. He remained as a consultant geologist to the Company from January 2011. On 21 February 2014 he was appointed as a Non-Executive Director of Citigold Corporation Limited. He inspected the operations in April and September 2011, and again the 19th and 20th December 2011, inspecting the Central Decline underground down to the Brilliant Block Shaft 180m vertically below the city, and inspecting the 830 and 840 production levels in the Sons of Freedom ore body in the Imperial Mine 5 km southeast of the city. He visited the site on 19 January 2012 and again on 29-30 April 2014. In April 2014 he was appointed as Executive Director & Chief Scientist. He was abreast of daily operations up until April 2011 and since 21 Feb 2014. His last site visit was November 2014 and he is in daily communication with the site.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES continued

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	The project has been mining since 1993 and has produced over 100,000 ounces of gold and 45,000 ounces of silver in trial mining, which constitutes a full Feasibility Study, even though there is no single document with that title. Mining Leases have been granted, a two million tonne capacity tailings storage facility constructed and a processing plant built and operated since 1994. Actual mining costs have been obtained, together with purchased mining equipment and over $200 million already invested. Material Modifying Factors have been tested under actual production conditions and validated.
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	See Chapter 14 of the 2012 Mineral Resources and Ore Reserves report , which can be found at: http://www.citigold.com/mining/technical-reports. A lower cut-off grade of three grams of gold per tonne of mineralized material (grams per tonne Au) over a minimum sample true width of one metre (expressed as 3 metre-gram per tonne Au). No Top Cut was applied to Inferred Resources as there is no statistical basis to do so, as explained in Chapter 14. For conversion of Indicated Mineral Resources to Probable Reserves, a lower cut-off grade of 4 g/t gold was used to allow for physical losses and dilution during mining. An arbitrary Top Cut of 50 grams per tonne Au was applied to high assays in Ore Reserve estimation to reduce any potential biasing effect of the high-grades. This is a conservative approach, as there is no statistical basis for cutting high grades, as discussed in the Inferred Mineral Resources section, and several of the Central ore bodies averaged recovered grades of over 50 grams per tonne for tens of years when mined previously.
Mining factors or assumptions	The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling. The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods.	Mining method - Underground. Long-hole open stoping, 10m sub-levels Minimum mining width - 1metre Dilution – 10% Gold losses - 5% Payability - Variable - 30% to 52% Pillars left - 0% due to payability factor US Gold Price - USD $1,300 Exchange Rate - 0.91 Aus Gold Price - AUD $1,429 Driving cost - AUD $3,000 per metre, 3.5m square Driving cost equivalent - 2.1 Ounces per metre, 3.5m square Mill recovery - 95% of mill feed All necessary infrastructure has already been built and some 100,000 ounces of gold already produced. For details of the Mining factors and assumptions, see Chapter 15 of the 2012 Mineral Resources and Ore Reserves report, which can be found at: http://www.citigold.com/mining/technical-reports.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES continued

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. Whether the metallurgical process is well-tested technology or novel in nature. The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. Any assumptions or allowances made for deleterious elements. The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the ore body as a whole. For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	Metallurgical characteristics are well-understood, having operated the processing plant since 1993 and recovered over 100,000 ounces of gold and 45,000 ounces of silver. Actual mill recoveries varied from 95% to 98% of mill feed. Mill recovery used for future projections is 95% of mill feed. See Chapter 13 of the 2012 Mineral Resources and Ore Reserves report , which can be found at: http://www.citigold.com/mining/technical-reports.
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	This risk is assessed as Low Risk. Waste rock is benign granodiorite and classed as Non-Acid Forming. The main ore sulphides are galena and sphalerite which are acid-consuming, and the weathering of feldspars in the host rock is also acid-consuming, forming a self-neutralising system. Tailings deposited are made alkaline with added lime, which prevents the dissolution of heavy metals or any acid formation. The Company has an approved Environmental Management Overview Strategy (EMOS) and Environmental Authority ('EA') in place and has been conducting mining and processing operation since 1993, and expects to be able to continue to do so. In addition a Plan of Operations, in compliance with the EMOS, has also been lodged with the DRNM. These operating documents are in compliance with Queensland's stringent Environmental Protection Act and Regulation. The Tailings Storage Facility has already been built and used since 1997. Adjacent land alongside has been acquired for any future expansion. Dry stacking of tailing above ground is being evaluated. The Company is 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 $8.5 million.
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	Most of the infrastructure is in place, paid for and operational, having produced over 100,000 ounces of gold. Power is drawn from the State grid. The Project is mostly self-sufficient in water but could draw on local municipal supplies if necessary. There is major town in the Project area that supplies all accommodation, services, transport, emergency services and medical backup that may be required. There is a major port, international airport and city to the east, 1.5 hours drive by sealed highway, at Townsville with a population of 189,238 (30 June 2013). The major Mt Isa to Townsville rail line runs through the project area, as does the sealed Flinders Highway (east-west) and Gregory Developmental Road (north-south).

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES continued

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary
Costs	The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private.	Operating, transport, treatment, refining and capital costs are based on actual costs since 2006. A gold price of US$1300, an exchange rate of 0.91 and an Australian dollar gold price of $1430 were used, based on analysis of the supply and demand by the World Gold Council, and actual prices and exchange rates over the last 5 years. The deposit has low arsenic, selenium and mercury levels, and gold doré bars produced by the Company have met the refiner's specifications since 1994 without penalty. Royalties are currently at 5% of the gross revenue received from precious metal sales. This set by the Queensland State Government and is subject to periodic change outside the Company's control. The Government has not announced any plans to change the gold royalty. Transport costs of the final product are minimal – the maximum projected output is 330,000 ounces per year weighing 10.3 tonnes, or 197 kg per week. Raw doré gold is air-freighted to the Perth Mint refinery in Perth, Western Australia. Actual cash cost for the September 2013 Quarter was A$569, down from A$588 the previous Quarter (June 2013).
Revenue factors	The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	These are covered in Chapters 14-16, 19, 21 and 22 of the 2012 Mineral Resources and Ore Reserves report , which can be found at: http://www.citigold.com/mining/technical-reports. Future metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns are simply unknown. Assumptions have been made based on the best available actual data and trends estimated by professional bodies and investment groups. Exchange rate variations combined with the USD gold price over the last 3 years has maintained the AUD gold price around A$1500 per ounce. Silver revenue is about 1.5% of the gold revenue and is immaterial to the Project, being less than the weekly variation in gold price, but the silver revenue covers the cost of secure transport, insurance and refining of the doré bars, with a small profit.
Market assessment	The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product. Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	Refined gold and silver are directly exchangeable for cash. There are no sale contracts, hedging contracts, forward sales or royalty contracts currently in place that lock the Company into any fixed sales arrangements. The Company has an agreement to refine its doré bullion at the Perth Mint precious metals refinery in Western Australia at market refining prices. There is an opportunity, but no obligation, for the Perth Mint to sell the gold and silver on the Company's behalf if instructed by the Company. The Company retains full flexibility to choose if, when and where it sells its gold and silver, and whether or not to enter into hedging or royalty agreements. See Chapters 19,21 and 22 of the 2012 Mineral Resources and Ore Reserves report , which can be found at: http://www.citigold.com/mining/technical-reports. Hedging is seen a prudent strategy by locking in a future sale price, removing the risk of an unknown sale price or exchange rate, provided that certain conditions are adhered to. Citigold believes it is not prudent to hedge more than 50% of projected annual production or more than 50% of the ore reserve, and because delivery is dependent on production, the buyer cannot bring forward the delivery date.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES continued

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary
Economic	The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. NPV ranges and sensitivity to variations in the significant assumptions and inputs.	The NPV in the 2012 report based upon Citigold's financial model, was estimated at A$742 million based on a Discounted Cash Flow Rate of 20%. See Chapter 22 of the 2012 Mineral Resources and Ore Reserves report , which can be found at: http://www.citigold.com/mining/technical-reports. The Project NPV is sensitive to exchange rates and gold price (and therefore head grade & tonnes processed). However, recent analysis shows that as the USD gold price varies, the AUD exchange rate moves in the reverse, maintaining a reasonably steady AUD gold price around A$1500 per ounce. Most of the Project's costs are in AUD, and therefore the project is robust to these changes. A 10% change in the exchange rate changes the NPV by 19%, and a 10% change in the gold price changes the NPV by 17%, but when the changes are simultaneous, the NPV is relatively unchanged (1.9%) as the effects are opposite. A 10% change in the operating cost only changes the NPV by 4%.
Social	The status of agreements with key stakeholders and matters leading to social licence to operate.	This risk is assessed as Low Risk. There are no known social or heritage matters that are seen as having the potential to stop the Project proceeding. Any proposed government changes to royalties, mining legislation, environmental protection or transport regulations would apply to the whole of either Queensland's or Australia's mining sector, and would therefore not proceed without timely discussion and time to implement.
Other	To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: Any identified material naturally occurring risks. The status of material legal agreements and marketing arrangements. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	The Company holds all the necessary land and permits it requires, all necessary infrastructure has been built and is operational. It has been mining since 1994 and has produced over 100,000 ounces of gold and 45,000 ounces of silver. There are no legal matters in hand that appear likely to interfere with expanding the Project. Refined gold and silver are directly exchangeable for cash and do not require specialist marketing.
Classification	The basis for the classification of the Ore Reserves into varying confidence categories. Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	Probable Ore Reserves are derived from Indicated Mineral Resources, which in turn are based on drill and face sample data at intervals of 25 to 80 metres. The Probable Ore Reserves are derived from, contained within, and not additional to, the Indicated Mineral Resources. There are 16 separate mineralised bodies in the Indicated Mineral Resource, and of these 16, fourteen met the criteria to be classified as ore bodies in the Probable Ore Reserve.
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates.	The last peer review of the Ore Reserves was by Snowden Associates in June 2012. Snowden concluded that the 2012 Technical Report is written in accordance with the 2004 JORC Code. In addition, Snowden considers that Citigold's approach to estimating Ore Reserves at Charters Towers are reasonable based on the nature of the mineralisation, the methodology adopted in preparing the estimate and the history of operations in the goldfield.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES continued

(Criteria listed in Section 1, and where relevant in Sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The confidence level is ±10 to 15% for the contained ounces in the Probable Ore Reserve. Assay duplicate precision has been audited and found to be within ±10% of the mean value, which is within acceptable limits for commercial assays. Selective re-assay of samples was undertaken following inspection of results where particularly high or anomalous assays were noted. Assay results were reviewed statistically, by cumulative frequency plots and histograms, and log normality of data sets was established for the mineralised zones. See the Company 2012 Mineral Resources and Ore Reserves Report, available on the Company's web site at http://www.citigold.com/mining/technical-reports, pages 45 to 64. The normal range of precision from commercial laboratories (as used by the Company) is 10% to 15% (Bumstead, 1984 – see the 2012 Report), meaning that repeat samples vary from the average of the samples by up to 10% to 15%. Given that this precision of the most accurate starting number, the laboratory assay, is already ±10% to 15%, it is not possible to estimate contained ounces or confidence limits to a higher accuracy.

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 an employee and Executive Director of Citigold Corporation Limited.. 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

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”

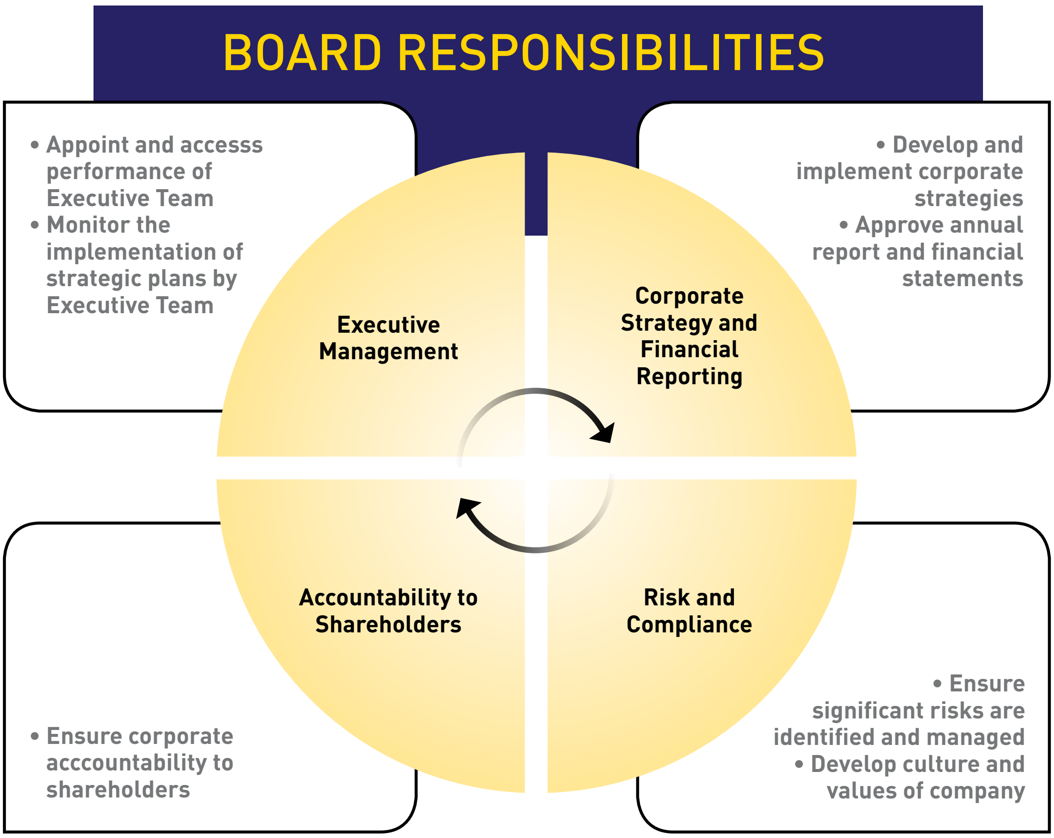
In developing Citigold Corporation Limited's (Citigold) corporate governance framework, the Board has taken into consideration the ASX Corporate Council's Corporate Governance Principles and Recommendations 3rd Edition. This statement outlines how Citigold's corporate governance practices and policies align with those recommendations and in the occasion 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 of Citigold adopted a Board Charter in January 2008.

As the Company develops and grows in complexity the requirements will differ and the Board reviews the policies and procedures adopted, on a annual basis, to make sure that they align to the current requirements. The 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 Chief Executive Officer (CEO) and the executive management team.

Directors Election
Directors annually 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, who review the appropriate external checks before the Director or senior executive is appointed.

The Nomination Committee ensures that each Director up for election brings relevant complementary skills and experience to the Board covering the areas of legal, finance and operations. Information on skills, experience and expertise relevant to the position of each of the Directors up for election is distributed through the notice of Annual General Meeting so that all shareholders have the opportunity to know about the Directors they are voting for.

The Company's Constitution specifies that a third of the Directors must, by rotation, retire from office at each Annual General Meeting (AGM). If the number is not a multiple of 3, then the number nearest to but not exceeding one-third shall retire from office. Where eligible, a Director may stand for re-election.

It is vital that new Directors understand the nature of the business, current issues, strategic direction and expectations of Citigold in regards to the performance of Directors. New Directors and Senior Executives should be given a written agreement and full briefing on the company by the Chairman.

The Company Secretary will assists the Board to operate in an efficient manner. The Company Secretary is accountable to the Board, through the Chairman, for all matters to do with the proper function of the Board.

Diversity Policy
Citigold believes that a diverse workforce brings about different range of ideas, perspective and experience that will help the company realise its corporate goals.

Citigold establish its commitment to diversity by:

1. Facilitating an 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. Assisting employees fulfill their potential by providing access to development opportunities when they arise.
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 measureable targets.

While subjecting the following objectives of appointment to be made on basis of merit, the Board has adopted these targets:

Target	30 June 2015
→15% Female employees	21% Female employees
→1 Female Board Member	No Female Board Member at this time – Board number was reduced to four in 2015 and in keeping with reduced business activity.

Review of Directors, Board and Management Performance
Citigold considers the evaluation of Directors' and senior executives' performance as important in establishing a culture of performance and accountability.

The Board and Director's performance is reviewed on an ongoing basis. The goals of review are based upon each Director's contribution to Board objectives and the objectives of Board committees in which the Director participates. The Chairman provides each Director with confidential feedback on performance and where appropriate used to develop a development plan for each Director.

Senior Executives are reviewed on an annual basis by the Chairman of the Board. However given that the Executive Chairman assumed the role of (CEO) late in the 2015 year, the non-executive members of remuneration committee should carry out a performance review of the CEO in the coming year.

At the AGM, the shareholders will have the opportunity to voice their opinion on the performance of the Board. This is done via the election process and shareholders will be able to vote for Directors that are up for reelection.

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.

Nomination Committee
The Nomination Committee consists of the following Non-Executives and Executive Director: J Foley (Chairman), A Panchariya and M Lynch. As noted previously, Citigold believes that the current committee is appropriately sized and 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

The Nomination Committee met once during the year, members in attendance are set out in the Directors report on page 15 of the Annual Report.

Board Skills and Experience

The Board aims to have a diverse range of skills across its members so that they are able to cover all the skills necessary to discharge their responsibilities in order to be a proper functioning Board.

During the 2015 year the Board developed a skills matrix to identify individual and collective relevant skills of the Board. The Matrix identified that the Board had strong skills in governance, operational experience, industry technical expertise, environmental management, financial and commercial acumen, International business, negotiation, legal, native title negotiations. The skills matrix will also be used when considering appropriate future Board members so that they complement the existing skills and experience of the Board.

Board Composition and Independence

In accordance with the Board Charter and ASX Recommendations, the majority of the Board preferably comprises Non-Executive Directors. All Non-Executive Directors are regarded as independent and free of any relationship that may conflict with the interest of the company.

Table below provides the current Directors, tenure and if they are deemed to be independent:

Name	Classification	Appointed	Independent
Mark Lynch	Executive	2 July 1993	No
John Foley	Non-Executive	2 July 1993	Yes
Arun Panchariya	Non-Executive	22 September 2013	Yes
Christopher Towsey	Executive	21 February 2014	No

The Board has reviewed the interests, positions and associations of each of the Directors, at the time of this report, determined that both the non-executive members are independent. Two of the Directors are Executive Directors and therefore, considered not to be independent.

The current Board has equal non-executive members to executive members and deemed appropriate by the Board for the Company's current size and requirements, this is outside the current preferred composition.

The current Chair of the Board is not independent and holds the position of CEO. This dual role was deemed by the Board to be appropriate given the current size of the Company and its current requirements.

Director Induction and 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 by the Chairman and an induction pack. This is preferably followed by a meeting with key executives, tour of mining operation 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.

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
- customer and supplier relations
- other employees
- compliance with laws and regulations
- conflicts of interest
- 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.

D. SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Audit and Finance Committee

The audit and finance committee comprises of the following Non-Executive Directors: J Foley (Chairman) and A Panchariya. Citigold believes that the current committees are appropriately sized as it has adequate skills, expertise and experience to discharge its responsibilities, outside the preferred number of 3 on the committee, however there are currently two Non-Executive Directors on the Board.

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.

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 the Audit and Finance Committee has been adopted since September 2005. The Audit and Finance Committee has adopted this charter.

The Chief Executive Officer and Chief Financial Officer have declared in writing that the financial statements for the year ended 30 June 2015 represent a true and fair view of Citigold's financial position and performance and that the reports conform to relevant accounting standards.

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.

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 Policy is to ensure that information is released in accordance with the consolidated entity's continuous disclosure obligations under the ASX listing rules. 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.

G. RECOGNISE AND MANAGE RISK

Health, Safety, Environment and Risk Committee

The Health, Safety, Environment and Risk Committee consists of the following Non-Executive and Executive Directors: J Foley (Chairman), C Towsey and M Lynch. The objectives of the Committee are as follows:

- ensure the Company adopts, maintains and applies appropriate health, safety, environment and risk management policies and procedures;
- ensure that the Company maintains effective health, safety and environment related internal control and risk management systems; and
- provide a formal forum for communication between the Board and senior management in health, safety, environment and risk management matters, both Company specific and otherwise.
- review internal processes for determining and managing key risk areas
- evaluate the Company's risk management system and highlight major risks
- review all suspected and actual fraud, thefts and breaches of laws and ensure appropriate action is enforced

The 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 the company's control environment.

Citigold currently operates a Risk Management System that identifies aspects of risks of the operation, particularly those related to safety, health, and environment, financial and social impact. Citigold's operations are subject to regulation, regular inspection and monitoring by the Queensland State Government Department of Natural Resources & Mines and the Department of Environment & Heritage Protection.

The CEO and CFO have not given a written statement to the Board in accordance with best practice recommendation 7.2 and 7.3 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

Remuneration Committee

The Remuneration committee consists of the following Non-Executives and Executive Director: J Foley (Chairman), A Panchariya and M Lynch. 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.

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 Risk Management System (EHSRMS) has been established by mine management in compliance with the *Qld Mining & Quarrying Safety & Health Act*. The EHSRMS is a tool that allows the systematic identification of environmental and OHS issues and assists their management in a structured manner.

Through the EHSRMS, 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.

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 2015 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, MAusIMM
Appointed 02/07/1993

Actively involved in gold exploration and mining for over 30 years. Mr Lynch has extensive hands-on experience in mine operations and management from the pegging of mining leases through to pouring gold bars. During his corporate career he has maintained a competitive focus on business efficiency centred on strategic planning and innovation. He has held the position of Director of the Queensland Resources Council for six years and is currently a Fellow of the Australian Institute of Company Directors and Member of the Australasian Institute of Mining and Metallurgy.

Executive Chairman, Member of Nomination, Remuneration, and Health, Safety, Environment and Risk Committees

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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, Member of Audit and Finance, Nomination, Remuneration and Health, Safety, Environment and Risk Committees

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A Panchariya
Appointed 22/09/2013

His Excellency Mr. Arun Panchariya is the Consul General for the Republic of Liberia in Dubai, United Arab Emirates. He also an award-winning investment banker and entrepreneur with over two decades of experience in financial markets. His current forte is advising the governments globally on financial products. Principal of Global Finance & Capital Limited (GFCL), a financial advisor to the West African Economic and Monetary Union and the West African Development Bank for a number of projects, infrastructure and industrial, worth over USD 26 billion.

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

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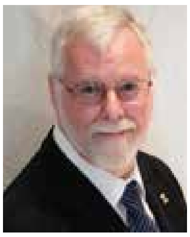

C Towsey BSc(Hons), MSc, Dip Ed, FAusIMM, CP(Geo), MAIG
Appointed 21/02/2014

Mr Towsey has worked in 26 countries in mining, exploration and OHSE auditing. He specialises in gold and base metals underground mining and exploration, with recent coal mining development and operational experience. He is a previous Director of the Qld Resources Council, and has held Chief Geologist, Exploration Manager, General Manager, COO and Managing Director positions in exploration, underground gold mining and drilling companies. He has also held the statutory positions of Site Senior Executive in gold and coal mines. Mr Towsey is a Fellow of the Australasian Institute of Mining and Metallurgy, a member of the Australian Institute of Geoscientists and a Chartered Professional (Geology).

Executive Director, Member Health, Safety, Environment and Risk Committee

RETIRED DIRECTORS

R Tan
Appointed 06/02/2013, Resigned 23/03/2015

Mr Tan, is the Acting CEO, General Counsel, Executive Director and Company Secretary of Singapore's listed LionGold Corp Ltd, has 30 years corporate law experience and heads their legal and compliance affairs worldwide.

COMPANY SECRETARY

Francis Rigby B.Eco, Adv. Dip. Financial Planning
Appointed 21/08/2015

Mr. Rigby has a Bachelor of Economics, an Advanced Diploma in Financial Planning and is a member of the AFA (Association of Financial Advisers). As a professional financial adviser for the past 14 years he also played an integral part in the development of strategic business plans for organisations and individuals. He was the Responsible Manager for the business' AFSL (Australian Financial Services Licence), active in maintaining relevant legislative changes and integrating this into his business position, ensuring compliance. This skill translates well into the Corporate Secretary role. He is currently completing a Graduate Diploma in Applied Corporate Governance.

RETIRED

J Haley
Appointed 28/11/2013 Resigned 21/08/2015

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 2015 was:

	Board Meeting		Audit and Finance		Risk, Safety and Environment		Remuneration		Nomination	
Name	A	B	A	B	A	B	A	B	A	B
M J Lynch	14	14	*	*	2	2	1	1	1	1
J J Foley	14	14	2	2	2	2	1	1	1	1
C Towsey	14	14	*	*	2	2	*	*	*	*
A Panchariya	14	8	2	0	*	*	1	0	1	0
R Tan	11	6	2	2	*	*	*	*	*	*

* 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	7,307,876	-
M J Lynch	88,347,084	-
C Towsey	1,032,880	-
A Panchariya	-	-
TOTAL	96,687,840	-

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 1,495,764,906 to 1,613,950,553 as a result of:

Type of Issue	Issue Price	Number of shares Issued
Share placement	$0.015	20,000,000
Share placement	$0.0175	48,142,861
Share placement	$0.014	7,735,094
Share placement	$0.013	42,307,692

Net cash received was used to continue the exploration, development and general activities of the Company.

See Note 17 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	20,000,000	$0.03	20 June 2016

6. POST BALANCE DATE EVENTS

Since the end of the financial year the Company issued 112,000,000 shares to raise working capital.

7. REVIEW OF OPERATIONS

During the 2015 Financial Year, the Company sold 984 ounces of gold and 1,204 ounces of silver before suspending gold production to focus on detailed mine planning. This resulted in average realised gold price of $1,382, down from the 2013-2014 average realised price $1,425 per ounce, and the 2012-2013 year average realised gold price of A$1,536 per ounce. The average realised silver price in 2014-2015 was $20.36 per ounce.

Royalties were paid to the Queensland State Government on the revenue from gold and silver totalling $64,176.

Highlights included

- $1.4 million revenue from gold and silver sales (984 ounces of gold and 1,204 ounces of silver sold).
- Citigold has completed the bulk sampling program (open pit prefeasibility study) at Imperial, which has been profitable.
- Ongoing drilling and geophysics program showing excellent results
- Key designs for the Central Mine completed, budgeted and scheduled

The project has advanced in many areas including:

- Refurbishment and installation of the downhole borehole dewatering pump
- Progressive rehabilitation of decommissioned areas at the Black jack processing plant
- Redesign and budget of main exhaust shaft, new vertical ventilation & emergency egress shaft, dewatering system and Central Decline development.

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	-	-	2	-

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 36.

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. 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 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 executive 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. No options were issued or exercised by any executive during the reporting period. No long-term incentives were paid 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 2016.

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

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 during the year:

M.J. Lynch	(Executive Chairman)
J.J. Foley	(Non Executive Director)
A. Panchariya	(Non Executive Director)
R. Tan	(Non Executive Director Resigned 23 March 2015)
C. Towsey	(Executive Director)
M.B. Martin	(Chief Executive Officer – Resigned 20 March 2015)

Payments to Directors and Key Management Personnel

	Short-term employee benefits				Post-employment benefits	Share-based payments	
2015	Cash salary and fees	Cash Bonus	Non-monetary benefits	Related party Payments[1]	Superannuation	Options	Total
Directors	**$**	**$**	**$**	**$**	**$**	**$**	**$**
J J Foley	82,380	-			7,826		90,206
M J Lynch	-	-	-	460,428	-	-	460,428
C Towsey	291,419	-	-	30,142	27,685	-	349,246
Other Key Management Personnel							
M B Martin*	323,838	-	-	-	14,996	-	338,834
TOTAL	697,637	-	-	490,570	50,507	-	1,238,714

* resigned 20 March 2015

	Short-term employee benefits				Post-employment benefits	Share-based payments	
2014	Cash salary and fees	Cash Bonus	Non-monetary benefits	Related party Payments[1]	Superannuation	Options	Total
Directors	**$**	**$**	**$**	**$**	**$**	**$**	**$**
J J Foley	82,380	-	-	23,746	7,620	-	113,746
M J Lynch	-	-	-	470,072	-	-	470,072
C Towsey	49,818	-	-	9,557	4,608	-	63,983
B White	85,183	-	-	-	7,879	-	93,062
Other Key Management Personnel							
M B Martin	392,625	-	-	-	19,994	-	412,619
TOTAL	610,006	-	-	503,375	40,101	-	1,153,482

[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 Agreements

Executive Chairman

Contract Term:	5 years, Commenced January 2011
Base Salary:	$468,830, inclusive of superannuation, may be reviewed annually by the Remuneration committee
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:	Commenced December 2005 resigned 20 March 2015
Base Salary:	$445,000, inclusive of superannuation, may be reviewed annually by the Remuneration committee.
Termination Payments:	Payment on early termination by the Group, other than for gross misconduct, equal to 1 year of base salary.

Executive Director

Contract Term:	Ongoing, Commenced April 2014
Base Salary:	$350,000, inclusive of superannuation, may be reviewed annually by the Remuneration committee.
Termination Payments:	Payment on early termination by the Group, other than for gross misconduct, equal to 3 month's 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 29th day of September 2015

Mark Lynch
Chairman

Level 6, 350 Kent Street
Sydney NSW 2000

87- 89 Lyons Road
Drummoyne NSW 2047

KS Black & Co

Chartered Accountants
ABN: 57 446 398 808

20 Grose Street
North Parramatta NSW 2151

PO Box 2210
Parramatta NSW 1750

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CITIGOLD CORPORATION LIMITED
A.B.N. 30 060 397 177

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

K.S. Black & Co
Chartered Accountants

Phillip Miller
Partner

Sydney, 29th September 2015

Liability limited by a scheme approved under Professional Standards Legislation

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Chartered Accountants

Consolidated Statement of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2015

	Notes	2015	2014
		$	$
Revenue		1,383,518	4,035,911
Cost of Sales		(948,046)	(3,368,022)
Gross Profit		435,472	667,889
Other Income	2	913,339	1,357,391
Employee benefits expense		(2,359,081)	(3,653,441)
Depreciation and amortisation expense	3	(645,894)	(620,997)
Finance costs	4	(2,322,436)	(528,480)
Consulting expense		(687,922)	(491,729)
Other expenses	3	(2,345,582)	(4,402,796)
Impairment of Assets	12	(96,000,000)	-
(Loss)/Profit before income tax expense		(103,012,104)	(7,672,163)
Income tax	6	-	-
(Loss)/Profit after tax from continuing operations		(103,012,104)	(7,672,163)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Share of other comprehensive income of associate		-	-
Total comprehensive income		(103,012,104)	(7,672,163)
Profit attributable to:			
(Loss)/Profit attributable to non controlling interest		-	(12)
(Loss)/Profit attributable to members of the company		(103,012,104)	(7,672,151)
		(103,012,104)	(7,672,163)
Total comprehensive income attributable			
(Loss)/Profit attributable to non controlling interest		-	(12)
(Loss)/Profit attributable to members of the company		(103,012,104)	(7,672,151)
		(103,012,104)	(7,672,163)
Basic and diluted EPS (Cents per share)	7	(6.66)	(0.54)

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

Consolidated Statement of Financial Position

as at 30 June 2015

	Notes	2015	2014
		$	$
Current assets			
Cash and cash equivalents	9	1,263,903	186,971
Trade and other receivables	10	216,552	1,232,921
Inventories	11	251,053	326,421
Total current assets		1,731,508	1,746,313
Non - current assets			
Property, plant and equipment	12	111,775,670	208,566,297
Other financial assets	13	1,060,900	553,204
Total non-current assets		112,836,570	209,119,501
Total assets		114,568,078	210,865,814
Current liabilities			
Trade and other payables	14	6,086,017	8,016,475
Borrowings	15	8,129,067	1,020,269
Provisions	16	1,237,185	1,358,966
Total current liabilities		15,452,269	10,395,710
Non-current liabilities			
Borrowings	15	73,157	135,315
Provisions	16	603,408	619,013
Total non-current liabilities		676,565	754,328
Total liabilities		16,128,834	11,150,038
Net assets		98,439,244	199,715,776
Equity			
Issued capital	17	209,603,819	207,868,247
Reserves	18	39,257,542	39,257,542
Accumulated losses	19	(150,491,200)	(47,479,096)
Total equity attributable to shareholders of the company		98,370,161	199,646,693
Non Controlling Interest		69,083	69,083
Total equity		98,439,244	199,715,776

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

Consolidated Statement of Changes in Equity

for the year ended 30 June 2015

	Issued Capital $	Asset Revaluation Reserve $	Capital Reserve $	Share based payments reserve $	Retaining Earning $	Attributable to Owners of parent $	Non controlling interest $	Total $
CONSOLIDATED								
Balance as at 1 July 2014	207,868,247	37,851,949	571,430	834,163	(47,479,096)	199,646,693	69,083	**199,715,775**
Profit for period					(103,012,104)	(103,012,104)		(103,012,104)
Total comprehensive income	-	-	-	-	(103,012,104)	(103,012,104)		(103,012,104)
Owners contribution, net of transaction cost	1,735,572	-	-	-	-	1,735,572	-	1,735,572
Balance as at 30 June 2015	**209,603,819**	**37,851,949**	**571,430**	**834,163**	**(150,491,200)**	**98,370,161**	**69,083**	**98,439,244**

	Issued Capital $	Asset Revaluation Reserve $	Capital Reserve $	Share based payments reserve $	Retaining Earning $	Attributable to Owners of parent $	Non controlling interest $	Total $
Balance as at 1 July 2013	**197,868,247**	**37,851,949**	**571,430**	**834,163**	**(39,806,945)**	**198,027,744**	**69,095**	**198,096,838**
Profit for period					(7,672,151)	(7,672,151)	(12)	(7,672,163)
Total comprehensive income	-	-	-	-	(7,672,151)	(7,672,151)	(12)	(7,672,163)
Issue of Convertible Bonds	-	-	-	-	-	(708,900)	-	(708,900)
Owners contribution, net of transaction cost	10,000,000	-	-	-	-	10,000,000	-	10,000,000
Balance as at 30 June 2014	**207,868,247**	**37,851,949**	**571,430**	**834,163**	**(47,479,096)**	**199,646,693**	**69,083**	**199,715,775**

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

Consolidated Statement of Cash Flows

for the year ended 30 June 2015

	Notes	2015	2014
		$	$
Cash flows from operating activities			
Receipts from customers		3,222,285	5,373,967
Payments to suppliers and employees		(8,266,804)	(7,464,217)
Interest and other costs of finance paid		(2,178,544)	(472,816)
Net cash (used in) /provided by operating activities	8	(7,223,063)	(2,563,066)
Cash flows from investing activities			
Interest received		5,223	19,335
Proceeds for property, plant and equipment		1,127,296	2,086,008
Development costs paid		(454,539)	(7,240,220)
Net cash provided by / (used in) investing activities		677,980	(5,134,877)
Cash flows from financing activities			
Proceeds from issues of equity securities		1,735,572	7,000,000
Proceeds from borrowings		10,271,075	222,722
Repayment of borrowings		(4,384,632)	(70,488)
Net cash provided by/(used in) financing activities		7,622,015	7,152,234
Net Increase /(Decrease) in cash and cash equivalents		1,076,932	(545,709)
Cash and cash equivalents at the beginning of the financial year		186,971	732,680
Cash and cash equivalents at end of the financial year	9	1,263,903	186,971

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

The financial report of Citigold Corporation Limited for the year ended 30 June 2015 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. 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 the 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 profit or loss and other comprehensive income and statement of financial position respectively.

b) Foreign Currency Translation

The results and financial position of each entity are expressed in Australian 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, transactions 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) Loan and Borrowings

Loan and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost, less any impairment. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other 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 and other receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 2 and 90 days. Collectibility 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.

2) Share-based payment transactions

The fair value of any options granted under any share option plan are recognised as an employee benefit expense with a corresponding increase in equity (share option reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. Fair value is determined by using the Black-Scholes option pricing model. In determining fair value, no account is taken of any performance conditions other than those related to the share price of the Company ("market conditions"). The cumulative expense recognised between grant date and vesting date is adjusted to reflect the director's best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the company until vesting date, or such that employees are required to meet production targets. No expense is recognised for options that do not ultimately vest because internal conditions were not met. An expense is still recognised for options that do not ultimately vest because a market condition was not met.

No employee share option plan currently exists.

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 profit or loss and other 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) 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.

k) 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 profit or loss and other comprehensive income on a straight-line basis over the lease term.

l) 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 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 profit or loss and other comprehensive income, is removed from equity and recognised in the statement of profit or loss and other comprehensive income.

Reversals of impairment losses on equity instruments classified as available-for-sale cannot be reversed through statement of profit or loss and other comprehensive income. Reversals of impairment losses on debt instruments classified as available-for-sale can be reversed through the statement of profit or loss and other 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 profit or loss and other 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 taken 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 profit or loss and other 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.

m) Trade and other 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.

n) Property, plant and equipment

Development Properties are measured at cost less accumulated amortisation.

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 profit or loss and other 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.

o) 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 consistent with it's Plan of Operations, environmental policies and acceptable to the relevant authorities. 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 profit or loss and other 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 unforeseen 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 profit or loss and other comprehensive income as incurred.

p) 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.

q) 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 any 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.

r) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

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.

s) Government grants

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them that the grants will be received.

Government grants are recognised in profit and loss on a systematic basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate.

t) Borrowing costs

Borrowing costs are expensed in the statement of profit or loss and other 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 2015 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. REVENUE AND OTHER INCOME

	Consolidated	
	2015	2014
	$	$
Interest received	5,223	19,335
Research & Development Tax Offset	861,010	-
Sundry Income	47,106	1,338,056
Total	913,339	1,357,391

3. EXPENSES

	Consolidated	
	2015	2014
	$	$
Insurance	121,833	283,059
Office administration costs	572,560	893,549
Royalty Payments	106,109	196,796
Corporate administration	150,477	204,068
Tenement charges and costs	630,773	458,913
Travel expenses	197,791	193,444
Professional fees	259,467	171,911
Loss on sale of asset	306,572	2,001,056
Total	2,345,582	4,402,796
Depreciation and Amortisation Expense		
Plant and Equipment	645,894	620,997
Operating Lease Expense		
Operating Lease Expenses	6,720	6,720
Superannuation Expense		
Superannuation Expense	217,400	311,681

Notes to the Financial Statements
for the year ended 30 June 2015

4. FINANCE COSTS

	Consolidated 2015	2014
	$	$
Other Interest	1,394,298	382,815
Interest on Leases	13,467	11,511
Other Funding Costs	914,671	134,154
Total	2,322,436	528,480

5. AUDITORS REMUNERATION

	Consolidated 2015	2014
	$	$
Audit and review of financial reports- KS Black & Co	37,220	34,845
Other services	15,430	-
Total	52,650	34,845

6. INCOME TAX EXPENSE

	Consolidated 2015	2014
	$	$
Prima facie income tax benefit calculated at 30% (2014: 30%) on the (loss)/profit from continuing operations	(30,903,631)	(2,301,649)
Deferred tax benefit accrued/(utilised):	30,903,631	2,301,649
Income tax attributable to net loss for year	-	-

At 30 June 2015 consolidated deferred tax assets of $48,997,844 ($46,959,433 at 30 June 2014) arising from carried forward income tax losses calculated at a tax rate of 30% (30 June 2014, 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.

7. EARNINGS PER SHARE (EPS)

a) Basic earnings per share

The calculation of basic earnings per share at 30 June 2015 was based on the loss attributable to ordinary shareholders of $103,012,103 (loss of $7,672,163 in 2014) and weighted average number of ordinary shares outstanding during the financial year ended 30 June 2015 of 1,547,181,462 (1,424,140,641 in 2014), calculation as follows:

	Consolidated	
	2015	2014
	$	$
Profit (loss) for the period*	(103,012,103)	(7,672,163)
Weighted average number of ordinary shares		
Opening Balance	1,495,764,906	1,352,907,765
Effect of shares issued during the year	51,416,556	71,232,876
Total weighted average number of ordinary shares used in calculating basic and diluted earnings per share	1,547,181,462	1,424,140,641
Profit /(Loss) per share – cents	(6.66)	(0.54)

** all attributable to ordinary shareholders*

There were 20,000,000 options outstanding at the end of the year (27,997,917 in 2014) that have not been taken in to account in calculating diluted EPS as there effect would be antidilutive.

8. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	Consolidated	
	2015	2014
	$	$
Net Profit/ (Loss) for the year	(103,012,103)	(7,672,163)
Adjustments for:		
Impairment, Depreciation and Amortisation net after write back of assets sold	96,117,871	620,997
Interest Received	(5,223)	(19,335)
(Increase)/ decrease in Trade and other receivables	1,016,369	(692,166)
(Increase)/ decrease in inventories	75,368	701,325
(Decrease)/ increase in trade and other payables	(1,277,959)	4,156,190
Increase/ (decrease) in Employee provisions	(137,386)	342,086
Net Cash provided by/ (used in) operating activities	(7,223,063)	(2,563,066)

9. CASH AND CASH EQUIVALENTS

	Consolidated	
	2015	2014
	$	$
Bank Balances	1,263,903	186,971
Cash and cash equivalents	1,263,903	186,971

Notes to the Financial Statements
for the year ended 30 June 2015

10. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2015	2014
	$	$
CURRENT		
Security Bonds	18,674	18,674
Other Receivables and Accrued Income	20,512	953,482
Prepayments	164,924	219,749
GST paid on acquisitions	12,442	41,016
Total	216,552	1,232,921

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

11. INVENTORIES

	Consolidated	
	2015	2014
	$	$
Current		
Consumables	251,053	326,421
Total	251,053	326,421

12. PLANT, PROPERTY AND EQUIPMENT

	Consolidated 2015 $	2014 $
Plant, Property and Equipment		
Exploration, Evaluation and Development expenditure		
Costs brought forward in respect of areas of interest:	131,009,698	123,224,117
Costs incurred in period	454,539	7,785,581
Less: Accumulated amortisation	(1,142,988)	(1,142,988)
Total exploration, evaluation and development expenditure	130,321,249	129,866,710
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	151,048	2,518,548
Less: Sale of land during year	-	(2,367,500)
Carrying amount at end of year	151,048	151,048
Plant and Equipment		
At Cost	14,156,384	15,867,033
Less: accumulated depreciation	(11,292,925)	(11,758,408)
Carrying amount at end of year	2,863,459	4,108,625
Less Impairment of Property, Plant and Equipment	(96,000,000)	-
Total Carrying Value of Property, Plant and Equipment	111,775,670	208,566,297

Reconciliation of Plant and Equipment:

	Consolidated 2015 $	2014 $
Plant and Equipment		
Carrying amount at beginning of year	4,108,625	5,943,491
Net additions/(sale) during year	(599,501)	(668,508)
Less: depreciation charged in year	(645,665)	(620,997)
Transfer/Reclassification	-	(545,361)
Carrying amount at end of year	2,863,459	4,108,625

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. There were no additions in the group during the period, (in 2014 $203,159 worth of motor vehicles were purchased under hire purchase and finance lease).

12. PLANT, PROPERTY AND EQUIPMENT continued

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.

13. OTHER FINANCIAL ASSETS

	Consolidated	
	2015	2014
	$	$
Security deposit against restoration costs lodged with the Department of Department of Natural Resources and Mines	1,060,900	553,204

14. TRADE AND OTHER PAYABLES

	Consolidated	
	2015	2014
	$	$
CURRENT		
Trade creditors	4,064,037	5,283,623
Sundry creditors and accrued expenses	2,021,980	2,732,852
Total	6,086,017	8,016,475

15. BORROWINGS

	Consolidated	
	2015	2014
	$	$
Current		
Unsecured Liabilities		
Loan from unrelated parties	874,484	949,856
Insurance funding	17,980	13,006
Secured Liabilities		
Loan from unrelated parties	7,174,445	-
Finance lease liabilities	62,158	57,407
Total	8,129,067	1,020,269
Non-Current		
Finance lease liabilities	73,157	135,315
Total	73,157	135,315

Loans from unrelated parties

The loans are all fixed interest and are recallable at any time. Interest is calculated at rate of 5% to 12% per annum.

Insurance funding

The fixed term loan will mature on November 2015 and interest is calculated at 5.2% per annum

16. PROVISIONS

	Consolidated 2015 $	Consolidated 2014 $
Current Provisions		
Employee benefits	1,237,185	1,358,966
Total	1,237,185	1,358,966
Non Current Provisions		
Employee benefits	95,604	111,209
Restoration and rehabilitation	507,804	507,804
Total	603,408	619,013

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 Department of Natural Resources and Mines. The provision is based on the calculated cost of restoration, rehabilitation and environmental work required in accordance with the Plan of Operations 2014-2016 lodged with Department of Environment and Heritage Protection.

17. ISSUED CAPITAL

Reconciliation of movement in issued capital of the parent entity

Movements in Issued Capital 2015:

Date	Details	Number of Shares	Issue Price	$
Balance as at 1 July 2014		1,495,764,906		207,868,247
23-Nov-14	Share Placement	20,000,000	0.015	300,000
10-Dec-14	Share Placement	48,142,861	0.0175	842,500
17-Mar-15	Share Placement	7,735,094	0.0135	101,072
31-Mar-15	Share Placement	42,307,692	0.013	492,000
Total movement during the year		118,185,647		1,735,572
Balance for the year		1,613,950,553		209,603,819

Movements in Issued Capital 2014:

Date	Details	Number of Shares	Issue Price	$
Balance as at 1 July 2013		1,352,907,765		197,868,247
30-Dec-13	Share Placement	142,857,141	0.07	10,000,000
	Total movement during the year	142,857,141		10,000,000
Balance for the year		1,495,764,906		207,868,247

17. ISSUED CAPITAL continued

Share Options

The terms, amount and number of options are as follows:
Number of options outstanding as at 30 June 2015:

Issuing Entity	Number of options	Exercise Price	Expiry Date of Options
Citigold Corporation Limited	20,000,000	$0.03	20 June 2016
Balance as at 30 June 2015	20,000,000		

Number of options outstanding as at 30 June 2014:

Issuing Entity	Number of options	Exercise Price	Expiry Date of Options
Citigold Corporation Limited	20,000,000	$0.03	20 June 2016
Citigold Corporation Limited	7,997,917	$0.12	28 June 2015
Balance as at 30 June 2014	27,997,917		

Movement in share options

The movement in the company's share options during the year ended 30 June 2015 were as follows:

Date	Details	Number of options	Issue Price $	$
28-Jun-15	Expiry of options	(7,997,917)	-	-
Total Movement		(7,997,917)		

The movement in the company's share options during the year ended 30 June 2014 were as follows:

Date	Details	Number of options	Issue Price $	$
20-Jun-14	Issue of options	20,000,000	-	-
Total Movement		20,000,000	-	-

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.

17. ISSUED CAPITAL continued

It is the Group's practice to maintain its gearing ratio within the range of 0 – 15% (2014: 0 - 15%). The Group's gearing ratio at the balance date is shown below

	Consolidated 2015	Consolidated 2014
	$	$
Gearing Ratio:		
Net debt	8,202,224	1,155,584
Total equity	98,439,244	199,715,776
Total capital	106,641,468	200,871,360
Gearing Ratio	7.69%	0.58%

18. RESERVES

	Consolidated 2015	Consolidated 2014
	$	$
Composition		
Asset Revaluation Reserve	37,851,949	37,851,949
Capital Profits Reserve	571,430	571,430
Conversion Rights	-	-
Share Based Remuneration Reserve	834,163	834,163
Total	39,257,542	39,257,542
Asset Revaluation Reserve		
Balance at beginning of the year	37,851,949	37,851,949
Revaluation (decrease)/ increase during the year	-	-
Balance at end of Year	37,851,949	37,851,949
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	-	708,900
Option (decrease)/ increase during the year	-	(708,900)
Balance at end of Year	-	-
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

18. RESERVES continued

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.

Share-based payment reserve

Comprises the fair value of options and performance share rights recognised as an expense.

19. ACCUMULATED LOSSES

	Consolidated	
	2015	2014
	$	$
Accumulated losses at beginning of the year	(47,479,096)	(39,806,945)
Net Profit/ (loss) attributable to members of the parent entity for the year	(103,012,104)	(7,672,151)
Total	(150,491,200)	(47,479,096)

20. FINANCIAL RISK MANAGEMENT

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.

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

20. FINANCIAL RISK MANAGEMENT continued

Financial Instruments

	Notes	Consolidated 2015 $	2014 $
Cash	9	1,263,903	186,971
Security bonds	10	18,674	18,674
Prepayments (if these are refundable)	10	164,924	219,749
Receivables	10	32,954	994,498
Deposits (if refundable)	13	1,060,900	553,204
Loans and Receivables (Cash and Cash equivalents)		2,541,355	1,973,096
Trade creditors	14	4,064,037	5,283,623
Sundry creditors and accrued expenses (exclude accrued expenses and any statutory amounts such as PAYG/Superannuation)		470,788	1,614,299
Loans from unrelated party	15	8,048,929	949,856
Loan- Insurance	15	17,980	13,006
Finance lease liability	15	135,315	192,722
Financial liabilities at amortised cost		12,737,049	8,053,506

Categories of financial Instruments

	2015	2014
Loans and Receivables (Including cash and cash equivalents)	1,480,455	1,419,892
Financial liabilities at amortised cost	(12,737,049)	(8,053,506)
Total	(11,256,594)	(6,633,614)

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 2015 $	2014 $
Loans and receivables	216,552	1,232,921
Cash and Cash Equivalents	1,263,903	186,971
	1,480,455	1,419,892

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

Australia	1,480,455	1,419,892

20. FINANCIAL RISK MANAGEMENT continued

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

d) Financing arrangements

Maturity Analysis - Group 2015

Financial Liabilities	Carrying Amount	Contractual Cash flows	← 6 mths	6- 12 mths	1-3 years	→ 3 years
	$	$	$	$	$	$
Trade Creditors	4,064,037	4,064,037	4,064,037	-	-	-
Finance Lease	135,315	135,315	31,079	31,079	73,157	-
Term Loans	8,048,929	8,048,929	8,048,929	-	-	-
Loans others	17,980	17,980	17,980	-	-	-
TOTAL	12,266,261	12,266,261	12,162,025	31,079	73,157	-

Financial Assets						
Trade debtors	18,214	18,214	18,214	-	-	-
Other receivables	20,972	20,972	20,972	-	-	-
TOTAL	39,186	39,186	39,186	-	-	-

Maturity Analysis - Group 2014

Financial Liabilities	Carrying Amount	Contractual Cash flows	← 6 mths	6- 12 mths	1-3 years	→ 3 years
	$	$	$	$	$	$
Trade Creditors	5,283,623	5,283,623	5,283,623	-	-	-
Finance Lease	192,722	192,722	28,704	28,704	129,460	5,854
Term Loans	949,856	949,856	949,856	-	-	-
Loans others	13,006	13,006	13,006	-	-	-
TOTAL	6,439,207	6,439,207	6,275,189	28,704	129,460	5,854

Financial Assets						
Trade debtors	20,533	20,533	20,533	-	-	-
Other receivables	973,966	973,966	973,966	-	-	-
				-	-	-
TOTAL	994,499	994,499	994,499	-	-	-

20. FINANCIAL RISK MANAGEMENT continued

e) 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).

f) 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 - 2015	Carrying Amount AUD	+1% Profit	-1% Profit
Cash and cash equivalents	1,263,903	12,639	(12,639)
Tax charge of 30%	-	(3,792)	3,792
After tax increase/ (decrease)		8,847	(8,847)

The above analysis assumes all other variables remain constant.

Consolidated - 2014	Carrying Amount AUD	+1% Profit	-1% Profit
Cash and cash equivalents	186,971	1,870	(1,870)
Tax charge of 30%	-	(561)	561
After tax increase/ (decrease)	-	1,309	(1,309)

21. COMMITMENTS

Finance Lease Liabilities

	Consolidated	
	2015	2014
	$	$
Finance Lease Commitments Payable		
- not later than one year	70,714	70,714
- later than one year but not later than five years	76,606	147,320
Minimum lease payments	147,320	218,034
Less future finance charges	(12,005)	(25,312)
Total lease liability	135,315	410,756

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.

21. COMMITMENTS continued

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	
	2015	2014
	$	$
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	
	2015	2014
	$	$
Operating lease commitments payable		
- not later than one year	88,209	88,209
- later than one year but not later than five years	48,660	136,869
Total	136,869	225,078

The general terms of the operating lease commitments disclosed above are: Non - cancellable leases for rental of office equipment and rental of office for remaining term of 2 years. Rentals are payable monthly. The agreements do not contain escalation clauses.

22. CONSOLIDATED ENTITIES

	Country Of Incorporation	Ownership Interest 2015	Ownership Interest 2014	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
Indo Citigold Pte Ltd	Singapore	51	51	21 May 2013

23. 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

	2015		2014	
	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Trade and other receivables	216,552	211,270	1,232,921	1,202,850
Cash and cash equivalents	1,263,903	1,263,903	186,971	186,971
Trade and other payables	6,086,017	5,794,302	8,016,475	7,634,738
Non-current assets(note 13)	1,060,900	1,035,024	553,204	539,711
Non-current interest bearing liabilities (note 15)	73,157	69,673	135,315	128,871

Securities

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

24. 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 22.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 29

(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.

25. SUBSEQUENT EVENTS

Since the end of the financial year the Company issued 112,000,000 shares to raise working capital.

26. GOING CONCERN

The financial statements have been prepared on a going concern basis. The group incurred a net loss $103,012,104 during the period ended 30 June 2015 (this includes a non-cash impairment amount of $96,000,000) and as of that date the group had current assets of $1,731,508 and current liabilities of $15,452,269. 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.

27. 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 $8.5 million. At this time it is not anticipated that this will be resolved until some-time in calendar year 2016.

28. 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.

29. 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)
R. Tan (Non Executive Director)
A. Panchariya (Non Executive Director)
C. Towsey (Executive Director)

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 (Resigned 20 March 2015)

(c) Key management personnel compensation

	Consolidated	
	2015	2014
	$	$
Short term employee benefits	1,108,207	1,113,381
Post-employment benefits	50,506	40,101
	1,158,713	1,153,482

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 32 to 35 of this report.

29. KEY MANAGEMENT PERSONNEL DISCLOSURES continued

(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:

2015	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	-	2,571,429	7,307,876
M J Lynch	81,347,083	-	7,000,001	88,347,084
C Towsey	175,737	-	857,143	1,032,880
R Tan	-	-	-	-
A Panchariya	-	-	-	-
Other Key Management Personnel				
M B Martin	-	-	-	-

2014	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
C Towsey	175,737	-	-	175,737
R Tan	-	-	-	-
A Panchariya	-	-	-	-
Other Key Management Personnel	-	-	-	-
M B Martin	30,000	-	(30,000)	-

29. KEY MANAGEMENT PERSONNEL DISCLOSURES continued

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:

2015	Balance at the start of the year	Exercise of options	Granted during the year as remuneration	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year

Directors

No Directors held options in the group during the period

Other Key Management Personnel

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

2014	Balance at the start of the year	Exercise of options	Granted during the year as remuneration	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year

Directors

No Directors held options in the group during the period

Other Key Management Personnel

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

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 2015.

TRANSACTION RELATING TO KEY MANAGEMENT PERSONNEL

A Key Management Personnel have provided a $90,311 unsecured loan to the company at the interest rate of 12% per year.

30. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

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

	Parent Entity	
	2015	2014
	$	$
Balance Sheet		
Current assets	1,389,405	1,295,487
Total assets	117,692,239	213,514,217
Current liabilities	10,556,818	3,975,252
Total Liabilities	11,271,290	9,382,781
Shareholders' equity		
Issued Capital	209,603,819	207,868,246
Reserves	38,686,113	38,686,113
Accumulated losses	141,868,983	42,422,924
Profit and Loss		
Loss for the year	99,446,059	3,871,718
Total comprehensive loss	99,446,059	3,871,718

(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

Refer to note 27.

(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 37 to 63 are in accordance with the Corporations Act 2001 including:

(i) complying 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 2015 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 32 to 35 of the Directors' Report (as part of the Remuneration Report), for the year ended 30 June 2015, 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 22 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 2015 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 29th September 2015.

Level 6, 350 Kent Street
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87- 89 Lyons Road
Drummoyne NSW 2047

KS Black & Co

Chartered Accountants
ABN: 57 446 398 808

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North Parramatta NSW 2151

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CITIGOLD CORPORATION LIMITED
A.B.N. 30 060 397 177

Report on the Financial Report

We have audited the accompanying financial report of Citigold Corporation Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information 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.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. 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).

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. Those 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.

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 judgment, 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 company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, 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.

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

Phone 02 8839 3000 Fax 02 8839 3055

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Chartered Accountants

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*, which has been given to the directors of Citigold Corporation Limited, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion,

a. the financial report of Citigold Corporation Limited is in accordance with the *Corporations Act 2001*, including:
   i. giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
   ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001;* and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter Continuing as a Going Concern

Without qualifying our opinion, we draw attention to Note 26: Going concern which details the group's current position and how the group will continue as a going concern. The cash flow forecasts project that the consolidated entity will continue to be able to meet its liabilities and obligations as and when they fall due for a period of at least 12 months from the date of signing of this financial report. The cash flow forecast is dependent upon the generation of sufficient cash flows to be raised from short term funding, capital raising and/ or other initiatives to enable the consolidated entity to fund its planned activities and be able to meet its liability and obligations as and when they fall due.

These conditions indicate the existence of a significant uncertainty which may cast doubt on the group's ability to continue as a going concern.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 32 to 35 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Citigold Corporation Limited for the year ended 30 June 2015 complies with s300A of the *Corporations Act 2001*.

K.S. Black & Co
Chartered Accountants

Phillip Miller

Partner

Sydney, 29th September 2015

ASX ADDITIONAL INFORMATION

1. SHAREHOLDINGS AS AT 30 SEPTEMBER 2015

Range	Total holders	Number of Shares
1 - 1,000	1,440	569,440
1,001 - 5,000	1,668	4,897,364
5,001 - 10,000	1,091	8,919,184
10,001 - 100,000	3,116	122,251,435
100,001	1,189	1,589,313,130
Total	8,504	1,725,950,553

Distribution of Members and their Shareholdings of ordinary shares
5,006 Shareholders have less than marketable parcel of ordinary shares
Voting rights - all shares carry voting rights of one vote per share

Substanital Shareholdings as at 30 September 2015

Name	Number of Shares	% of Issued Share Capital
R G F LAND SDN BHD	188,554,719	10.92
K SERA SERA HOLDINGS PTY LTD	96,485,307	5.59

Twenty Largest Shareholders as at 30 September 2015

Name	Number of Shares	% of Issued Share Capital
R G F LAND SDN BHD	188,554,719	10.92
CITICORP NOMINEES PTY LIMITED	109,768,101	6.36
K SERA SERA HOLDINGS PTY LTD	96,485,307	5.59
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	86,896,024	5.03
AURORA INVESTMENTS LIMITED	81,199,144	4.70
NATIONAL NOMINEES LIMITED	80,749,000	4.68
CHUXIAN YANG	80,000,000	4.64
JFO INVESTMENTS PTY LTD	75,318,808	4.36
RHB SECURITIES SINGAPORE PTE LTD <CLIENTS A/C>	56,026,814	3.25
PAL GROUP PTY LTD <(KATHLEEN THERESE LYNCH A/C>	36,801,058	2.13
J P MORGAN NOMINEES AUSTRALIA LIMITED	30,791,747	1.78
UOB KAY HIAN PRIVATE LIMITED <CLIENTS A/C>	17,972,282	1.04
MR IAN FRASER + MS J BACON <IAN FRASER SUPER FUND A/C>	12,500,000	0.72
JF APEX SECURITIES BERHAD <CLIENT ACCOUNT>	11,173,136	0.65
MR CHARLES RAYMOND LARKIN	11,005,947	0.64
MR FRANCIS ROGERSON	10,002,230	0.58
MR IAN MCDONALD FRASER	10,000,000	0.58
MR WEITIAN ZHANG	9,899,129	0.57
MR NICHOLAS KENOS & MRS PAULINE KENOS <NP HOLDINGS SUPER FUND>	8,285,714	0.48
ALAN FRYDAY PTY LTD <FRYDAY PENSION FUND A/C>	7,267,418	0.42
	1,020,696,578	59.12

2. RESTRICTED SECURITIES

At the time of this report there are no ordinary shares classified as restricted securities..

3. ON MARKET BUY BACK

There is no current on-market buy back.

4. SUMMARY OF MINING TENEMENTS & AREAS OF INTEREST as at 30 September 2015

The Consolidated Entity has a 100% control of the following mining tenements at Charters Towers:

Exploration Permit Minerals	EPM 15964	EPM 15966	EPM 16979	EPM 18465	EPM 18813	EMP 18820
Minerals Development Licence	MDL 116	MDL 118	MDL 119	MDL 251	MDL 252	
Mining Lease	ML 1343	ML 1408	ML 1433	ML 1548	ML 10042	ML 10222
	ML 1344	ML 1409	ML 1472	ML 1549	ML 10048	ML 10281
	ML 1347	ML 1424	ML 1488	ML 1585	ML 10050	ML 10282
	ML 1348	ML 1428	ML 1490	ML 1586	ML 10091	ML 10283
	ML 1385	ML 1429	ML 1491	ML 1587	ML 10093	ML 10284
	ML 1387	ML 1430	ML 1499	ML 1735	ML 10193	ML 10285
	ML 1398	ML 1431	ML 1521	ML 10005	ML 10196	ML 10335
	ML 1407	ML 1432	ML 1545	ML 10032	ML 10208	

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CITIGOLD
corporation

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