
Citigold Corporation Limited

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ANNOUNCEMENT**Share Purchase Plan**

18 October 2007: Citigold Corporation Limited ("Citigold")(ASX: 'CTO', DIFX: 'CTO') today announced the release of its regular Share Purchase Plan ("SPP") to provide existing shareholders with the opportunity to acquire additional ordinary shares in the company at a discount to the market price.

Citigold recognises and values all of our shareholders. These offers give shareholders the opportunity to acquire up to A\$5,000 in new fully paid shares in a year at a discount, free of brokerage, commission and other charges. These discount offers are of particular benefit to Citigold's substantial and strong retail investor base.

While past performance is no indication of future performance, the share price of all previous SPP's issued by Citigold has increased. The five year weighted average gain has been 84% per annum return on investment, provided a shareholder invested A\$2,500 in each of the SPP's issued by Citigold since 2002.

This special offer is available only to existing shareholders as at 5pm on 12 October 2007.

Bonus Loyalty Shares

In addition to the discount offered with this SPP Citigold has decided to give all shareholders participating in the offer one free bonus loyalty share for every 20 shares subscribed for in this SPP. This is in recognition of the continued support Citigold receives from its shareholders. The free bonus loyalty shares are fully paid ordinary shares and will be listed on the stock exchange equally with all existing shares.

The offer is non-renounceable and full details of the Plan will be set out in the offer to be mailed to eligible shareholders.

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