

APPOINTMENT OF OWEN L HEGARTY AS SENIOR ADVISOR

Citadel Resource Group (CGG) is pleased to announce that leading Australian mining identity, Mr Owen Hegarty, has been appointed a Senior Advisor to the Company from 1 August 2008.

Mr Hegarty is renowned for the development of Oxiana Ltd into a significant copper and gold explorer, developer and producer in Australia and Asia. Oxiana merged with Zinifex Ltd recently to form a world class base and precious metals producer – OZ Minerals Ltd.

Mr Hegarty, the former CEO of Oxiana Ltd, is now a Non-Executive Director of OZ Minerals Ltd and Chairs the Board Integration Committee. He is also a Director of the Minerals Council of Australia and a fellow of the Australasian Institute of Mining and Metallurgy (AUSIMM). In 2005 Mr Hegarty was awarded the AUSIMM Institute Medal for his leadership and achievements in the mining industry.

Citadel's Chief Executive, Ms Inés Scotland, said today the availability of Mr Hegarty's experience and expertise would be invaluable to Citadel at a crucial and exciting time in progressing the Company's development projects, including its flagship project, the Jabal Sayid copper mine in Saudi Arabia.

"Owen is renowned for growing Oxiana from a small explorer-developer to a globally recognised base and precious metals producer with a multi-billion dollar market capitalisation", Ms Scotland said.

"Significantly Oxiana's growth and achievements were based on the successful development of quality copper and gold projects, which are also central to the emergence of Citadel," Ms Scotland said.

"We welcome Owen and look forward to his advice, drive and enthusiasm as Citadel continues with its aggressive mine development and exploration programs".

About Citadel (www.citadelrg.com.au)

Jabal Sayid – the flagship project in Citadel's portfolio of Saudi Arabian gold and base metal projects – is a 50% joint venture between Australian company, Citadel Resource Group, and Saudi company CMCI. The other projects in the portfolio are 100% owned by Citadel.

Mineralisation at Jabal Sayid is contained in four Lodes. To date Citadel has concentrated on defining copper resources within Lodes 2 and 4.

The Company has already said it believes the high grade core of Lode 4 will underpin a world class underground mining operation by itself and Citadel can then add production from Lode 2 and the Lode 1 and Lode 4 massive sulphides.

The project is underpinned by the considerable existing infrastructure as well as the

favourable operating environment for mining companies in Saudi Arabia.

Jabal Sayid is located 500m off a sealed highway that connects to a deepwater port facility with bulk materials handling capability at Yanbu on the Red Sea. The development off the existing 3.9km decline passes through the high grade upper section of Lode 4, as well as the high grade sections of Lodes 2 and 1.

Citadel already has a 100 person camp in place that it is currently using and the closest town some 35kms to the north/east has an operating gold mine that has produced over 6Moz.

For further information please contact:

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