

Acquisition of Interest in First Peruvian Plant & Gold Project

- **Landmark for Commissioners in Peru – maiden overseas expansion**
- **Anticipated modest gold production by end 2012**
- **Combination of tailings reprocessing and small CIL treatment plant**

The Board of Commissioners Gold Limited (ASX: CGU) has resolved to move into the investment stage on the Company's first project in South America, subject to completion of a formal agreement.

The Mollehuaca–Santa Rosa Project combines two separate but symbiotic sub-projects. The Mollehuaca (pronounced “Maywaca”) Plant is an existing carbon-in-leach (CIL) processing plant located in southern Peru. At Santa Rosa, tailings produced during gold mining activities more than 50 years ago contain significant recoverable gold. These fine grained tailings will be trucked to nearby Mollehuaca for processing, a move that will underpin upgrades to the plant.

Commissioners Gold intends to acquire 25% equity in Goldsmith Resources SAC, the operators of the Mollehuaca-Santa Rosa Project, by funding US\$400,000 in two separate tranches.

Economic modelling shows that the project has potential to be a small cash earner, with CGU's portion forecast to generate around US\$8 million over the next 10 years (post Peruvian tax) if the gold price remains around US\$1,600/oz and additional scheduled resources are bought to the plant.

This first project in Peru is relatively small. However, the return on investment looks excellent and will put Commissioners into an asset which will be generating cash within months.



Location of the Mollehuaca-Santa Rosa project

Commissioners move into the Peruvian resource sector was formalised by a project acquisition Joint Venture with Lima-based Australian unlisted junior, Australia Gold Corporation Limited, announced to the market on 2 July 2012.

Importantly, the Mollehuaca-Santa Rosa project is the first in a suite of excellent projects under due diligence which meet the JV objectives of early cash flow, scalability and modest entry cost. A number of those projects are at an advanced stage of negotiation.

CONTACT:

Jason Needham
Exploration Manager
Commissioners Gold
0404 102 764

Chris Battye
Executive Chairman
Commissioners Gold
0404 032 923

MEDIA CONTACT:

Kevin Skinner
Field Public Relations
08) 8234 9555
0414 822 631