



ACN 115 845 942

Attn: **Company Announcements Office**
Australian Securities Exchange
20 Bridge Street
Sydney
NSW 2000

12 December 2011

Dear Sir

Re: Chairman's Address -Annual General Meeting code CGU

Please find attached copy of the Chairman's Address delivered at today's Annual General Meeting for Commissioners Gold Limited.

Yours faithfully

K R Taylor
Company Secretary

CHAIRMAN'S ADDRESS

Commissioners Gold Limited

Annual General Meeting, 12th December 2011

Good morning Ladies and Gentlemen,

Welcome to the Annual General Meeting for Commissioners Gold Limited.

My name is Chris Batty. I am Executive Chairman of the Company. I thank you for taking the time to attend today.

Commissioners Gold listed on the ASX on 2nd September and immediately commenced drilling at Cowarra near Cooma. The results from that program were excellent. The occurrence of the mineralisation at the intersection of the exposed shear zone corridor and the deep seated cross-cutting magnetic feature detected by the target map analysis of the helimag data was no coincidence and confirms the validity of the targets we identified.

Hits of 6.54, 7.37 and 8.7 g/t gold on the Ambassador lode, 9.85 g/t gold on the Victoria Lode and 11.95 g/t gold on the Independent lode are vindication that further expenditure is warranted at Cowarra.

The program of four diamond drill holes completed in October returned assays that include:

1 metre at 11 g/t gold from 209.4 metres

3 metres at 4.38 g/t gold from 279.5 metres, including 1 metre at 9.85 g/t gold; and

1 metre at 6.54 g/t gold from 97.22 metres

We are now poised to commence work at Dalton, where we have an 11 hole RC drill program approved by the DPI ready to roll.

Market Conditions

The past six months have been extremely volatile. The broader equities market has come under increasing pressure, driven by the ongoing uncertainty and volatility in international markets. There has been a bailout from the juniors as they are seen to be at the higher risk end of the investment spectrum. Investors have become, particularly since July, extremely risk averse. This has contributed to markets significantly devaluing smaller resources companies, indeed by over a third in the space of five months. 2011 is probably unprecedented, even against the GFC, for the level of

uncertainty; translating into immense investor caution. Forecasters presently struggle to accurately pick what will happen next.

Whilst we can't control our share price over the short term, we can as a Board of Directors be cognisant of the changed environment and be aware of the underlying value of the Company's securities when assessing project opportunities.

Access to funding will prove to be the biggest ongoing and escalating challenge for junior resource companies. Constrained conditions are a huge influence on the ability of smaller resources companies to raise capital, and then spend that capital on exploration.

Financial Situation

The Company has adequate resources to meet its exploration strategy and commitments, although further financing will be required later next year simply because any cash challenged junior miner or explorer will be a vulnerable M&A target. Commissioners Gold will need to be prudent in protecting its cash position so as not to dilute shareholder value, even to the point of relinquishing projects with no short to medium term return. Having said that, we do not want to "just survive", but to maintain exploration and project development momentum. After all, it is discovery that ignites an explorer's share price value. We may however have to rearrange our project portfolio and our priorities to build a stronger cash position by being a proactive acquirer of value adding opportunities.

Outlook

At the start of the last major bull market in Australian shares in March 2003 the average trade on the ASX was around a \$40,000 ticket; in the smaller resources area it was about a quarter of this, \$10,000.

As resources shares grew in popularity in early 2005 the average trade in small resources index shares grew to \$15,000.

But as the average trade size in ASX shares fell to about \$11,000 in the wake of the 2008 GFC, trade sizes in smaller resource stocks fell to around \$4,000.

Around this time last year the average trade in such shares was around the \$4,500 mark but over the past 12 months to October 31 the average trade size has been about \$3,500 in such stocks, easing to a meager \$2,875 in the past three months.

So we can certainly expect 2012 to be a tougher equities environment, both domestically and internationally.

Uncertainty generated by the mining and carbon taxes will only exacerbate this situation. Incidentally, apropos the carbon tax, Barrick Gold anticipates that tax will have a \$12US an ounce impact for gold companies.

Nor are we immune from the financial turmoil in Europe. An example is Cobar Consolidated, a small emerging silver producer, forced to fall back on a discounted share issue to make up for a withdrawn bank agreement with a German bank.

We should also anticipate a regulatory tightening of ASX JORC resource reporting requirements.

Notwithstanding all this gloom, Commissioners Gold has a bright future.

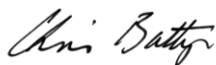
The long term fundamentals for gold remain strong. Gold hit a spot price peak of \$1,921 US an ounce at the time Commissioners listed so \$2,000 US an ounce in 2012 is an easy prediction.

Your Board has a clear idea of the direction we must take your Company to deliver value to you our shareholders. Future growth only comes from the drill bit or from value-adding, both of which can be problematic to predict. Notwithstanding, Commissioners Gold is already delivering steady results on both fronts.

In closing I wish to commend all the consultants to the Company for their commitment and good exploration work already completed. We run a tight management ship to ensure your money is spent on exploring - on punching holes in the ground - and not on administration.

I would like to thank my fellow Directors for their efforts over the past year both in the lead up to listing and post-IPO.

2012 will be a pivotal year for Commissioners Gold and I encourage you to share the excitement of the journey ahead of us. We believe it will be rewarding.



Chris Battye
Executive Chairman