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**COMMISSIONERS GOLD COMMENCES FIRST DRILLING
ON SECOND N.S.W. GOLD PROJECT – DALTON**

The exploration drive to find new gold deposits in NSW's Lachlan Fold Belt has taken another step forward with Commissioners Gold Limited today commencing first drilling of its Dalton project, northeast of Yass.

It is the second project to be drill targeted by Commissioners Gold (ASX: "CGU") since its ASX listing only in September last year. The Company has since embarked on an active exploration and drilling campaign within its mineralised Lachlan Fold footprint stretching to the immediate north, east and south of Canberra.

Located on Exploration Licence EL 6922, the maiden 11-hole Reverse Circulation drilling program at the wholly-owned 115 km² Dalton holding, will test arsenic anomalies outlined by previous XRF soil testing in November 2010, as well as at least three main groups of historic and near-surface high grade gold workings in the area.

Commissioners Gold's Executive Chairman, Mr Chris Battye, said the drill objective was to intersect narrow shear-hosted gold lens and to test the continuity of the shear planes within the Dalton region, using angled drilling to a depth of 150 metres.

"Currently, all of the proposed Dalton drill sites have been located and prepared for drilling, with existing tracks rehabilitated, new tracks cut to allow better access, access agreements signed with local landholders and government environmental approvals secured," Mr Battye said

"We very much see Dalton, with its near surface gold in identified structures, as prospective for rapid development of a small-scale, open-cut gold mining operation."

The new drilling program at Dalton follows Commissioners Gold's highly successful first drilling foray – on its earn-in Cowarra project, a former BHP mine just south of Canberra with an existing JORC Inferred resource of 37,000 ounces of gold contained within 500,000 tonnes grading on average, 2.3 g/t Au.

The four diamond hole, 982 metre Cowarra program, under Commissioners Gold's management, had confirmed by December last year, a continuation of high grade gold structures at depth and beneath the former Cowarra mine workings.

Drilling results with assays of up to 11.9 grams per tonne gold were recorded in high grade zones of the mineralised zones across Cowarra's Victoria, Independent and Ambassador lodes.

The Company has earned a 50% Stage 1 interest in Cowarra from joint venture partner, Capital Mining (ASAX: "CMY"), having expended \$500,000 there on exploration.

It can earn a further 35%, for a total 85% stake by a further exploration spend of \$350,000.

Mr Battye said Commissioners Gold' faith in Cowarra is justified by the old mine's production of 80,000 ounces of gold from 200,000 tonnes of ore over the 19th century – much of it at average grades of around 12.4 g/t Au.

The Company also plans this year to progress its other less advanced Lachlan Fold gold projects, Muttama north of Gundagai; Oberon just west of Katoomba; and Mongarlowe-Corang between Braidwood and Nerriga.

K R Taylor
Company Secretary