



QUARTERLY ACTIVITIES REPORT Q1 JULY – SEPTEMBER 2013

COMMISSIONERS
GOLD LIMITED
ASX: CGU

HIGHLIGHTS

- Peru gold plant continues commissioning toward production readiness
- Peru tailings field completed

SUMMARY

Commissioners has been focussed on its part-owned gold operations in Peru during the Quarter. With the Mollehuaca Plant very near to production readiness, mining operations at nearby Eladium are preparing to commence.

ASX AND MEDIA RELEASE

COMMISSIONERS GOLD LIMITED (ASX: CGU)

Goldsmith Resources SAC

Commissioners Gold 25%

The Mollehuaca gold treatment plant, located in southern Peru, remains on track to production readiness in coming weeks.

The construction of the plant's new tailings field has been completed in recent days. The field has been designed to provide capacity for the initial 9 months of carbon-in-leach (CIL) operation. An ongoing program of tailings expansion and capacity building is in preparation, and will be implemented in stages to ensure steady state production capacity over the coming years.

The secondary ball mill has finally been installed, and is awaiting electrical connections and function testing.

Contracts to provide a toll treatment service to nearby mining operations are in late stage negotiation, and are expected to provide additional ore feed to the plant whilst sustainable primary ore tonnages are produced from the high grade (up to 454 g/t Au) satellite Eladium gold mine. Eladium is one of three sources targeted for plant feedstock, including the satellite projects of Saulito and Santa Rosa (historic gold tailings).



Figure 1: CIL and flotation circuits at the Mollehuaca Plant



Figure 2: Construction of the initial tailings field, plant located in top right, and lining of the tailings dam (right).



Capital Raising

Convertible Notes

During the quarter, the Company raised \$50,000 by issuing Convertible Notes. Each \$25,000 note has a maturity date at 10 June 2015 and will attract an interest rate of 8% per annum. Subject to shareholder approval, Notes can be convertible to CGU ordinary shares at \$0.025 per share.

Ongoing Funding

The Company intends to complete a capital raising during the December quarter.

Funds raised under the proposed issue will be used by the Company to fund its 25% interest in Goldsmith Resources SAC, the operator of the Mollehuaca Gold Plant in Peru (the plant is currently in the commissioning stage), for gold exploration and metallurgical work at Cowarra (NSW), and for working capital purposes.

Appendix 5B

Mining Exploration Entity Quarterly Report

Name of entity

COMMISSIONERS GOLD LIMITED

ABN

79 115 845 942

Quarter ended ("current quarter")

30-September-2013

Consolidated statement of cash flows

Cash flows related to operating activities

	Sep quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(62)	(62)
(b) development	-	-
(c) production	-	-
(d) administration	(54)	(54)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	(3)	(3)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(119)	(119)

Cash flows related to investing activities

1.8 Payment for purchase of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other non current assets	-	-
1.9 Proceeds from sale of:	-	-
(a) prospects	-	-
(b) equity investments	-	-
(c) other non current assets	-	-
1.10 Loans to Goldsmith Resources SAC	(47)	(47)
1.11 Loans repaid by other entities	-	-
1.12 Other - investment realignment amount received	38	38
Net investing cash flows	(9)	(9)
1.13 Total operating and investing cash flows (carried forward)	(128)	(128)

Appendix 5B

Mining Exploration Entity Quarterly Report

	Sep quarter \$A'000	Year to date (3 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(128)	(128)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	94	94
1.17 Repayment of borrowings	(6)	(6)
1.18 Dividends paid	-	-
1.19 Other - Share Issue Costs	(1)	(1)
Net financing cash flows	87	87
Net increase (decrease) in cash held	(41)	(41)
1.20 Cash at beginning of quarter/year	51	51
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter/year (*Note below)	10	10

Note: The Board of Directors anticipates a fund raising in the quarter ended 31 December 2013 to raise additional funds to advance its projects.

Payments to directors of the entity and associates of the directors	Current quarter \$A'000
Payments to related entities of the entity and associates of the related entities	
1.23 Aggregate amount of payments to the parties included in item 1.2	-
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cashflows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Appendix 5B

Mining Exploration Entity Quarterly Report

Financing facilities available

Add notes as necessary for an understanding of the position.

- 3.1 Loan facilities - Convertible Notes
- 3.2 Credit standby arrangements

Amount available \$A'000	Amount used \$A'000
Nil	Nil
Nil	Nil

Estimated cash outflows for next quarter

- 4.1 Exploration and evaluation (including via Goldsmith Resources SAC in Peru)
- 4.2 Development
- 4.3 Production
- 4.4 Administration

\$A'000
150
-
-
30
Total
180

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

- 5.1 Cash on hand and at bank
- 5.2 Deposits at call
- 5.3 Bank overdraft
- 5.4 Other - Bills and Bank Term Deposits

Current quarter \$A'000	Previous quarter \$A'000
10	51
-	-
-	-
-	-
Total: cash at end of quarter (item 1.22)	51

Changes in interests in mining tenements

- 6.1 Interests in mining tenements relinquished reduced or lapsed
- 6.2 Interests in mining tenements acquired or increased

Tenement reference	Nature of interest ((note (2))	Interest at beginning of quarter	Interest at end of quarter

Appendix 5B

Mining Exploration Entity Quarterly Report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy backs, redemptions				
7.3 Ordinary securities	52,466,913	52,466,913	Fully Paid	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Released from escrow (c) Decreases through returns of capital, buy backs	6,312,392	6,312,392	Fully Paid	Fully Paid
7.5 Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	750,000 500,000 750,000 500,000	- - - -	Exercise Price 25 cents 18 cents 30 cents 7 cents	Expiry Date 31-Dec-13 31-Dec-14 31-Dec-15 31-Dec-16
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.12 Unsecured notes (totals only)				



Appendix 5B

Mining Exploration Entity Quarterly Report

Compliance Statement

1. This statement has been prepared under accounting policies that comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX (see note 4).
2. This statement gives a true and fair view of the matters disclosed.



Chris Battye – Executive Chairman

31 October 2013

Date

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a JV agreement, and there are conditions precedent that will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
3. **Issued and quoted securities** - The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
4. The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
5. **Accounting Standards** - ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.